



INTELLIGENT
ULTRASOUND®

for smarter scanning

2020 Preliminary Results

Year ended 31 December 2020 (unaudited)

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Summary – key milestones achieved

TWO AI PLATFORM PRODUCTS



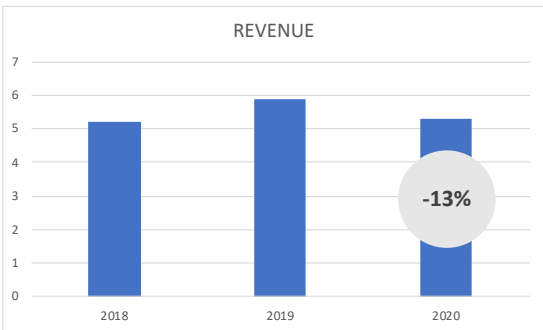
LAUNCHED



CE APPROVED

April 2021

MINIMISED COVID IMPACT ON SALES



SIM REVENUE OF £5.2M

STRENGTHENED BALANCE SHEET

£8.8M

CASH AT BANK
31 Dec 2020

£4.8M PLACING



ULTRASOUND

TRAINING



INTELLIGENT
ULTRASOUND®

“Our vision is to harness the power of the new generation of AI algorithms to make ultrasound simpler to use and easier to learn by providing guidance and support to medical professionals whilst they are scanning”

