



INTELLIGENT
ULTRASOUND®

for smarter scanning

Interim results 2022

18 August 2022



INTELLIGENT
ULTRASOUND®

“Our **vision** is to make clinical
diagnostic ultrasound
**easier to learn and
simpler to use”**



The Opportunity:

Background on Imaging Modalities in Clinical Diagnostics

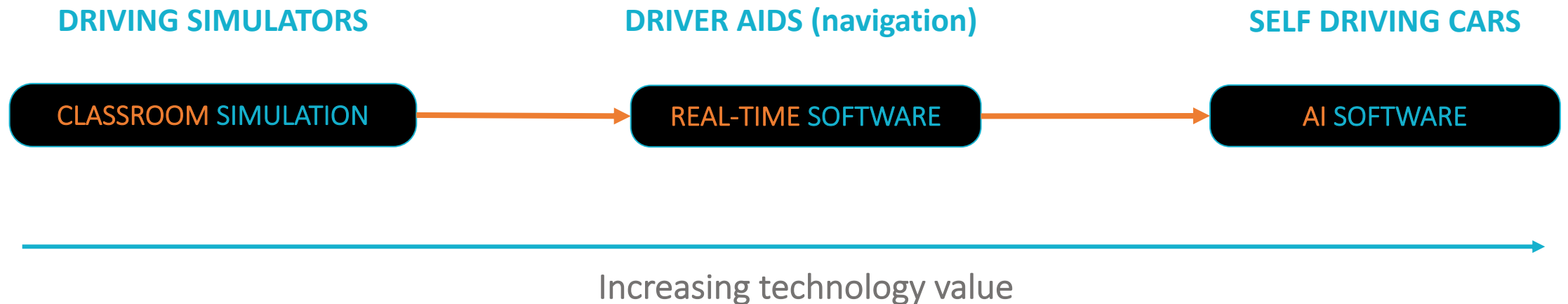
- Since the discovery of X-Ray, medical technology has been advancing to provide images that help clinicians see inside the human body...
- Of all available imaging modalities, X-Ray, MRI, CT etc., **ultrasound is the cheapest, safest** and its diagnostic applicability in many areas is well recognized, but...
- Unlike the X-Ray, MRI, CT, **ultrasound is a dynamic, real-time modality** where the **skills of the operator are paramount**
- Acquiring these skills is therefore a key obstacle to the faster adoption of ultrasound as a ubiquitous imaging tool

Our vision is to make ultrasound easier to learn and simpler to use by minimising this obstacle

The Opportunity:

A consumer world comparison of 'operator dependency':

- Driving a car is both real time and operator dependent
- The evolution of Computers and AI to make Driving '*easier to learn and simpler to use*'



The Opportunity:

Intelligent Ultrasound's "Classroom to Clinic" strategy:

The 'operator dependency' of ultrasound provides a unique opportunity for IU to exploit **MULTIPLE** markets:

TRAINING

CLASSROOM SIMULATION

c.\$200m market by 2026



REAL TIME CLINICAL SUPPORT

CLINICAL AI SOFTWARE

\$20.1bn market by 2031



AUTOMATED DIAGNOSTICS

CLINICAL AI SOFTWARE

\$1.5tn at home market

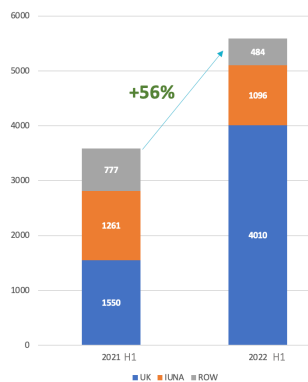


The “Classroom to Clinic” vision

Exploiting **MULTIPLE** markets:

TRAINING & EDUCATION

Estimated \$200m market by 2026



CLASSROOM SIMULATION

SCANTRAINER®

HEARTWORKS®

BODYWORKS

BABYWORKS

CLINICAL AI SOFTWARE

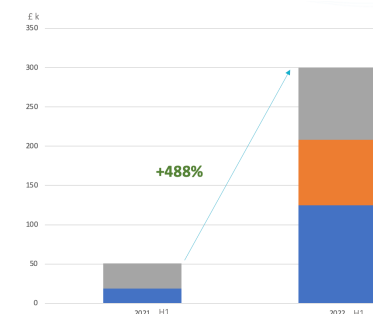
SCANNAV®
ASSIST Automated image analysis for protocol-based scanning

