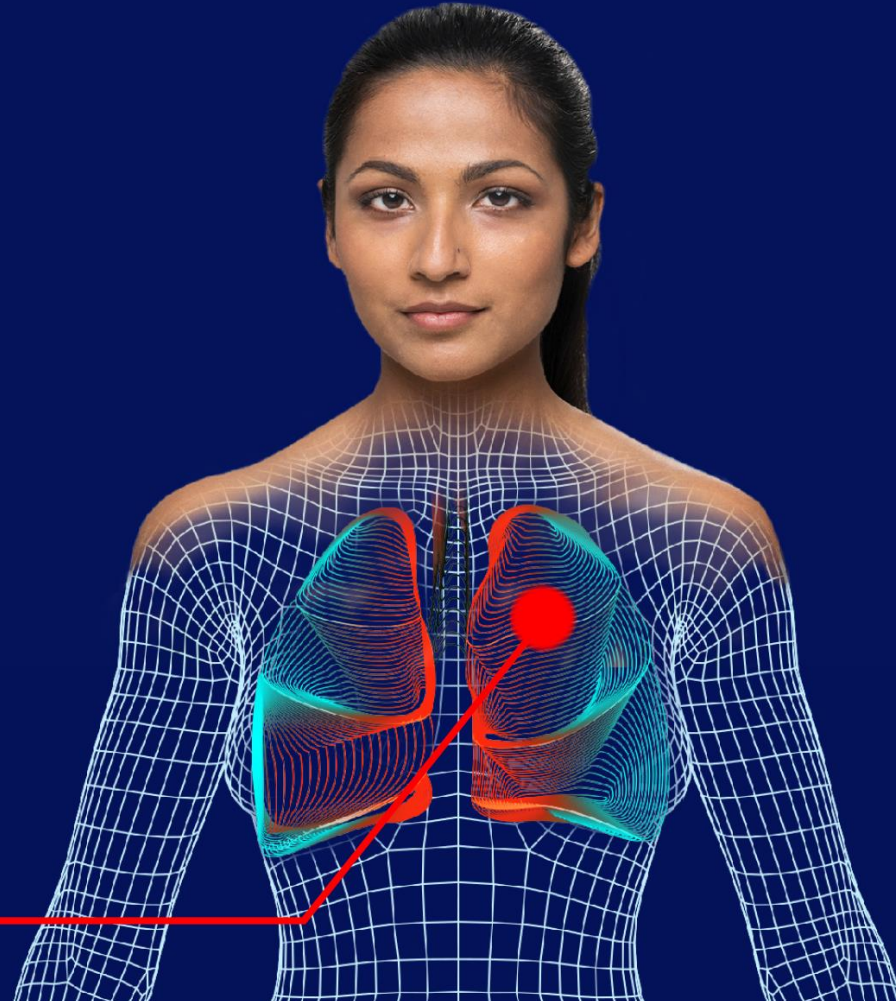


Welcome to the 2Q22 Webinar

modulight



Today's agenda

- ❑ 2Q22 key messages
- ❑ Financials
- ❑ Operating environment
- ❑ Progress highlights
- ❑ Project pipeline
- ❑ Strategy update
- ❑ Q&A



Memorial Sloan Kettering, New York (Jul-22)

Continued uncertainty in operating environment: Go-to-market strategy to be reviewed

- ❑ **Continued the execution** of the growth strategy and investments in production capacity.
- ❑ **Good progress with some projects**, total number of projects 26 (1Q22: 26). A major new order announced in April (USD 3.9 million), several smaller ones during the quarter
- ❑ **Financial performance disappointing**, as COVID-19 related restrictions and shortages in component availability continued to impact projects more than expected.
- ❑ **Capital markets impacted** by Russia's war on Ukraine, which has affected some customers' capital expenditure and the availability of financing for some of the early-stage companies.
- ❑ **Strategy to be reviewed**, and the updated strategy announced later this year. Do not see need to adjust our unique product and market view unchanged. Go-to-market clearly to be updated based on changed operating environment.

