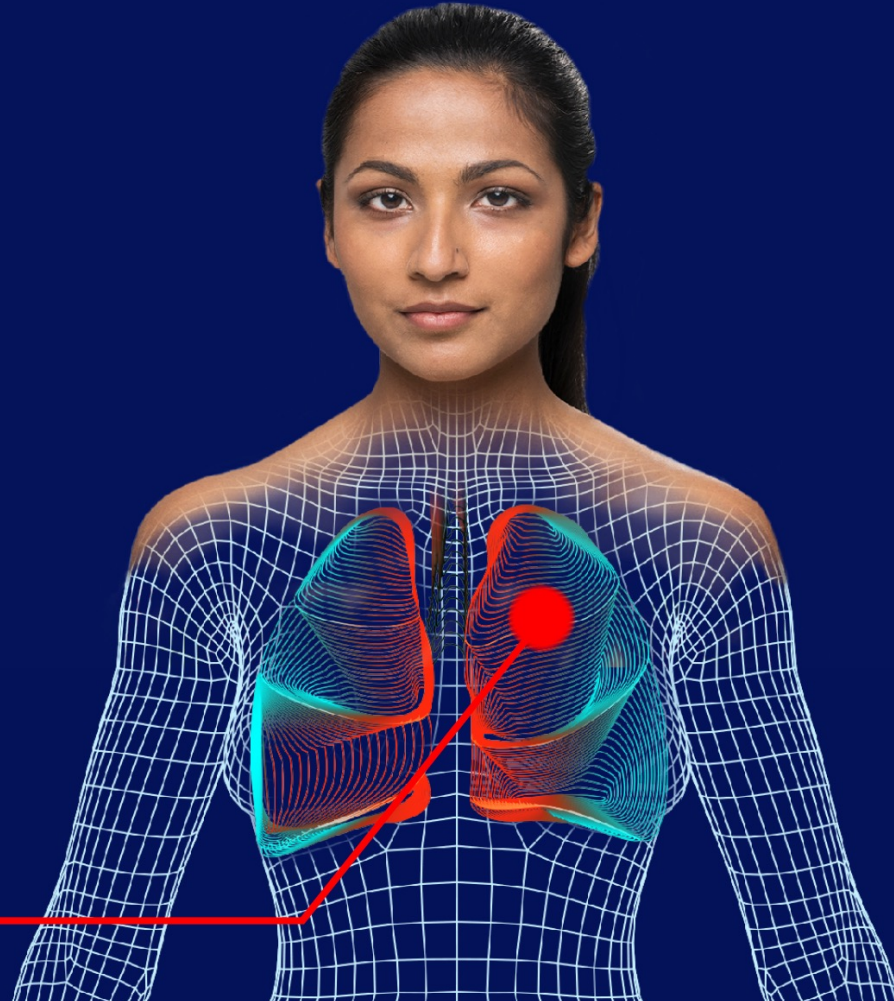


Welcome to the 1Q22 Webinar

modulight



Today's agenda

- ❑ 1Q22 in brief
- ❑ Project pipeline development
- ❑ Progress with investments
- ❑ Q&A



Memorial Sloan Kettering, New York (Feb-22)

Good progress with pipeline, revenue and profitability lower

❑ **Good development continued with project pipeline**

- ❖ Modulight initiated two new projects (one from top-5 pharma & public company), good progress in existing portfolio
- ❖ Successful recruiting of new employees continues, especially for analytics and software engineering
- ❖ Expanded scope of investment program progressing according to schedule, on budget
- ❖ On-site FDA audits in April as scheduled
- ❖ USD 3.9 million purchase order after period-end, in April

❑ **COVID-19 continued to impact especially therapy-related project schedules**

- ❖ After the emergence of the omicron variant, COVID-19 related restrictions on on-site visits have become increasingly unpredictable.

