

Observe Medical

**Investor Presentation
November 2023**

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It should in particular be noted that the business case and sale of Unometer products described herein amongst other is conditional upon reaching an agreement with Convatec and securing the financing required to complete such agreement and roll-out the Unometer products. No assurance can at this stage be given that such conditions will be satisfied. Furthermore, the Company may incur material losses in the event that it is unable to sell products already ordered in anticipation of the agreement with Convatec and/or to secure the financing to pay the first instalment to Convatec and/or the final payment to Convatec expected to fall due later in 2023. In the latter event, the first instalment is not expected to be repaid and the right of the Company to sell the Unometer products is expected to lapse.

Transaction summary

| | |
|--|------------------------------|
| Subscription Rights per old share: | 3.9546 |
| Subscription Price: | NOK 0.26 per share |
| Gross Proceeds: | Approx. NOK 18-55 million |
| Start of Application Period: | 28 November 2023 |
| End of Application Period: | 12 December 2023 |
| Trading in Subscription Rights starts: | 28 November 2023 |
| Trading in Subscription Rights ends: | 6 December 2023 |
| Allocation | On or about 13 December 2023 |
| Payment | On or about 15 December 2023 |
| Registration | On or about 21 December 2023 |
| Delivery and First day of trading | On or about 22 December 2023 |

Today's presenters



Terje Bakken
Executive Chairman of the Board

Terje is a partner in the Norwegian investment firm Reiten & Co and has extensive experience as chairman in public listed and private companies, including Navamedic ASA. Organized the spin-off of Observe Medical from Navamedic in 2019



Rune Nystad
Chief Executive Officer

20+ years of experience from global medtech and industrial technology from the Nordics, US, Germany, Ireland and Hong Kong, including Boston Scientific



Per Arne Nygård
Chief Financial Officer

20+ years of experience from finance and accounting in various sectors with leadership roles in several publicly listed companies, such as Navamedic, Veidekke and Multiconsult



Jørgen Mann Nilsen
Chief Commercial Officer

20+ years experience from the Medtech industry. Previous experience from senior roles in market leading organizations such as Unomedical, Getinge Group, Smith&Nephew and Fresenius

Observe Medical Nordic medtech company with global reach

Commercializing proprietary innovative medtech products on a global market.

Extensive international distributor and partner network.

Solid platform for further organic growth and through targeted M&A.