GUIDING

FOR EVERYONE

SUPPORTING

Ultrasound for everyone

Medical Professionals

Consumer

CLASSROOM

CLINIC

AT HOME



Hi-fidelity simulators



AI-based software

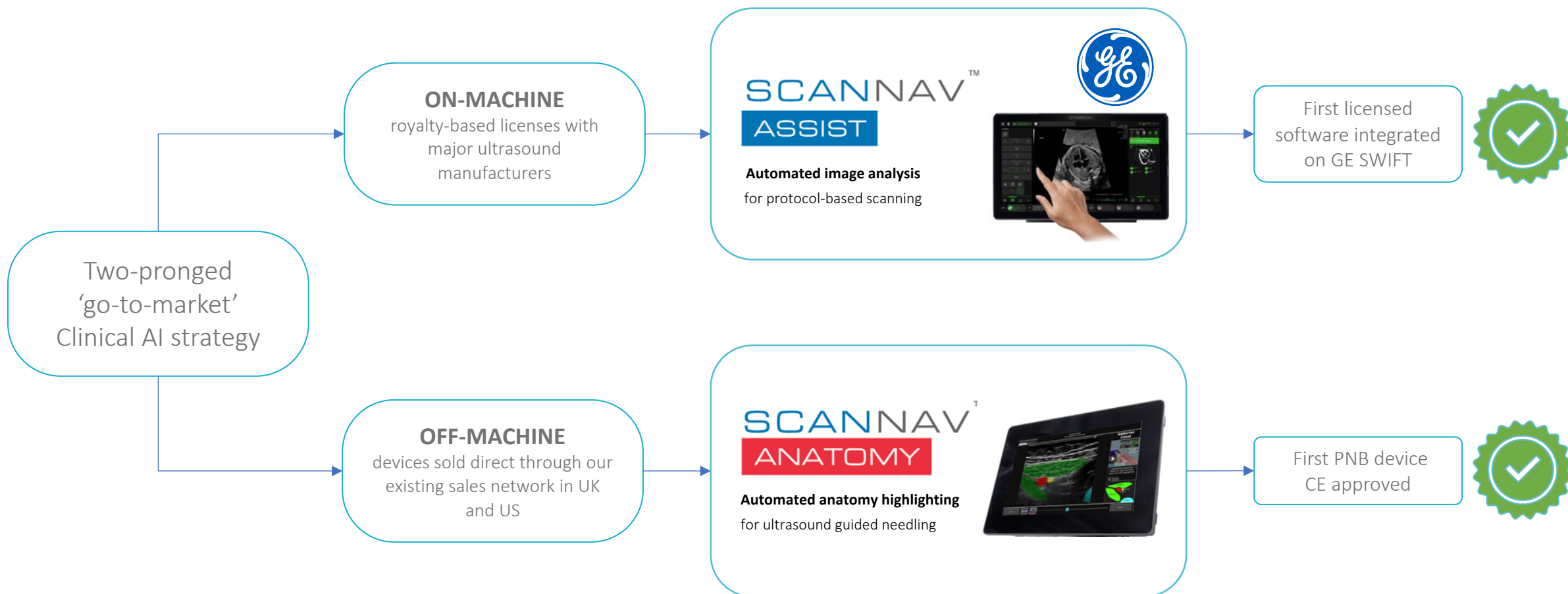


Simulated Image

Current

Future

CLINICAL AI DIVISION



ScanNav Assist

- Launch of SonoLyst (incorporating ScanNav Assist AI technology) in Q4 2020
- Option on GE Healthcare's SWIFT ultrasound machine
 - World's first fully integrated AI tool that recognises the 20 views recommended by the International Society of Ultrasound in Obstetrics and Gynaecology (ISUOG) for **mid-trimester** fetal images
- SWIFT is one of three ultrasound machines sold in the Voluson Women's Health range
- Every SonoLyst option sold by GE Healthcare generates a royalty payment to Intelligent Ultrasound



SonoLystIR

Performs automated detection of the key scanning views and automated selection of the relevant Voluson SonoBiometry measurement tools



SonoLystX

A virtual onboard ultrasound expert that uses AI to compare the acquired image to standardised criteria, to ensure that it meets clinical standards

SonoLyst

I have worked in the field of AI in ultrasound for over ten years, yet I am still amazed at the level of accuracy that has been achieved. You can really see how Intelligent Ultrasound's AI technology, incorporated in the SonoLyst software, will improve efficiency, make the learning of ultrasound easier and reduce omissions and errors. It's a big advance for ultrasound imaging in women's health

Prof Aris Papageorgiou, Professor of Fetal Medicine, St George's Healthcare NHS Trust, London



ScanNav Assist (cont)

- First indicative sales data expected to be available at interims
- 2021 focus on product roll-out and generating compelling key opinion leader study data to build market acceptance
- Enabling sales potential of AI in ultrasound to be realised from 2022 onwards



SonoLyst



ScanNav Anatomy PNB

- Uses the latest AI from Intelligent Ultrasound
 - Automatically highlights the anatomical structures for 9 blocks on the live ultrasound image
- Compatible with general purpose ultrasound machines
 - with HDMI second monitor port
- Complete with block-specific 3D-animated training material
- Meets current Covid 19 cleaning requirements
 - Can be cleaned with medical grade disinfectants
- CE approved and in FDA regulatory process*

In a validation study, regional anaesthesia experts judged the AI-driven colour highlighting to be helpful:

- for identifying anatomical structures in 1,330/1,334 cases (99.7%)
- for confirming the correct ultrasound view in 273/275 ultrasound scans (99.3%)

Bowness J, El-Boghdady K, Burckett-St Laurent D. **Artificial intelligence for image interpretation in ultrasound-guided regional anaesthesia.** Anaesthesia. 2020 Jul 29. doi: 10.1111/anae.15212. Epub ahead of print. PMID: 32726498.
Turbitt LR, Mariano ER, El-Boghdady K. **Future directions in regional anaesthesia: not just for the cognoscenti.** Anaesthesia. 2020 Mar;75(3):293-297. doi: 10.1111/anae.14768. Epub 2019 Jul 3. PMID: 31268173.



SCANNNAV™
ANATOMY Peripheral Nerve Block



ScanNav Anatomy PNB (cont)

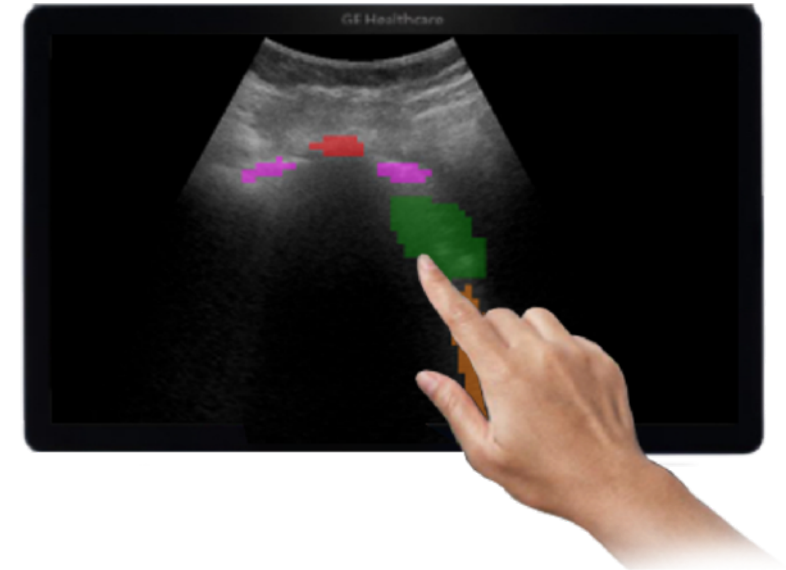
- 2021 focus on UK product roll-out on and generating the compelling key opinion leader study data to build acceptance
- 2022 anticipated roll-out extended to EU and USA (following FDA approval*)
- Enabling sales potential of Anatomy PNB to be realised from 2022 onwards