❑ **Revenue and profitability lower than during the comparison period**

- ❖ Profitability reflected the lower level of sales as well as Modulight's primarily fixed cost base that increases as planned
- ❖ In addition to business and cost related drivers, first quarter's revenue and profitability were also affected by the Board's earlier (March 15, 2022) decision to write-off certain receivables for 2021

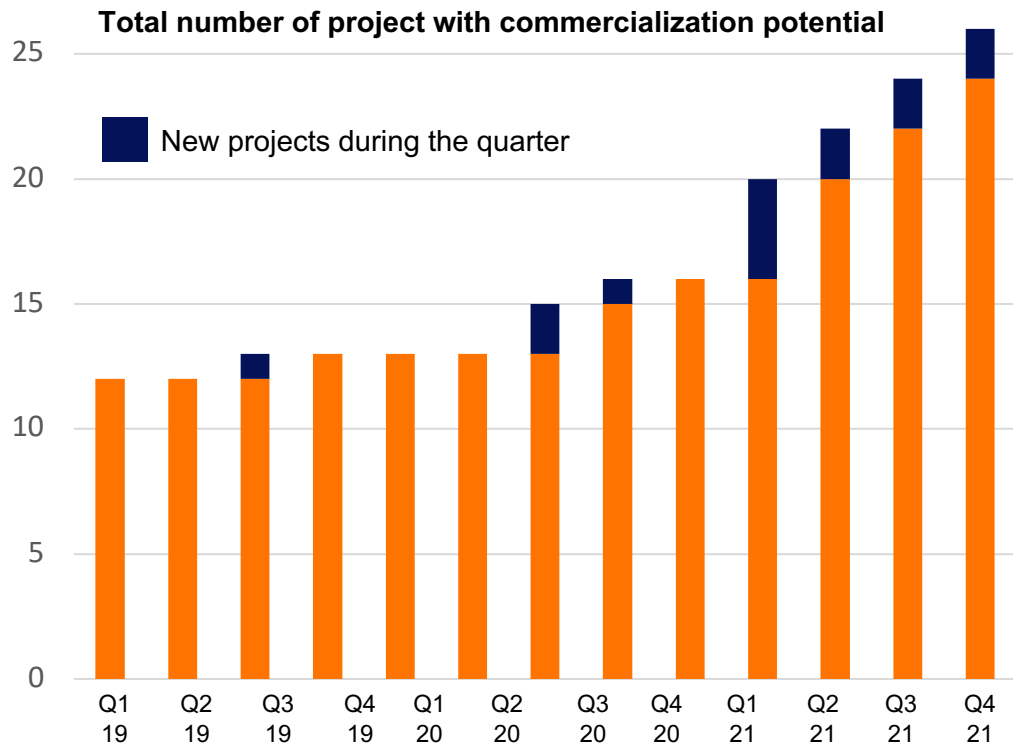
❑ **Before targeted extensive 2023 commercial roll-outs, volatility expected to remain significant**

❑ **Rapidly widening R&D portfolio helps mitigates risks**

Key figures

| Key Figures ¹⁾ (thousand euro, unless stated otherwise) | 1-3/2022 | 1-3/2021 | Change | 1-12/2021 ²⁾ |
|--|----------------|----------|------------|-------------------------|
| Revenue | 1,601 | 2,204 | -27.4 % | 9,071 |
| EBITDA | -418 | 1,379 | -130.3 % | 461 |
| EBITDA-% | -26.1 % | 62.6 % | -77.0 % | 5.1 % |
| Operating result (EBIT) | -869 | 1,128 | -177.0 % | - 753 |
| Operating result (EBIT), % of revenue | -54.3 % | 51.2 % | -93.8 % | -8.3 % |
| Earnings from the period | -1,224 | 877 | -239.6 % | -5,061 |
| Earnings per share (EUR) | -0.03 | 0.03 | -200.7 % | -0.15 |
| Acquisition & scrapping of fixed and intangible assets | -3,628 | -815 | 345.3 % | 9,617 |
| Free cashflow from operating activities | -4,046 | 564 | -817.1 % | -9,156 |
| Cash & cash equivalents (at the end of the period) | 58,185 | 1,615 | 3,502.0 % | 62,978 |
| Net debt | -48,968 | 4,749 | -1,131.2 % | -53,415 |
| Gearing ratio | -65.4 % | 44.7 % | -109.9 % | -70.1 % |
| Equity ratio | 86.6 % | 50.0 % | 36.7 % | 87.0 % |
| Staff at the end of the period (FTE) | 55 | 44 | 25.0% | 52 |