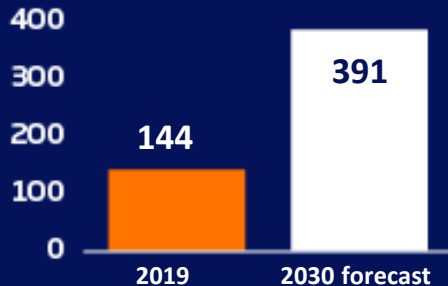
Key figures

Key Figures ¹⁾ (thousand euro, unless stated otherwise)	1-6/2022	1-6/2021	4-6/2022	4-6/2021	1-12/2021 ²⁾
Revenue	2,100	4,560	498	2,355	9,071
EBITDA	-2,594	3,158	-2,176	1,784	461
EBITDA-%	-123.5 %	69.2 %	-436.8 %	75.7 %	5.1 %
Operating result (EBIT)	-3,480	2,605	-2,610	1,482	- 753
Operating result (EBIT), % of revenue	-165.7 %	57.1 %	-524.2 %	62.9 %	-8.3 %
Earnings from the period	-4,370	2,022	-3,145	1,150	-5,061
Earnings per share (EUR)	-0.10	0.06	-0.07	0.04	-0.15
Acquisition & scrapping of fixed and intangible assets	-5,164	-1,818	-1,536	-2,374	9,617
Free cashflow from operating activities	-7,758	1,340	-3,711	-590	-9,156
Cash & cash equivalents (at the end of the period)	53,802	2,313	53,802	2,313	62,978
Net debt	-44,917	6,817	-44,917	6,817	-53,415
Gearing ratio	-62.6 %	58.1 %	-62.6 %	58.1 %	-70.1 %
Equity ratio	86.1 %	46.6 %	86.1 %	46.6 %	87.0 %
Staff at the end of the period (FTE)	72	63	72	63	52

Long-term growth drivers in the market

Oncology (cancer diseases)

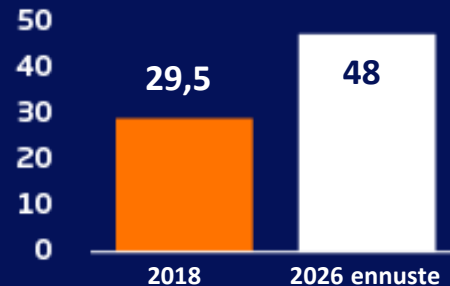
Market size billion. \$¹



Main growth factor: Aging population worldwide

Ophthalmological diseases

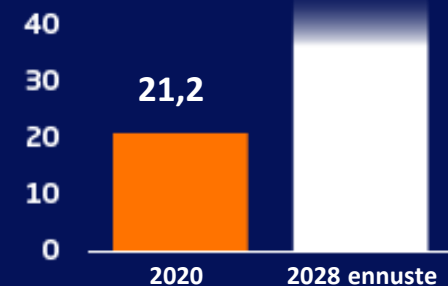
Market size billion \$²



Main growth factor: Continued increase in ophthalmic diseases with an aging population and increasing R&D investment

Genetics and Diagnostics

Market size billion \$³



Main growth factor: The need for personalized drug treatments for cancer⁴

¹Frost & Sullivan, Global Oncology Drug Market, 2021 ²Fortune Business Insights: Global Ophthalmic Disease Therapeutics Market, 2019 ³Grand View Research: Next Generation Sequencing Market Size, Share and Trends Analysis Report, 2021 (Sekvensointimarkkina 4 miljardia dollaria, kasvuennuste 14,4 % yhdistettyä vuotuista kasvuvauhtia vuodet 2020–2028); Endoscopes Market Size, Share and Trends Analysis Report, 2021 (Endoskooppien markkina 10,8 miljardia dollaria vuonna 2020, kasvuennuste 8% yhdistettyä vuotuista kasvuvauhtia vuodet 2021–2028); Flow cytometry Market Size, Share and Trends Analysis Report, 2021 (Virtausytometrian markkina 6,3 miljardia dollaria vuonna 2020, Kasvuennuste keskimäärin 8,9 % vuosittain 2021–2027). ⁴Spear BB, Heath-Chiozzi M, Huff J. Clinical application of pharmacogenetics. Trends Mol Med. 2001 May;7(5):201-4. doi: 10.1016/s1471-4914(01)01986-4. PMID: 11325631; PMC, Personalized Medicine at FDA: The Scope and Significance of Progress in 2020.