SCANNNAV™
ANATOMY Peripheral Nerve Block

Products in development

- ScanNav Detect aims to facilitate the automatic recognition of abnormalities within a general medical ultrasound scan
- Confirming that a clinician has correctly scanned the anatomical area of interest
- Then flagging any areas of potential abnormality, so the patient can be triaged to a specialist
- Products in development include:
 - Lung/Covid19 – good model progress in year
 - Liver – POC completed, and image partner agreed



SCANNNAV[™]
DETECT

Future products

- ScanNav HealthCheck aims to develop the current ScanNav technology to enable consumers to perform ultrasound scans on themselves
- In the long term, as the price of the hardware comes down and the performance of our AI enabled software advances, we aim to provide enabling software for mass market AI-based ultrasound machines for home use, for the health-conscious consumer

SCANNNAV®
HEALTHCHECK



Simulated Image

Ultrasound market volume estimates

SCANNNAVTM

ASSIST

Automated image analysis
for protocol-based scanning



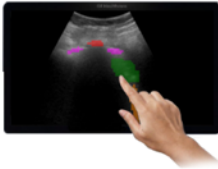
ANATOMY

Automated anatomy highlighting
for ultrasound guided needling



DETECT

Automated pathology highlighting
for ultrasound scanning



HEALTHCHECK

Automated health check assessments
Automated health check assessment
for the worried well at home



Directors estimate of total ultrasound machines in market

Women's Health ultrasound machines pa

30,000 (global)

Anesthesiology ultrasound machine pa

c. 6,000 (UK + USA)

Retrofit pool

c. 30,000 (UK + USA)

Emergency medicine, Critical Care and Radiology machine pa

c. 20,000 (UK + USA)

Retrofit pool

c. 100,000 (UK + USA)

300m worried well

Clinical AI summary

SCANNNAVTM

ASSIST

Automated image analysis
for protocol-based scanning



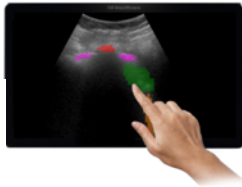
ANATOMY

Automated anatomy highlighting
for ultrasound guided needling



DETECT

Automated pathology highlighting
for ultrasound scanning



HEALTHCHECK

Automated health check assessments

Automated health check assessment
for the worried well at home



2020

2021

2022+

SonoLyst IR and SonoLyst X global launched on GE SWIFT

Development of additional products and variants

PNB in development

Launch PNB in UK and EU

Launch PNB outside UK and EU*

*subject to FDA approval

Prostate in development

Lung in development

Liver in development

Early-stage proof of concept

SIMULATION DIVISION

- Three product platforms in 2020
- Expanding range throughout 2021
- Includes first AI enabled training simulator launched in March 2021