SCANNAV™
ANATOMY Peripheral Nerve Block

NEEDLETRAINER™

REAL TIME CLINICAL SUPPORT

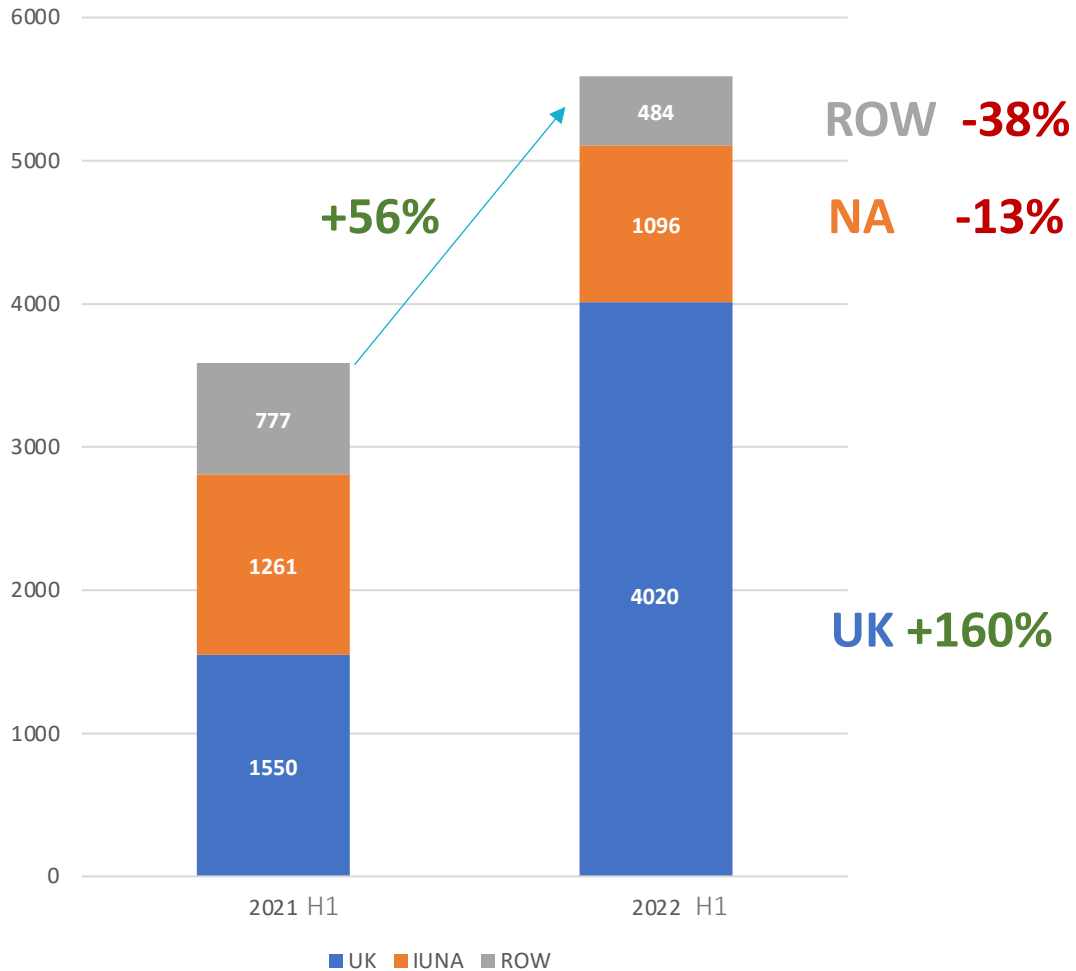
Estimated \$20bn market by 2031



Strong revenue performance in H1 2022



Simulation revenue H1 2022 summary



- Simulation revenue grew 56% in period
- Direct sales grew over 80%
 - UK sales had an excellent trading period, growing 160%
 - Of the £4m sales, c.£1.4m were judged to be exceptional orders from an NHS training initiative in the first quarter
 - North America had a slow start to the year, declining by 13%, but is expected to recover sales in H2
- Reseller sales in the RoW were impacted by the shut down of the Chinese market due to Covid-19 and to a smaller extent sales to Russia, due to the Ukraine war