Strong medtec platform



Fundamental drivers



Patient welfare

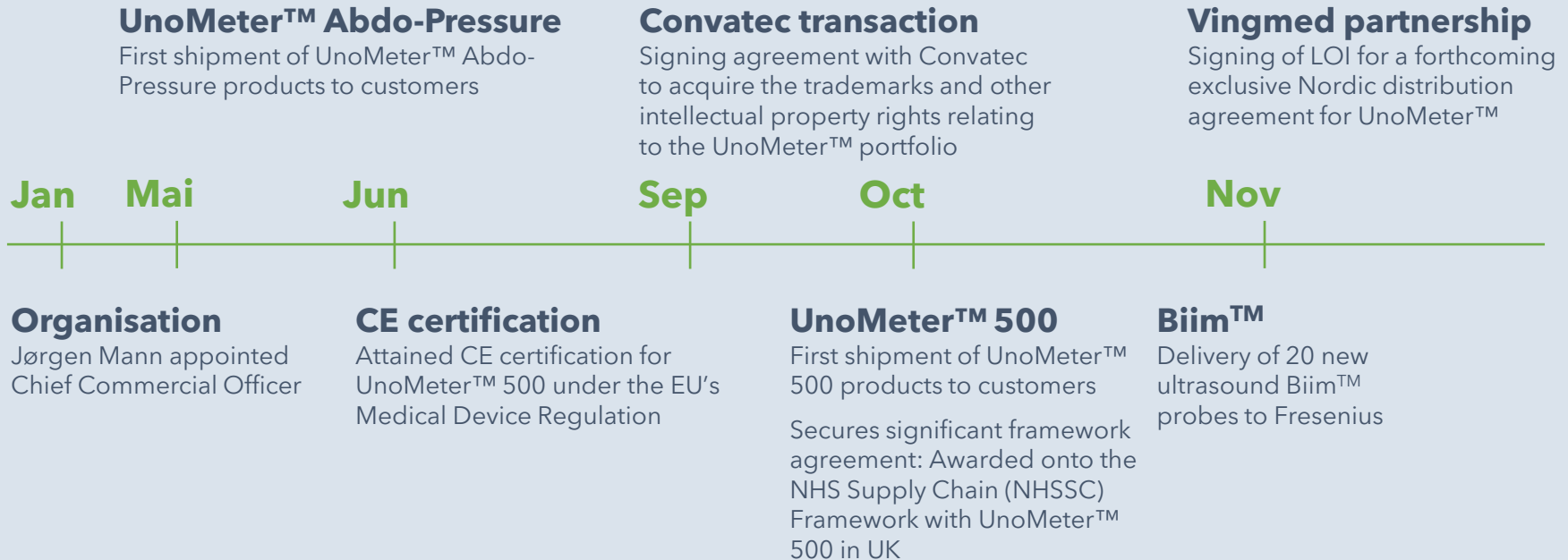


Health economics

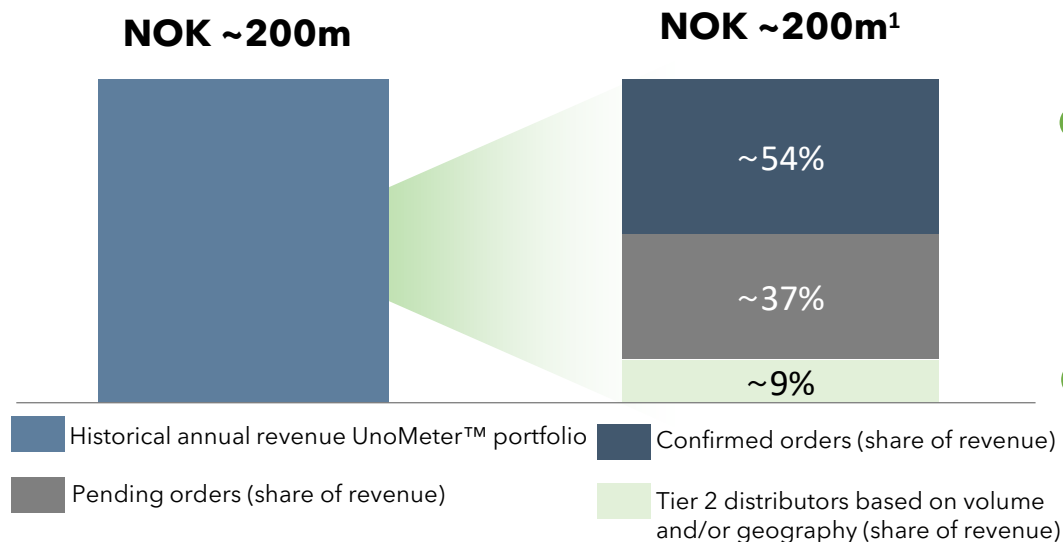


Data accuracy

2023: A truly transformative year



Initial UnoMeter™ orders of NOK 14m received, representing repetitive expected sales of NOK ~108m per year¹



- Step 1: Completed (as of Nov'23)**
Received orders from Italy, Spain, UK, Portugal, UAE, Vietnam, Austria, The Netherlands, Sweden, Poland, Romania, Bulgaria, Estonia, Slovenia, Hungary and Slovakia
- Step 2: Current**
Market entry discussions with distributors in Germany, France, Australia, New Zealand, Belgium, Norway, Denmark, Finland, Switzerland, Argentina, Israel, Jordan, India, Malaysia, Thailand and Malta
- Step 3: 2024-**
Scale full potential of UnoMeter™ portfolio by targeting tier 2 distributors, accounting for approx. 9% of UnoMeter's yearly historical sales

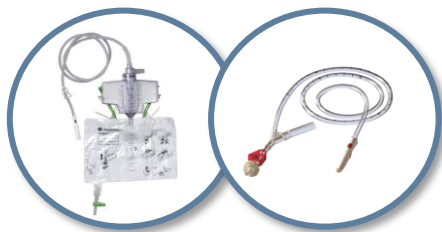
Building the foundation to become the global leading urine measurement provider