 BODYWORKS | Eve



PoCUS and Emergency

Covid19 case studies

 SCANTRAINER®



OBGYN

Upgrade in 2020

 HEARTWORKS®



Echo and Anaesthesia

New AR tablet

 SCANNAV™
ANATOMY Peripheral Nerve Block
TRAINER

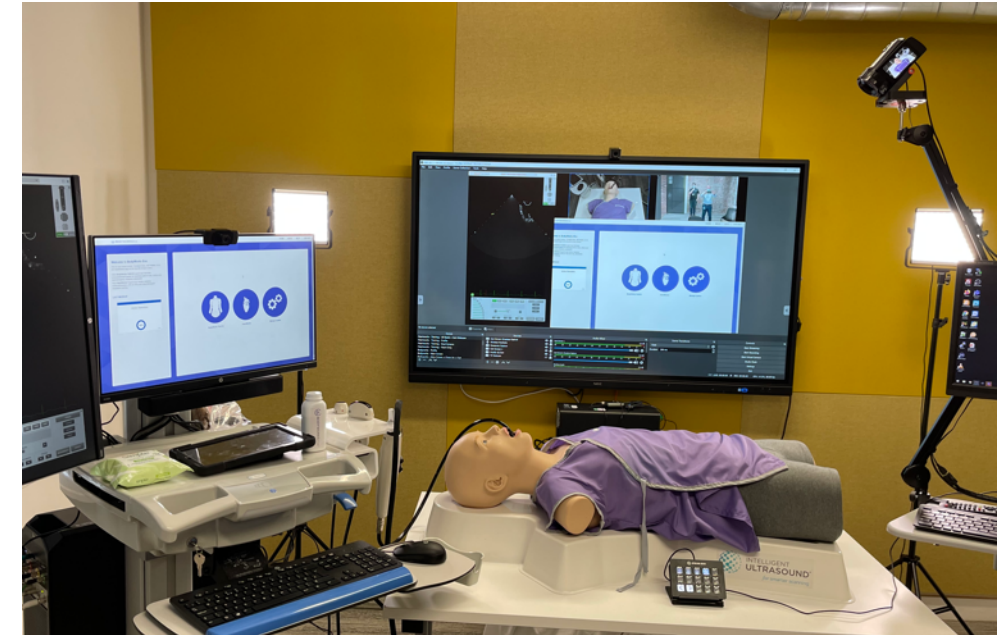


PNB

First AI sim March 2021

Simulation division – minimising Covid19 impact

- Global sales declined by 13% to £5.2m (2019: £5.9m)
- Detailed breakdown in financial section
- Investment in new methods of selling to hospitals
- New web demonstration rooms in Cardiff and Atlanta
 - [Helping mitigate loss of face-to-face sales meetings](#)
- Early 2021 sales are encouraging



GROUP: operational improvements

● Head office move to Hodge House in Cardiff in September 2020

- Increased R&D space to 3,000 sq ft
- Increased office space to 4,500 sq ft
- Dedicated web demonstration room for all simulation and clinical products
- Dedicated in-house clinical scanning area
- Enabling continued operations throughout pandemic



● Warehouse move to Caerphilly in July 2020

- Increased warehouse and tech support space to 5,000 sq ft
- Enabling all future simulation and clinical build and shipping to be handled on one site



GROUP: Board

- Comprehensive meetings with shareholders throughout the year, including independent review
- By end of 2022 goal is to:
 - Reduce the size of the board to seven directors, with a majority of Independent non-executives
 - Increase board diversity and the relevant experience of the Directors in the ultrasound equipment market and in the evolving AI sector
- We expect 2021 will be a year of transition:
 - With new NEDs who are appointed overlapping with current Directors

“Our goal is to build a sustainable and viable, long-term business that will enable ultrasound for everyone”

 ESG Working Group established in April 2021 with the following remit:

- Hold regular ESG working group meetings in 2021 with CEO Stuart Gall as the accountable executive
- Develop an ESG policy that reflects our goal to build a sustainable and viable, long-term business that will enable ultrasound for everyone
- Develop and implement an environmental training/awareness programme for all employees
- Reduce the Group’s carbon emissions through initiatives such as
 - *minimising travel, paper use, printing and offsetting the Group’s 2021 carbon emissions*
- Develop an ESG dashboard that is reviewed annually and reported to stakeholders



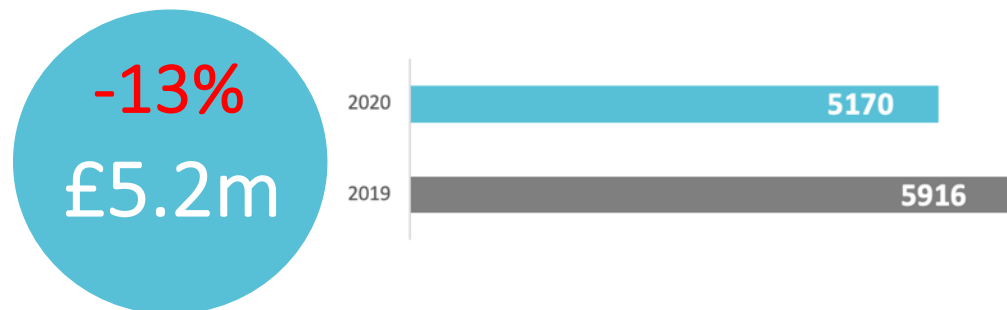
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Financials