Simulation product range



OBGYN

Over 500 systems sold

Endometriosis module
launching in H2



Echo

Nearly 500 systems sold

3D echo launched in Jan
2022



PoCUS

Over 200 systems sold

Upgrade launching in H2



Neonate

New neonate and
paediatric simulator

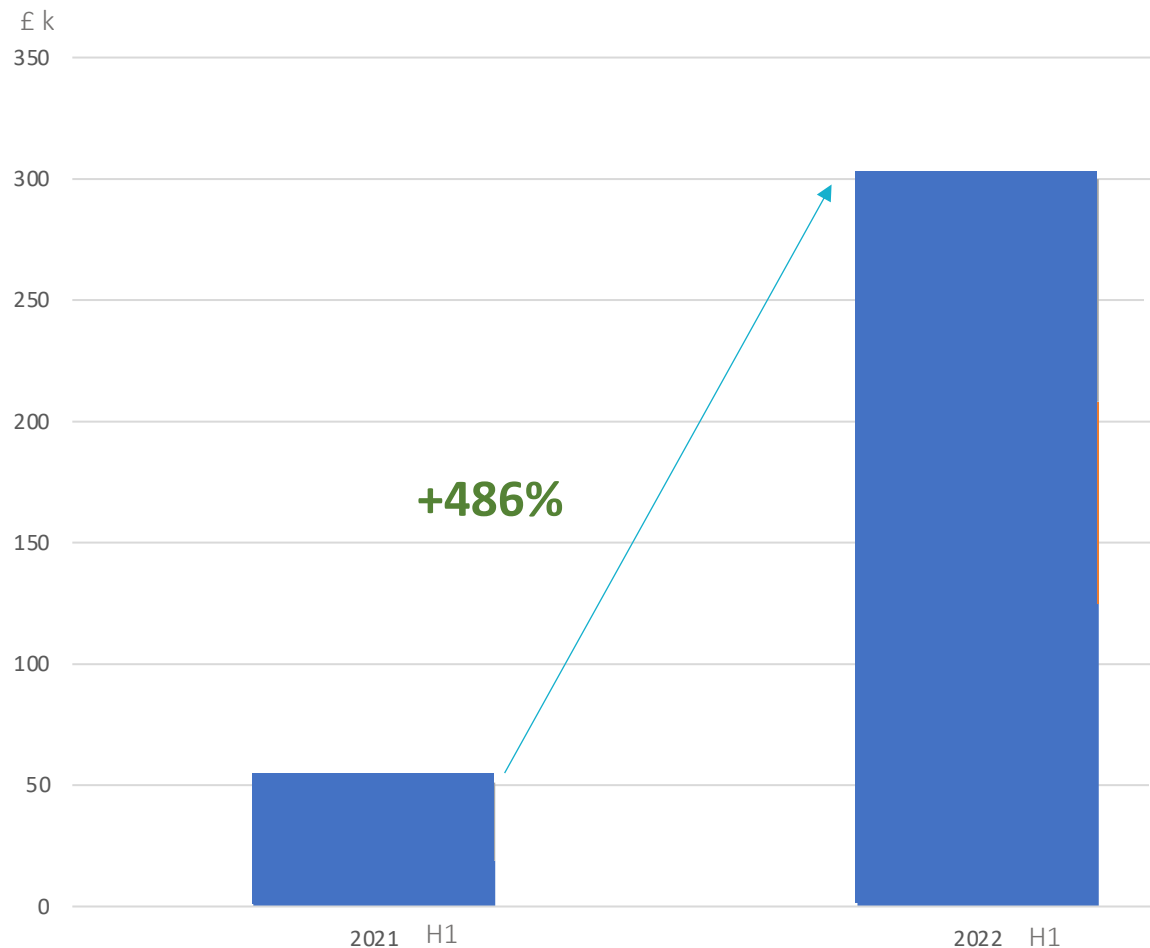
New platform launched
Jan 22



Bronchoscopy

UK and US reseller

Clinical AI revenue H1 2022 summary



- Clinical AI range now includes three platform products:
 - ScanNav Assist 20 week (exclusively licensed to GE Healthcare)
 - ScanNav Anatomy PNB
 - NeedleTrainer
- Total clinical AI revenue in the period grew 486% to £300k (2021: £51k)