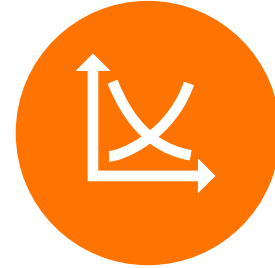
Short-term operation environment



COVID-19 related restrictions related to traveling and on-site visits slow down our customers' research projects and impact sales efforts



Global problems with basic **component availability** which postponed about half of our planned second-quarter deliveries as well as impacted many of our equipment suppliers



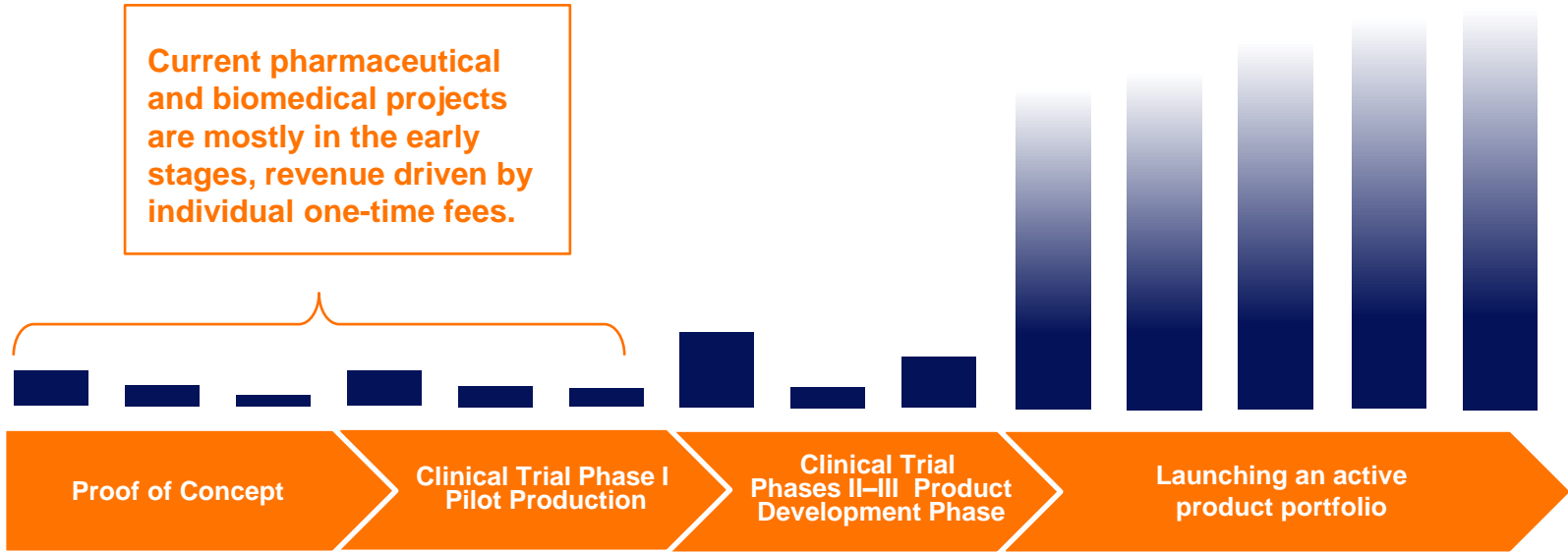
Macroeconomic and geopolitical uncertainty impacts some customers' capital expenditure and availability of financing

Revenue model

Customized R&D projects based on the Best Efforts principle, without revenue risk for Modulight

The objective is revenue, based on the share of pharmaceutical or treatment fees, or the utilization rate of industrial applications.

Current pharmaceutical and biomedical projects are mostly in the early stages, revenue driven by individual one-time fees.



Progress highlights from 2Q22



A major new order (USD 3.9 million) and several smaller ones during the quarter.

Besides this particularly happy about the progress with some blue chip customers



IP portfolio strengthened and three new US patents filed during the second quarter