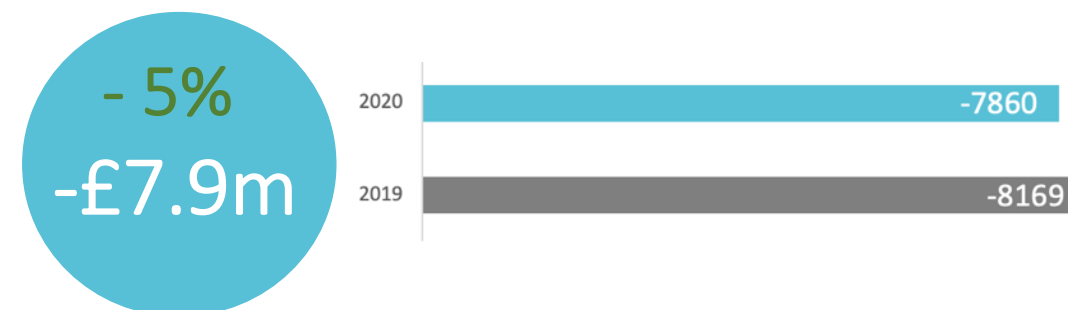
2020 unaudited preliminary results

Financial Highlights

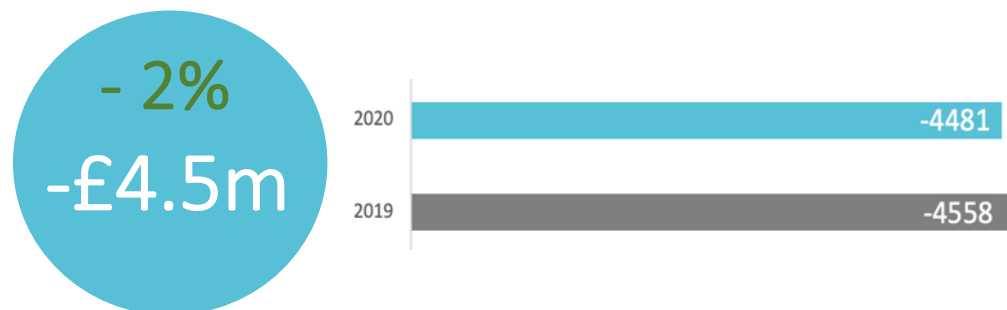
Revenue



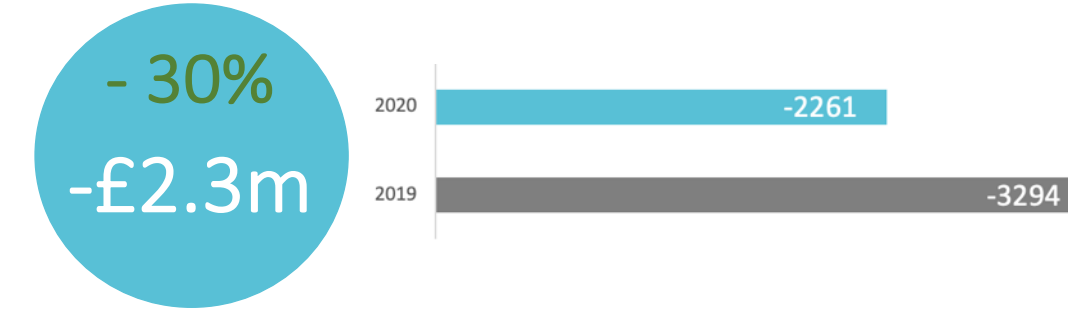
Admin costs



Operating loss



Operating cashflows



Respectable performance in a difficult year

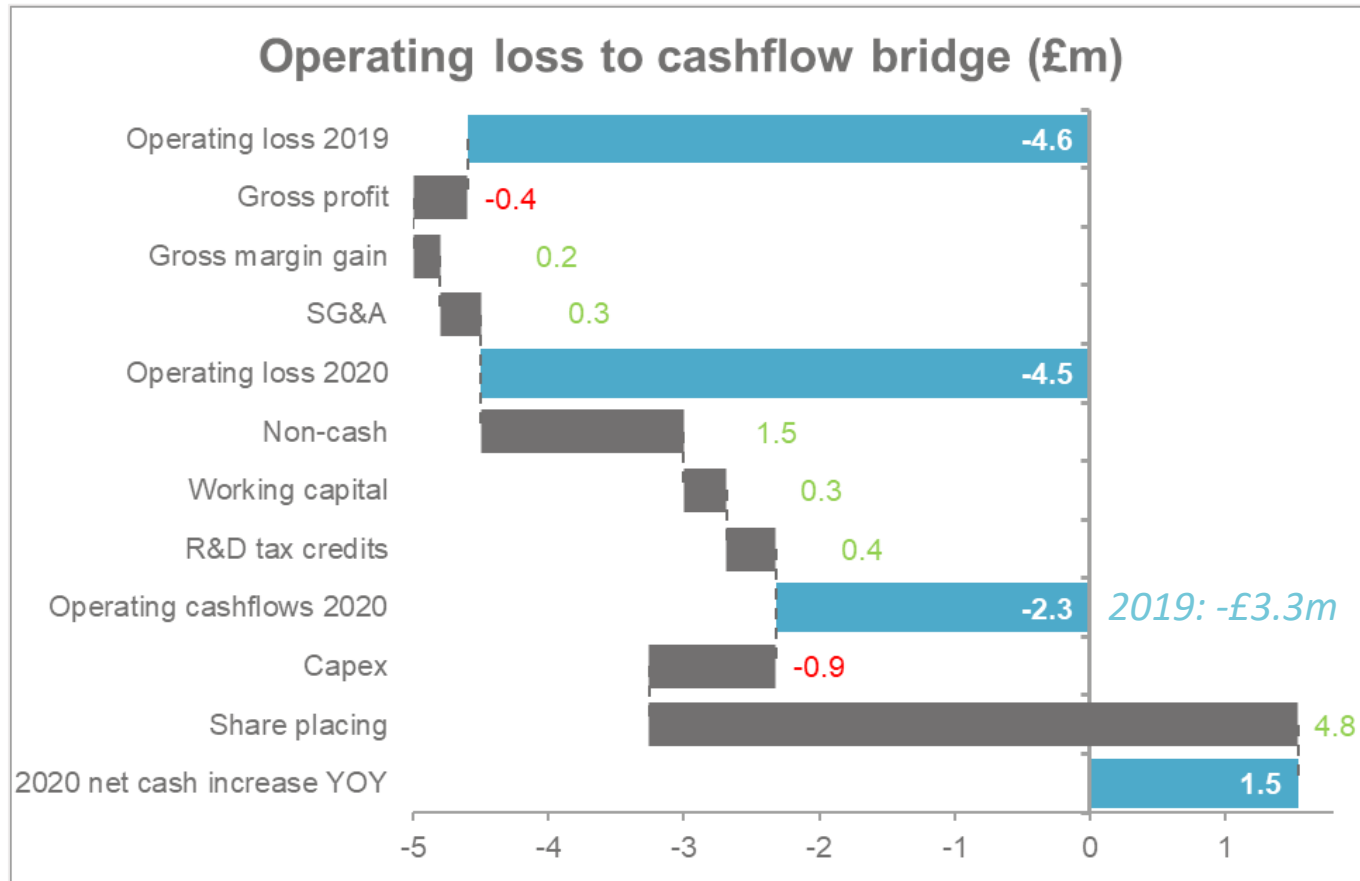
Segment Performance Summary


	SIMULATION		CLINICAL AI		CENTRAL		GROUP	
£m	2020	2019	2020	2019	2020	2019	2020	2019
Revenue	5.2	5.9	-	-	-	-	5.2	5.9
Gross profit	3.2	3.5	-	-	-	-	3.2	3.5
SG&A (exc R&D)	-4.4	-4.5	-0.5	-0.6	-0.9	-0.8	-5.8	-6.0
R&D*	-0.9	-1.2	-1.7	-1.5	-	-	-2.6	-2.7
Operating loss	-1.3	-1.6	-2.3	-2.1	-0.9	-0.8	-4.5	-4.6