Clinical AI product range

SCANNAV[™] ASSIST

Automated image analysis
for protocol-based scanning



Launched on new Voluson Expert 22 in July 2022, second machine in the GE range to incorporate our AI software

Extension to the GE Healthcare agreement signed for new product segment



SCANNAV[™] ANATOMY

Peripheral Nerve Block



CE approved and
on sale in the UK



FDA clearance
anticipated in H2 2022

NEEDLETRAINER[™]



Launched in Jan 2022



2022 target status as at 30 June 2022

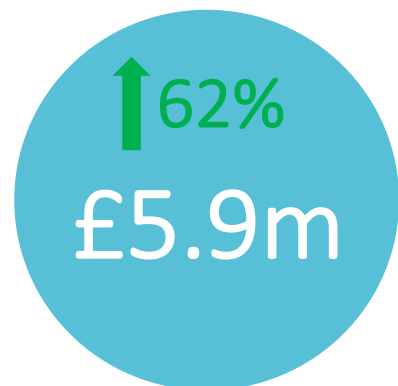
	2022 full year targets	Status	
Group	Group revenue of £10m (59% of FY22 target achieved)	On target	✓
	Group EBITDA adj loss of £2.1m	On target	✓
	Minimum cash of £1.8m	On target	✓
Simulation	Simulation revenue of £9.4m (60% of FY22 target achieved)	On target	✓
	BodyWorks 4.0 launched in H2	On target	✓
	Endometriosis module for ScanTrainer launched in H2	On target	✓
	BabyWorks cardiology modules launched in H2	On target	✓
Clinical	Clinical revenue of £0.6m (50% of FY22 target achieved)	On target	✓
	ScanNav Anatomy PNB 1.0 FDA clearance	On target for H2	✓
	ScanNav Anatomy PNB 2.0 (femoral block added)	CE approval anticipated H2	✓
	NeedleTrainer with handheld launched in H2	On target for H2	✓
	ScanNav Assist launched on GE Voluson Expert 22	Completed	✓
	ScanNav Detect proof of concept	In progress	

Board changes

- Prof Nazar Amso and David Baynes retired at the AGM
- Dr Christian Guttman joined as NED on 15 August 2022
 - Recognised leader in shaping the global agenda on AI regulation, standards, and guidelines
 - Outstanding AI research, development and AI commercialisation experience
 - He has built over 100 novel AI systems and products
 - Founder of the Nordic AI Institute which advises government ministers, thinktanks and businesses around the world
- Andrew Barker will retire as NED on 31 December 2022

Financial Highlights H1 2022

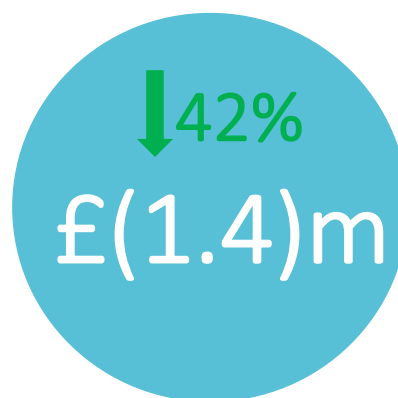
Revenue



Cash



Operating loss



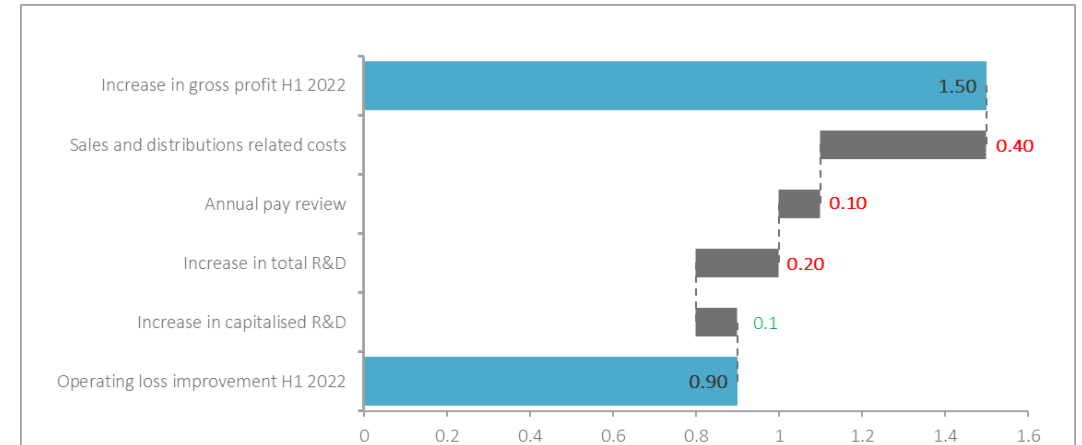
R&D Investment (expensed & capitalised)