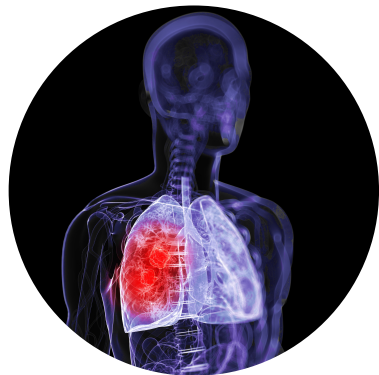
Project portfolio continues to expand



In 1Q22 we initiated two new projects with significant customers (top-5 pharma & another public company)

- ❑ Wins highlight the recognition of Modulight's expertise and the broadening potential and diverse usability of the company's technology platforms
- ❑ Both support Modulight's sales by providing new tier-1 customer references
- ❑ A rapidly widening R&D portfolio mitigates the inherent risks with bioscience projects and increases our long-term commercial potential
- ❑ Our first Fortune 500 quantum computing customer (not included to project pipeline)

New projects started in 1Q22



Customer: One of the world's five largest pharmaceutical companies

Indication: Using clinical laser for developing a new treatment modality to treat lung cancer

The utilized ML7710 laser platform can be flexibly used for a variety of medical purposes, including other customized and high value-added products.



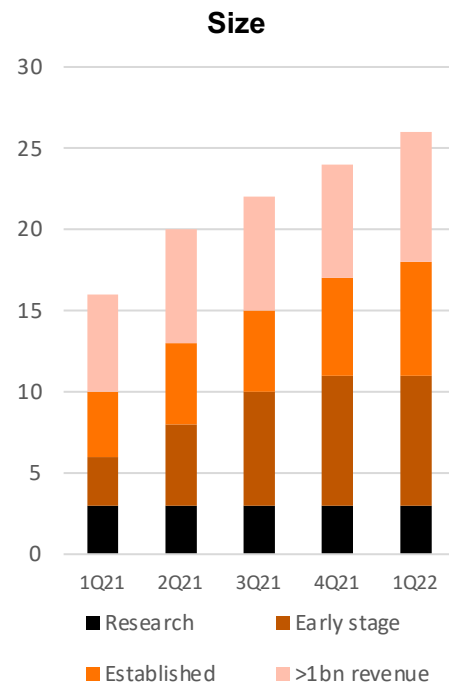
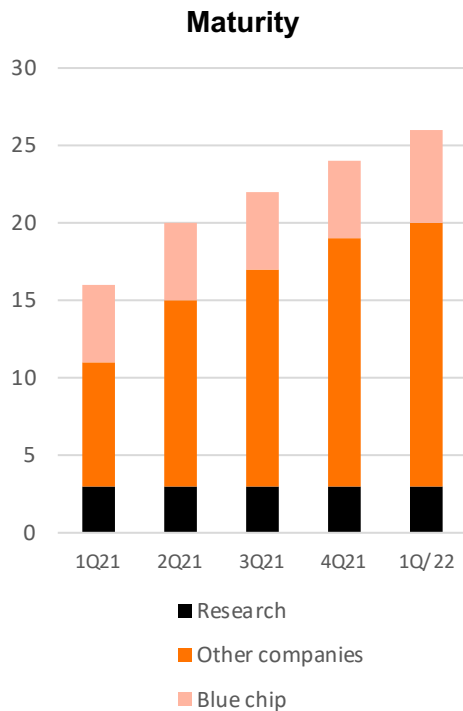
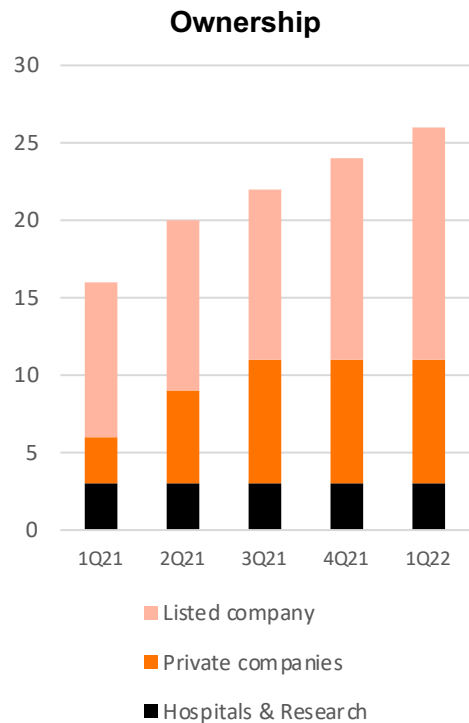
Customer: established US public company