Loss after tax	-0.9	-1.4	-1.5	-1.9	-0.9	-0.8	-3.3	-4.2

Top line impact of pandemic mitigated by lower SG&A costs

* Includes capitalised R&D of £0.6m (2019: £0.5m) relating to the simulation division

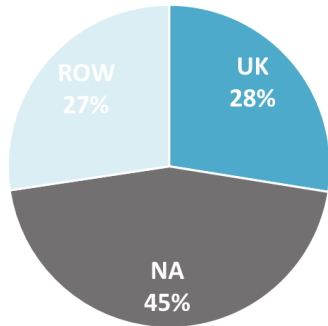
Improved operating cashflows



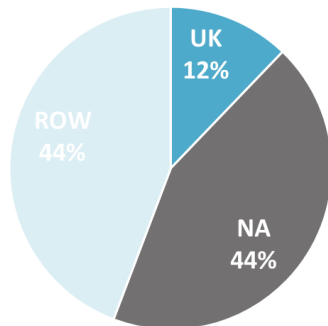
-  Year end cash of £8.8m (2019: £7.3m)
- Increase of £1.5m from 2019
 - Operating cash outflows improved by £1.0m on 2019
 - Tax credits: £0.4m
 - Working capital: £0.3m
 - Capex includes £568k capitalised R&D spend (Simulation Division only)
 - Positive working capital movement £0.3m
 - Receivables & payables: £0.7m
 - Increase in inventory: -£0.4m
 - £4.8m share placing completed in May 2020