Income statement

£m	H1 2022	H1 2021	Var	H1 v H2 %	FY 2021
<i>Simulation</i>	5.6	3.6	2.0	+56%	7.4
<i>Clinical AI</i>	0.3	0.0	0.3	+486%	0.2
Revenue	5.9	3.6	2.3	+62%	7.6
Gross profit	3.8	2.3	1.5	+66%	4.7
Gross margin %	64%	62%	2%	+2%	61%
SG&A ₃	(4.0)	(3.5)	(0.5)	+16%	(7.0)
R&D ₁	(1.1)	(1.2)	0.1	-3%	(2.0)
Operating loss	(1.3)	(2.4)	0.9	-42%	(4.3)
Taxation	0.3	0.3	-	-	0.8
Loss after tax	(1.0)	(2.0)	1.0	-49%	(3.6)

₁ Expensed R&D

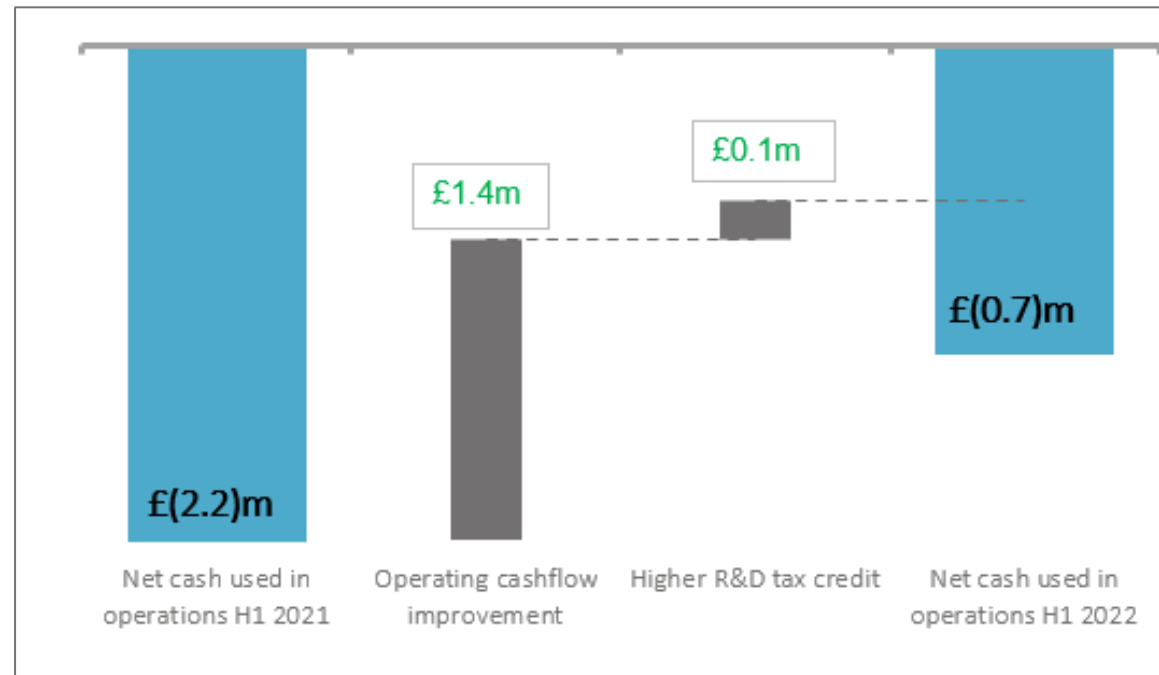
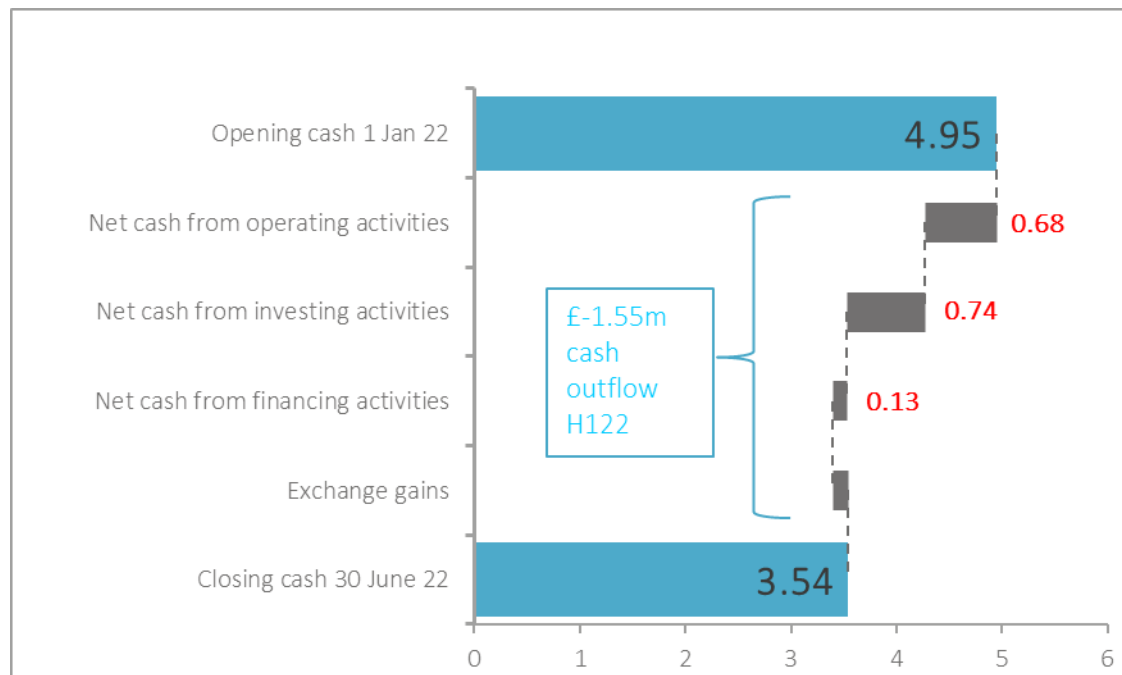