Executing according to plan:

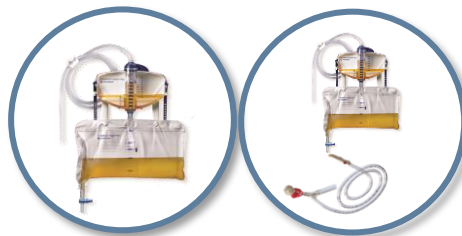
- ✓ **Signing** of LOI with Convatec in Q3 2022
- ✓ **Building** relationships with key distribution partners
- ✓ **Signing** of Convatec transaction and license agreement
- ✓ **Full** scale global production set-up
- ✓ **Large** deliveries of Unometer orders already taken place
- ✓ **Positive** market feedback on product design and functionality
- ✓ **Expanding** geographical footprint
- ✓ **Sustaining** momentum with incoming orders from both new and existing customers
- ✓ **Initiating** full commercial roll-out of UnoMeter™ portfolio

Continuing the commercial groundwork for the UnoMeter™ portfolio will accelerate the market introduction of Sippi

Recapture the market through UnoMeter™ Upsell Sippi to existing clients at higher price points and better margins



UnoMeter™ 500 Abdo-Pressure



UnoMeter™ Safeti Plus and Precon
version with Abdo-Pressure



UnoMeter™/
Sippi 1. Gen



UnoMeter™ Safeti Max
with Sippi Coat UnoMeter™/
Sippi 2. Gen

2023

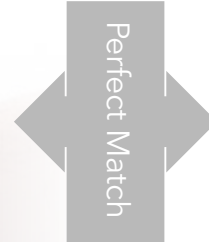
2024e

2025e

The global dialysis market opens for a huge potential for Biim

The product

- ✓ Ultrasound made-simple
- ✓ An intuitive and low complexity device
- ✓ Pocketable and optimized form factors
- ✓ Tailor-made concept for nurses and other clinical staff
- ✓ Focus on cost efficiency supporting an affordable product



The market potential within dialysis is huge



Positive outlook for further Biim roll-out in Fresenius clinics

Fresenius Partnership opens extensive growth opportunities

- Fresenius Medical Care is the world's largest provider of dialysis, dialysis product and other services
- Potential of 6,200 Biim probes for dialysis centers with a revenue potential of 218 mill NOK
- Business opportunity from dialysis tower integration



Project status

- ✓ 265 Probes delivered in 2021-2022
- ✓ 10% of all Fresenius clinics in USA are now using Biim ultrasound probes
- ✓ Delivery of 20 new Biim ultrasound probes in October 2023
- ✓ Business case assessment not only for single devise distribution, but fully integrated solutions in dialysis treatment machines
- ✓ Terje Bakken, chairman of Observe Medical, to participate in physical meeting with Fresenius in the US on 12 December 2023
- ✓ Investment decision for full scale implementation expected in Q1 2024

Full scale global production to secure high volume delivery of quality products with attractive margins

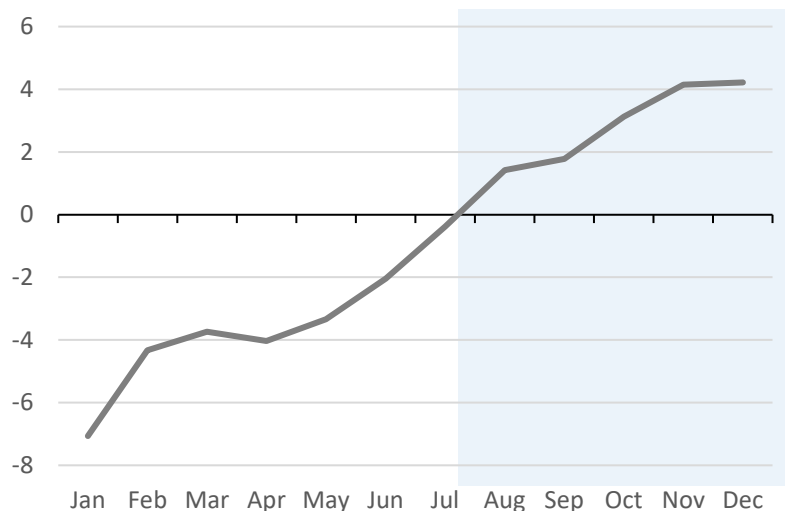
| Jan - April | May | June - July | Aug-Sept | Okt - Nov | Dec |
|---|--|--|--|---------------------------------------|-----|
| Global production partner selection process | ✓ Production partner selected | ✓ CE certification Unometer 500 | ✓ Start of pilot production | ✓ Start of high volume production | |
| | ✓ Convatec technology transfer completed | ✓ Production contract signed | ✓ Process verification | ✓ Quality system set-up | |
| | ✓ Securing OEM Abdopressure production partner | ✓ 1st test of Unometer 500 in hospital | ✓ 2nd test of Unometer 500 in hospital | ✓ First large batch customer delivery | |