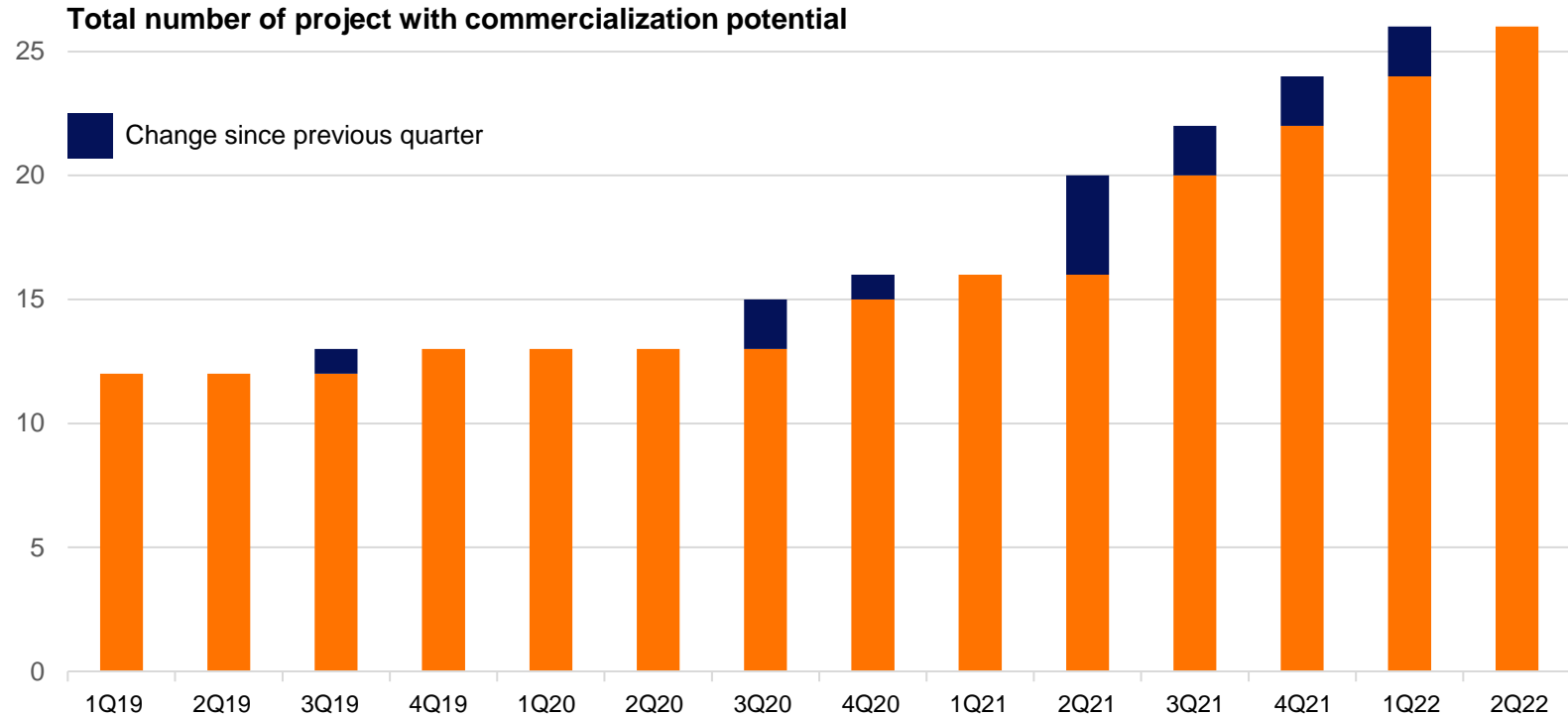


A new analytics team is also working on several new patent applications

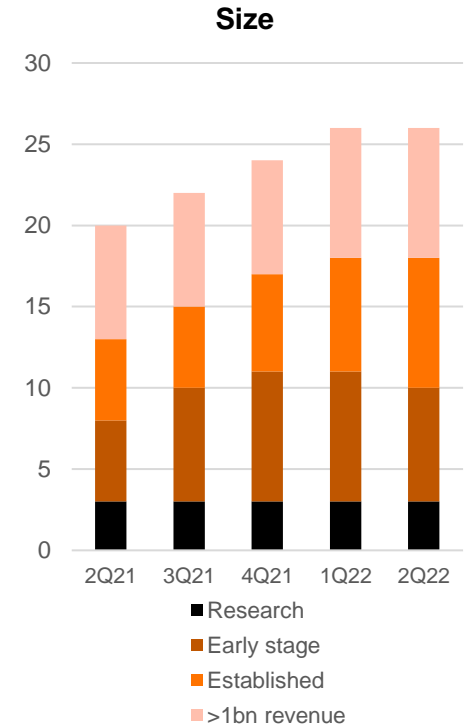
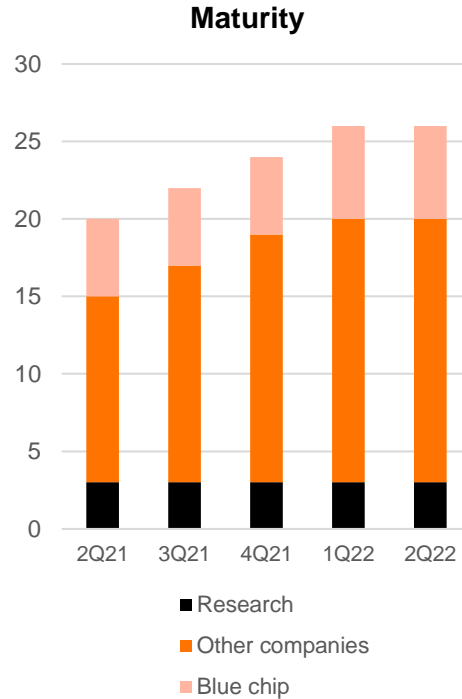
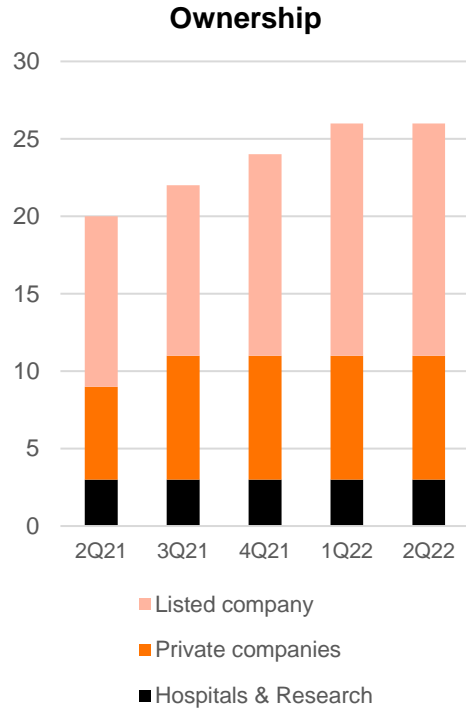


Continued expansion of manufacturing capacity and capabilities, with some delays in machine deliveries

Project portfolio remains solid



Modulight's customer base – pipeline projects



New projects started in 1H22



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



Customer: established company

Indication: Ophthalmology

Our cloud based laser is used in customers new ophthalmic treatment with ramp-up expected in 2024

Updated strategy to be announced later this year

- ❑ **Modulight's unique technology** is the basis for our long-term success.
- ❑ **Significant opportunities** seen in expanding our co-operation with existing blue chip & established company customers and offering our technology to new customers, applications and indications.
- ❑ **Megatrends support the strategy**, the aging population trend and the need for better cancer and eye disease prevention.
- ❑ **Confidence in long term financial targets** of achieving high rate of revenue growth and a high degree of profitability, supported by our strong balance sheet which enables accelerating investments.
- ❑ **Changes in the operating environment** caused by COVID-19, component shortages and geopolitical uncertainty impact our financial performance in the short term. On other hand, our vertical integration strategy and own semiconductor fab are clearly perceived as plus by customers looking for differentiation and supply security.
- ❑ **Strategy to be updated**, especially the go-to-market strategy. The updates will be announced later this year.

Previously communicated strategic key factors

Strategic Key Factors

Increasing production capacity

With an ongoing EUR 23 million investment program, Modulight has decided to increase its capabilities and production capacity, in order to meet the increased demand.

Geographical expansion

Modulight aims to expand its business in key regions in the United States, and in selected markets in Asia, such as in China and in Japan.

Expanding the product range other indications

Modulight plans to expand its product range to include other indications, and plans to expand the use of its medical device platform.

Opportunities for expansion in the field of cloud analytics

Modulight intends to develop its cloud-based analytics services to further improve the therapeutic efficacy and final treatment results provided with the company's equipment.

Continuous investments in software & laser technology

Modulight's strategy is to continue investing in high-power single-laser technology to further improve its position in relation to its competitors.

Outlook updated

New outlook

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

As the company's customer projects are still distributed across varying early stages of development and predicting developments in the market remains challenging, it is difficult to forecast performance in 2022. However, we expect that changes in the operating environment caused by COVID-19 restrictions as well as macroeconomic and geopolitical uncertainty still impact our financial performance in the short term.