Balance Sheet and Cashflow

£m	June 2022	Dec 2021	M'ment
Intangible assets	2.8	2.6	0.2
PPE	1.3	1.4	(0.1)
Inventories	1.4	1.2	0.2
Trade & other receivables	2.2	2.6	(0.4)
Cash	3.5	5.0	(1.5)
R&D tax credit	1.1	1.0	0.1
Current liabilities	(2.4)	(3.2)	0.8
Non-current liabilities	(0.9)	(0.9)	-
Net assets	9.0	9.7	(0.7)

£m	H1 2022	H1 2021	M'ment
Loss before tax	(1.4)	(2.4)	1.0
<i>Add back:</i>			
Non-cash (amort/depn/sbp)	0.9	1.0	(0.1)
Working capital movements	(0.4)	(0.8)	0.4
R&D tax credits received	0.2	-	0.2
Net cash used in operating activities	(0.7)	(2.2)	1.5
Capitalised R&D	(0.6)	(0.5)	(0.1)
PP&E	(0.2)	(0.1)	(0.1)
Lease payments & interest	(0.1)	(0.1)	-
Decrease in cash	(1.6)	(2.9)	1.3
Cash at 30 June	3.5	5.0	(1.5)

Cash bridges



Current trading and outlook

- On target for £10m sales in FY2022
- Three AI related products launched and in the market
- ScanNav Assist integrated into the Voluson Expert 22, the second GE ultrasound machine to include our software as an option add-on
- We continue to balance cash, R&D investment in new AI products and expansion of our sales networks against our anticipated AI and simulation sales growth curve
- We remain excited about the potential of our 'Classroom to Clinic' business.



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