Segment Revenue – Simulation Division

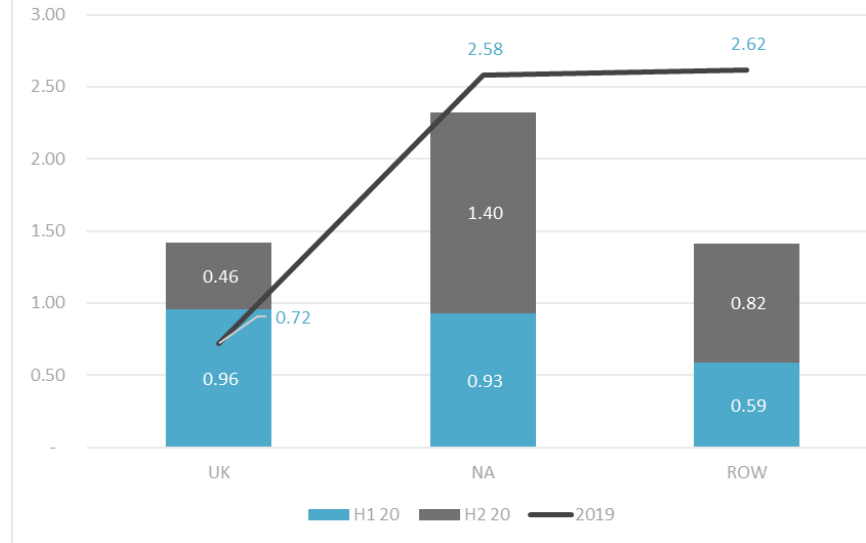
2020 - £5.2m



2019 - £5.9m



H1/H2 2020 v FY2019

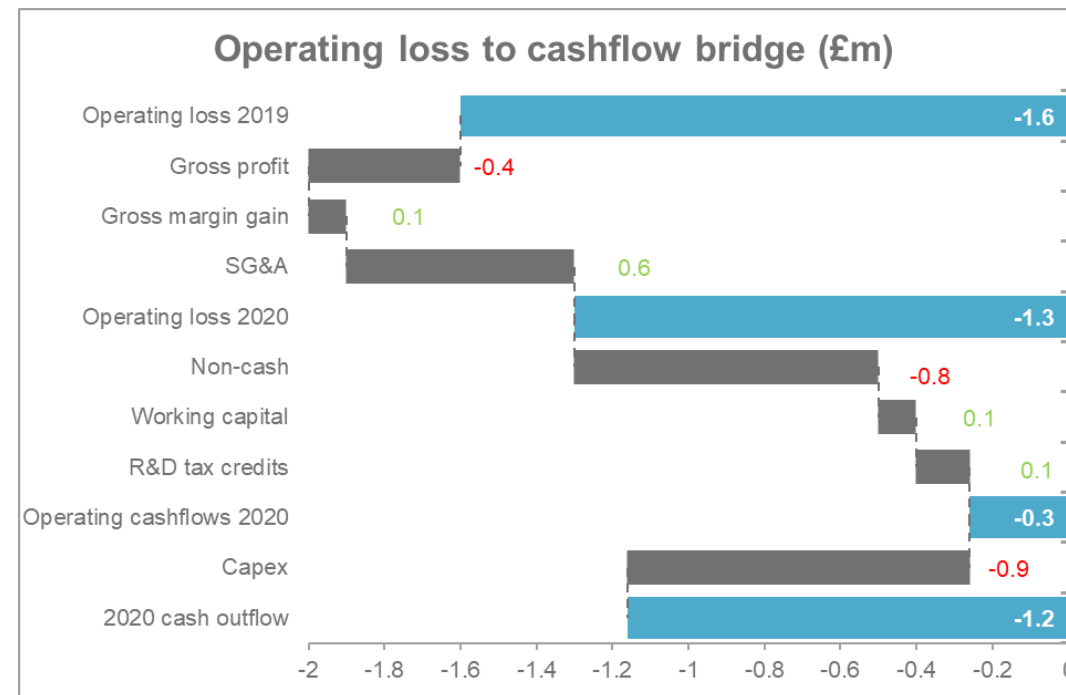


FY	£5.2m	- 13%
H1	£2.5m	- 20%
H2	£2.7m	- 5%

- ⊕ Excellent UK performance - £1.4m v £0.7m ↑ 95%
- ⊕ Sales in H2 boosted by Covid-19 module on Bodyworks
- ⊖ NA revenue £2.3m v £2.6m ↓ 10% YOY. H2 sales ↑ by 60% on H1.
- ⊖ ROW region most impacted by COVID- £1.4m v £2.6m ↓ 46%