Previous outlook (announced on April 28, 2022):

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

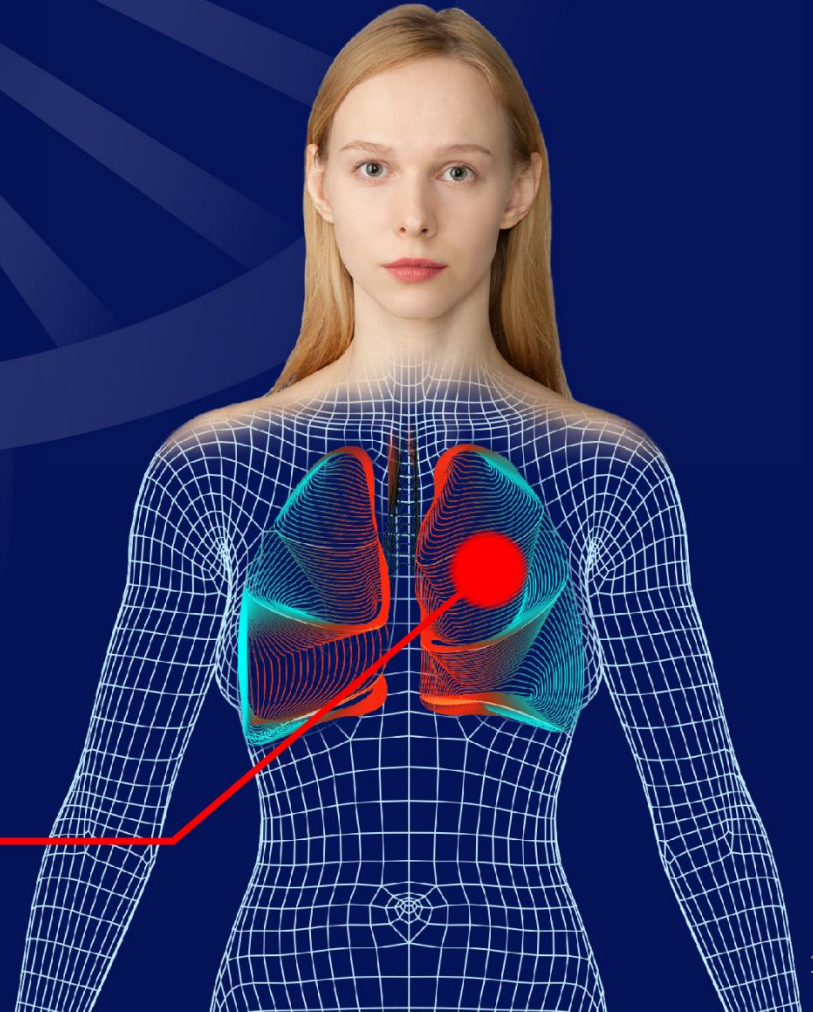
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Thank you! Questions?

LEARN MORE AND FOLLOW US IN TWITTER,
FACEBOOK, YOUTUBE AND INSTAGRAM:



modulight



Strengths

1

—
Over 20 years of experience in medical and laser technology

2

—
Scalability and better therapeutic performance enabled by cloud-based laser platforms.

3

—
A significant clientele consisting of well-known pharmaceutical and technology companies.

4

—
Significant business opportunities offered by the pharmaceutical market, supported by synergistic business opportunities related to industrial applications.

5

—
Strong financial performance.

Previously communicated targets

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.

Modulight in brief

Modulight provides lasers and optics for demanding applications

Medicine- ja Biomedicine

- *Oncology* (cancer diseases) products
- *Ophthalmology products*
- *Genetics* and diagnostics products

Other high-value add applications

- Modulight provides laser solutions for selected synergistic high customer value applications
- Quantum computing
- Communications
- Digital press
- Environmental monitoring & sensing

Services

- Data Analytics and Cloud Services for improved treatment
- Lifecycle support with Recurring Service Plans
- Regulatory Design and Approval Services
- Pay-per-use Services
- On-site or Online Training and Calibration
- Regulatory and Feature Software Updates

44 %

EBITDA, % average
2018-2021

24

Projects with
commercialization
potential

10+

in total more than ten
international pharmaceutical
companies, Fortune 500 listed
companies, cancer research
centers and universities as
clients.

20+

years of experience in
medical applications, the
development and
manufacture of lasers and
optics.

A significant customer base,

consisting of well-known pharmaceutical and technology companies

Medicine and Biomedicine

Modulight's customer base on medical and biomedical industries include well-known hospitals, universities and cancer research centers, multinational pharmaceutical companies, as well as companies focusing on diagnostics and laboratory technology.



Other high-value add applications

Modulight's customer base on other high-value add applications include multinational telecommunications companies and information technology companies, as well as environmental monitoring & sensing and industrial measurement services companies.



A typical project

CASE EXAMPLE: Generic Modulight customer project flow