Strong team effort / Fast and accurate turn-around / Experienced staff!

- Senior Regulatory and Quality experience
- Skilled international Manufacturing staff members
- Strong Engineering, Technical and Design skills

Business plan to reach positive free cash from Q3 2024

Illustrative free cash-flow forecast^{1,2}



- Positive free cash-flow¹ expected from start of Q3 2024
- Increasing trend driven by ramp up of production and expanding global commercial footprint.

Illustrative sources & uses (NOKm)²

Uses:

| | |
|---|-------------|
| Cash for Unometer | 14.0 |
| Cash for Biim | 8.0 |
| Cash for Sippi | 5.5 |
| Second installment Convatec ATA | 5.5 |
| Expected conversion of interest-bearing loans | 14.2 |
| Rights Issue transaction costs | 5.0 |
| Cash buffer | 5.4 |
| Total uses | 57.6 |

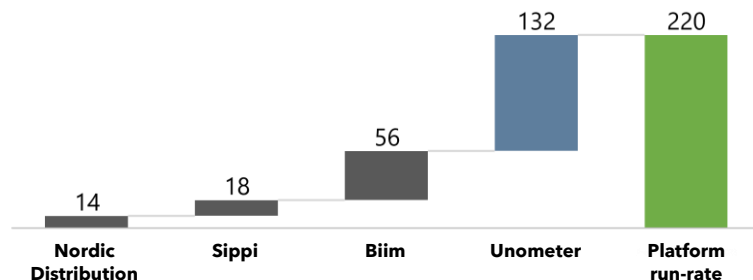
Sources:

| | |
|----------------------|-------------|
| Cash from operations | 2.6 |
| Rights Issue | 55.0 |
| Total sources | 57.6 |

If the rights issue is successful, OM will raise the necessary capital to execute commercial plans for the entire product portfolio and to have sufficient cash buffer until it reaches the expected positive free cash-flow from July 2024

Unchanged run-rate revenue expectations of NOK 220m

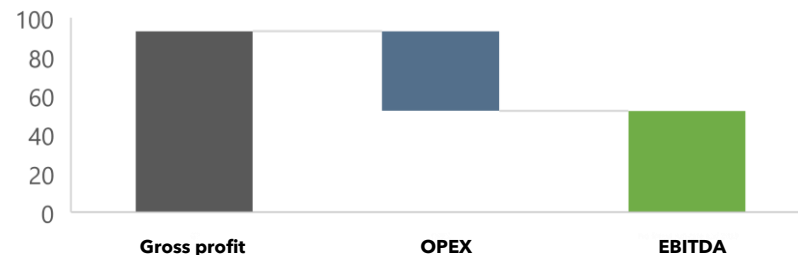
Estimated run-rate revenue of NOK 220m end 2024^{1,2,3} (NOK in millions)



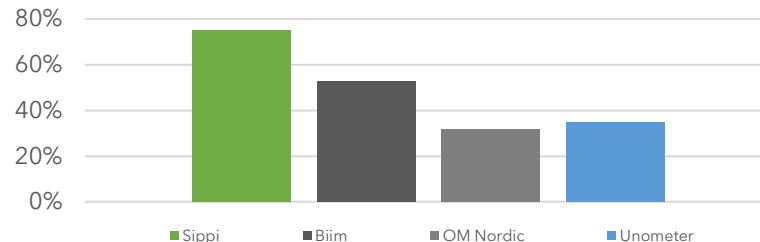
Commentary

- Estimated gross profit based on historical gross margins and cogs in new production setup
- OPEX includes cost for planned growth in 2024
- Expected EBITDA margin of ~23% on a NOK 220m run-rate