Segment Performance – Simulation Division

£m	2020	2019	YOY %
Revenue	5.2	5.9	- 12.6%
Gross profit	3.2	3.5	-2.6%
<i>Gross margin</i>	<i>61.3%</i>	<i>58.4%</i>	+2.9%
SG&A costs	-4.7	-5.2	+2.2%
Operating loss	-1.3	-1.6	+15.4%



- ⊕ Lower revenues mitigated by savings in SG&A costs and GM gains - higher proportion of direct sales
- ⊕ Capex includes capitalised R&D of £0.5m – total R&D spend 2020: £0.9m (2019: £1.2m)
 - ⊕ Covid-19 module/HeartWorks AR Tablet/ScanTrainer module

Improved operating losses despite lower revenues

Segment Performance – Clinical AI Division

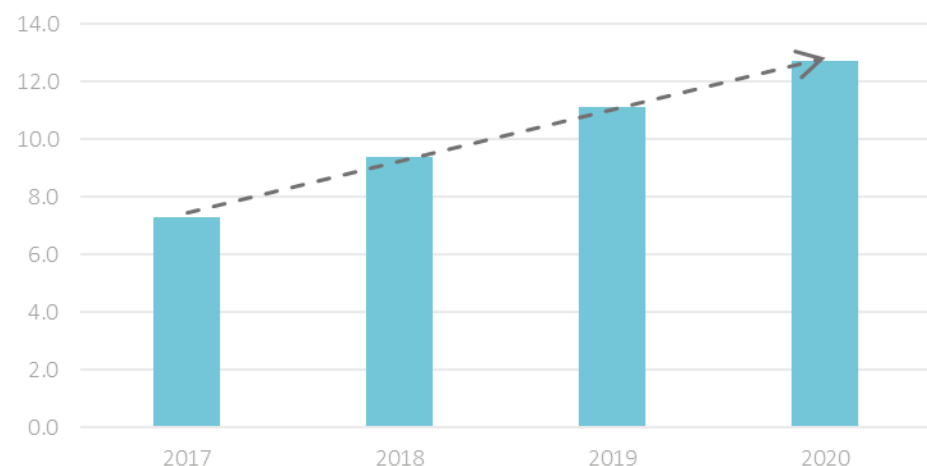
£m	2020	2019	
Revenue	*	-	First AI revenues in Q4 2020 - *£17k
R&D costs	-1.7	-1.5	Headcount increase of 6 to 21
Operating loss	-2.3	-2.1	
Tax credit	0.7	0.2	2019 and 2020 tax credits recognised in 2020
Loss after tax	-1.5	-1.9	

Main R&D Activity

- ScanNav Assist
- ScanNav Anatomy PNB
- New product development (lung)
- Includes external consultancy costs £0.5m

Strong financial position

Net assets £m



		2020 £m	2019 £m
Non-current assets	1	3.3	2.9
Current assets			
- Inventory	2	1.0	0.7
- Trade & other receivables	3	2.0	2.7
- R&D tax credit		0.4	0.1
- Cash		8.8	7.3
Current liabilities		(2.2)	(2.1)
Non-current liabilities		(0.9)	(0.5)
Net assets		12.7	11.1

1

Includes IFRS 16 assets for new office & warehouse of £0.7m

2

Move to larger premises ensured we could increase stock levels in anticipation of potential supply chain disruption due to Covid-19 and Brexit and future direct AI sales

3

Timing combined with increased focus on debtor collection

Summary

- Key clinical AI milestones achieved:
 - First AI software with GE launched and selling in global obstetric market
 - Second AI software for PNB received CE approval
- Key simulation targets achieved:
 - Mitigated impact of pandemic on revenue in adverse operating market
 - Launched Covid-19 module for BodyWorks
- Key group targets achieved
 - Reduced EBITDA losses, despite reduced turnover
 - Strengthened balance sheet
- Encouraging start to 2021
- Group continues to expect to reach profitability inflexion point with existing cash



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