Indication: New dermatology therapy

Modulight lasers used in new high-end dermatology application by major company in the domain. Based on initial understanding shorter than typical approval path

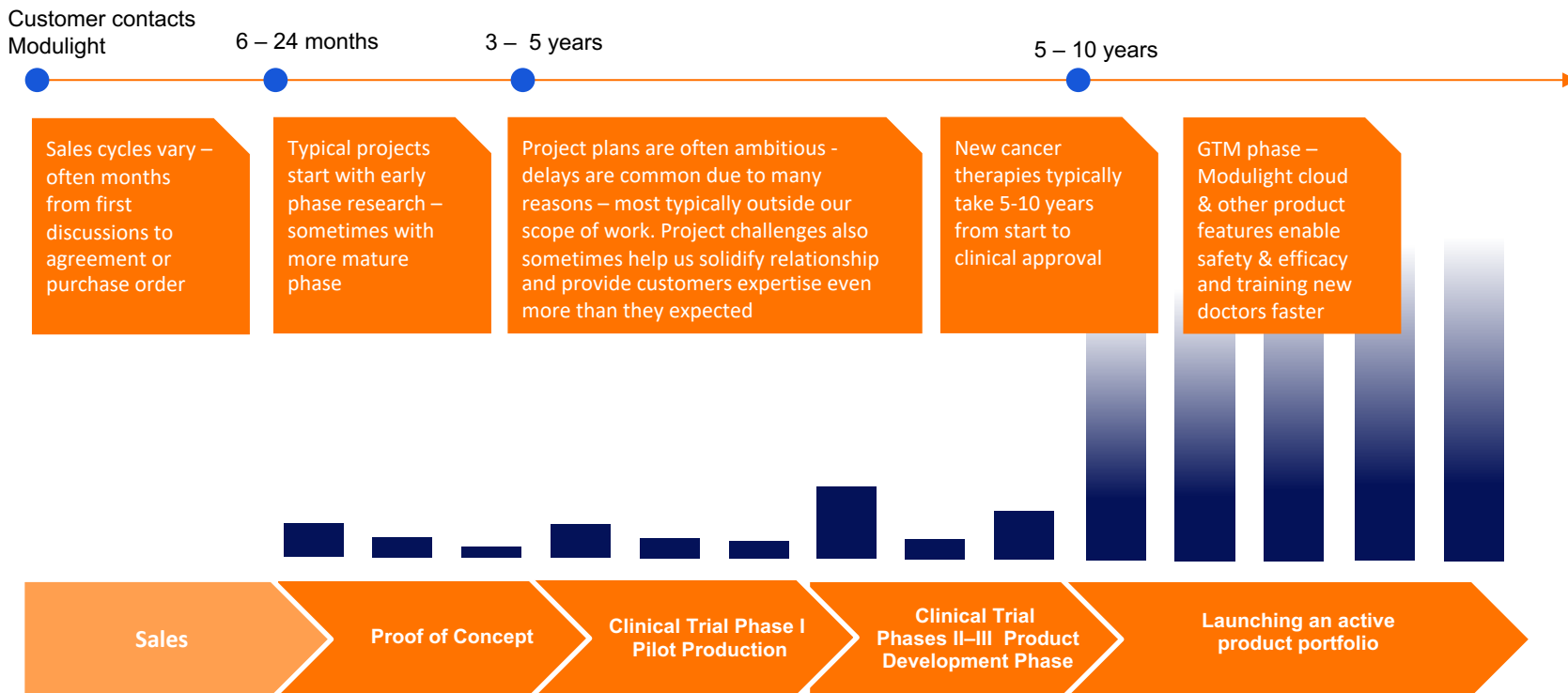
“Both wins highlight the recognition of Modulight’s expertise and the broadening potential and diverse usability of the company’s technology platforms, as well as further support the company’s sales by providing new tier-1 customer references.”