Estimated EBITDA based on a NOK 220m run-rate² (NOK in millions)



Estimated gross margin

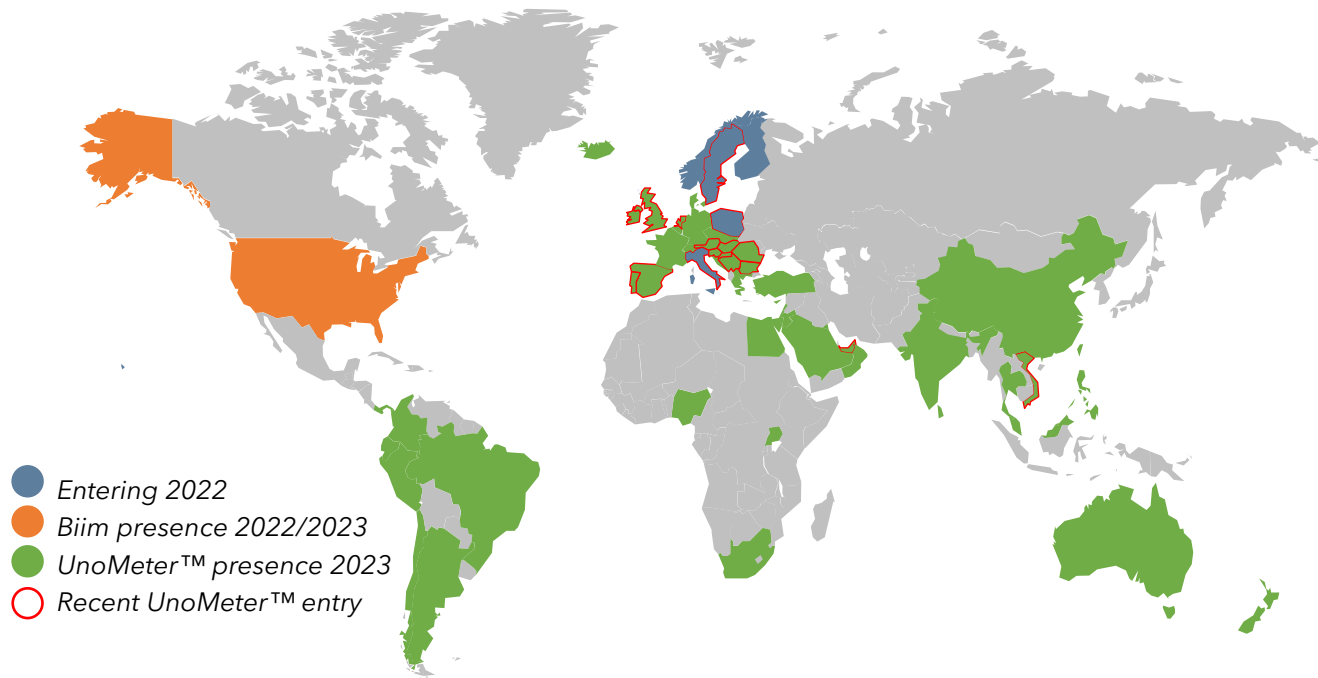


¹ Estimated figures based on historical performance for each product/product-portfolio and business plan for Observe Medical to reach positive cashflows in Q3 2024

² Revenue Run Rate is to indicate financial performance that takes estimated revenue end of 2024 and converts it to an annual figure to get the full-year equivalent

³ Revenues from Nordic distribution business in line with historical figures

Our view of the future as we enter 2024



600+

distributors/customers

50+

countries

NOK 220 mill
run rate

Global leading provider
of urine measurement
products

Preferred provider of
ultrasound probes to
Fresenius globally

On steady course
towards **NOK 1 bn** in
annual revenues