Modulight's customer base – pipeline projects



A typical project

CASE EXAMPLE: Generic Modulight customer project flow



Scheduled FDA on-site audit begun in April

CASE EXAMPLE

Treating age-related eye diseases

- Modulight is developing a photodynamic laser therapy (PDT) solution in collaboration with a **major pharmaceutical company listed on the New York Stock Exchange (NYSE)**.
- PDT combines laser light and a photoactivating drug.
- It is done to treat age-related macular degeneration (AMD), which is impacting a growing number of people and can lead to loss of vision.

Next steps:

- Response to FDA findings per normal process
- Remaining CE mark audits

“After period-end in April, the FDA officials made their first audit related visits to the company headquarters in Tampere.”

“Audits related to CE mark have also been started earlier”



Progress with clinical trial phase projects



CASE EXAMPLE

Brain diagnostics

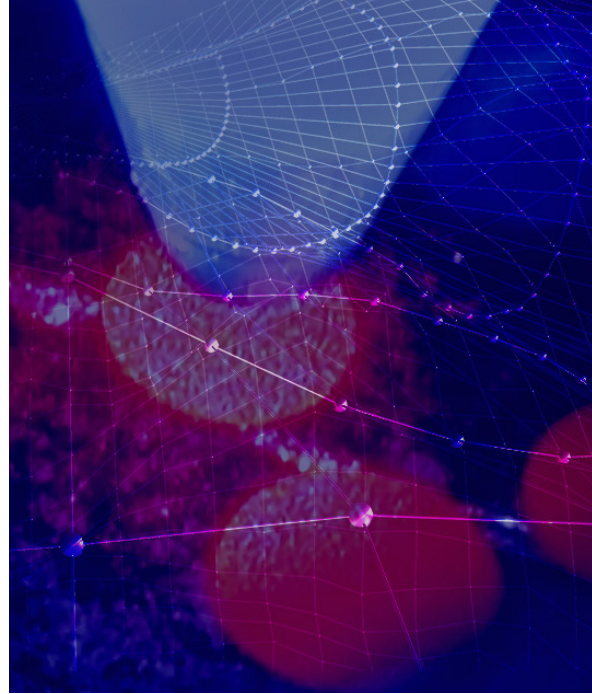
- Modulight has delivered last year prototypes of lasers to customer working with brain diagnostics. These prototypes are same as products delivered earlier to existing genomics customers;
- Customer has worked with Modulight to improve their own products performance & usability and decided to place purchase order for advanced version
- As customer has desire to accelerate their next phase of trials they have placed a purchase order worth \$3.9 million

Next step:

- Modulight delivers lasers during 3Q22 through 2Q23 to the customers next phase of development in their commercialization path

“A good example of Modulight’s deep co-operation with its customers in their product development projects.”

Progress with clinical trial phase projects (cont')



CASE EXAMPLE

Bladder cancer

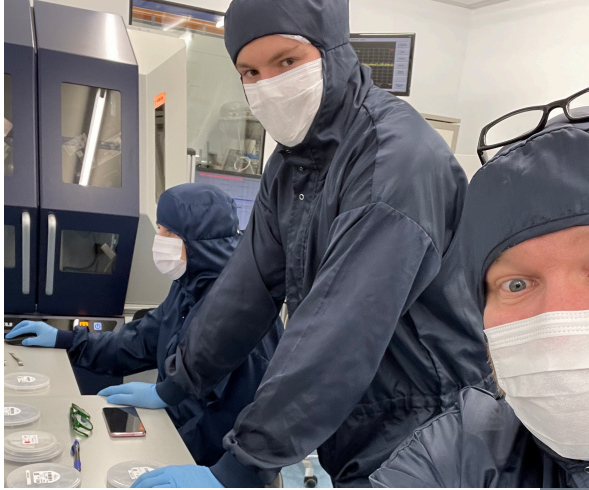
- Last year Modulight landed a contract with a long-time existing customer to develop solution for bladder cancer including cystoscope adapter for our platform device 7710. Several years ago customer started to work with us on eye cancer and continues that work.
- During Q1 Modulight completed the lasers (based on existing cloud connected platform used in many other indications including brain cancer) needed in that study's Phase1 step and planning installation & training with customer to North America

Next step:

- Modulight supports customer with onsite services and other matters related to study start up

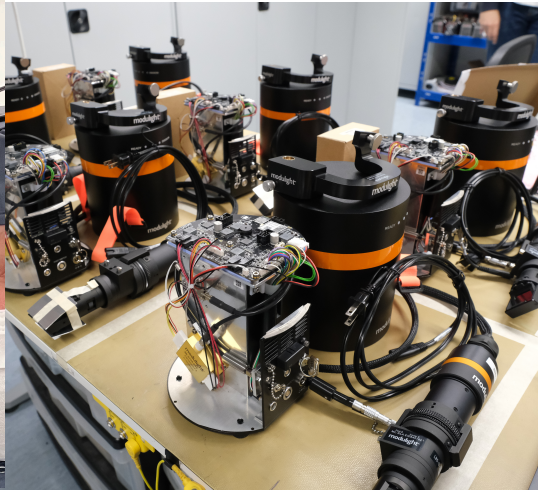
“We have successfully continued our efforts to offer to provide new treatments for e.g. glioblastoma, eye melanoma, lung cancer, and bladder cancer.”

Growth strategy implementation accelerated



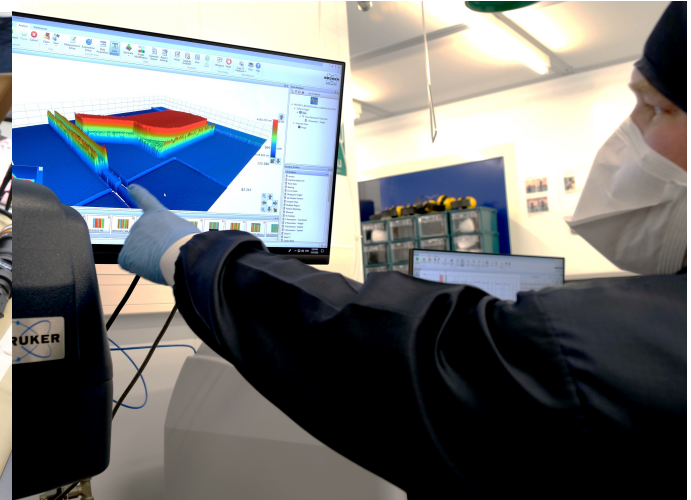
Successful recruitment

Especially for analytics and software engineering



Capacity expansion

On track and on-budget



Capability expansion

On track, budget & wider scope

Business objectives and dividend policy

Long Term Objectives

Business Objective:

Proceed to large-scale commercial deployment¹ with company's three customers by the end of 2023

Financial Objectives:

Maintain strong revenue growth

Maintain strong profitability

Dividend Policy

In the coming years, Modulight will focus on financing the growth and business development. The company will adhere to this very stringent dividend policy, tied to the Company's results and financial standing. The Company expects to distribute no dividends or distributes them to a very limited extent in the near to mid-term.

1) Most of Modulight's current turnover comes from products under development and the Company determines that extensive commercial deployment has taken place when the company's turnover for the product / customer in question exceeds EUR 10 million.

Outlook

Modulight has not issued a guidance for revenue or profitability in 2022.

As the company's customer projects are still distributed across different, varying early stages of development and predicting developments in the market remains challenging, it is difficult to forecast performance in 2022.

Greetings from the Q1 exhibits



Thank you! Questions?

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