



# Q2 2023 Update

August 11, 2023





## Live Presentation

Friday, August 11, 2023, 8:30 AM (EDT)

## Participant Dial-in Information

**Toll Free:** 1-877-407-0784

**Toll/International:** 1-201-689-8560

OR click the Call me™ link for instant telephone access to the event.

<https://callme.viavid.com/viavid/?callme=true&passcode=13732361&h=true&info=company&r=true&B=6>

## Replay Dial-in Information

**Toll Free:** 1-844-512-2921

**Toll/International:** 1-412-317-6671

**Replay Pin Number:** 13740603

**Replay Expiry:** August 25, 2023, 11:59 PM ET

# Forward Looking Statements



This presentation may contain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 that reflect the Company’s current views with respect to certain current and future events and financial performance. Forward-looking statements include all statements that are not statements of historical fact regarding intent, belief or current expectations of the Company, its directors or its officers. Such forward-looking statements, include, without limitation, any statements regarding expected benefits of the transaction and its impact on the Company, expected sales, marketing and other synergies of the combined company, cost savings opportunities, cross-selling opportunities, new revenue channels and product lines, the Company’s pro forma sales coverage and organization, sales force growth, international market opportunities and sales model, and growth strategy. Words such as “expects,” “anticipates,” “projects,” “intends,” “plans,” “believes,” “estimates,” variations of such words, and similar expressions are also intended to identify such forward-looking statements. Investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, many of which are beyond the Company’s ability to control. Actual results may differ materially from those projected in the forward-looking statements. These risks and uncertainties include, without limitation, risks associated with the Company’s ability to successfully integrate the UltraMist business, that the transaction may not result in the expected benefits to the Company, risks associated with the regulatory approval and marketing of the Company’s product candidates and products, unproven pre-clinical and clinical development activities, regulatory oversight, the Company’s ability to manage its capital resource issues, competition, and other factors discussed in detail in the Company’s periodic filings with the Securities and Exchange Commission. The Company undertakes no obligation to update any forward-looking statement.

## Non-GAAP Financial Measures

Certain information in this presentation includes calculations or figures that have been prepared internally and have not been reviewed or audited by our independent registered public accounting firm. Use of different methods for preparing, calculating or presenting information may lead to differences and such differences may be material. This presentation contains financial measures and guidance which are considered “non-GAAP” financial measures under applicable SEC rules and regulations. Sanuwave management believes that non-GAAP financial measures provide information useful to investors in understanding the company’s underlying operational performance and trends and to facilitate comparisons with the performance of other companies. Non-GAAP financial measures should be considered supplemental to and not a substitute for financial information prepared in accordance with U.S. generally accepted accounting principles (GAAP), and investors are cautioned that Sanuwave may calculate non-GAAP financial measures in a way that is different from other companies. Management strongly encourages investors to review the company’s US GAAP consolidated financial statements.



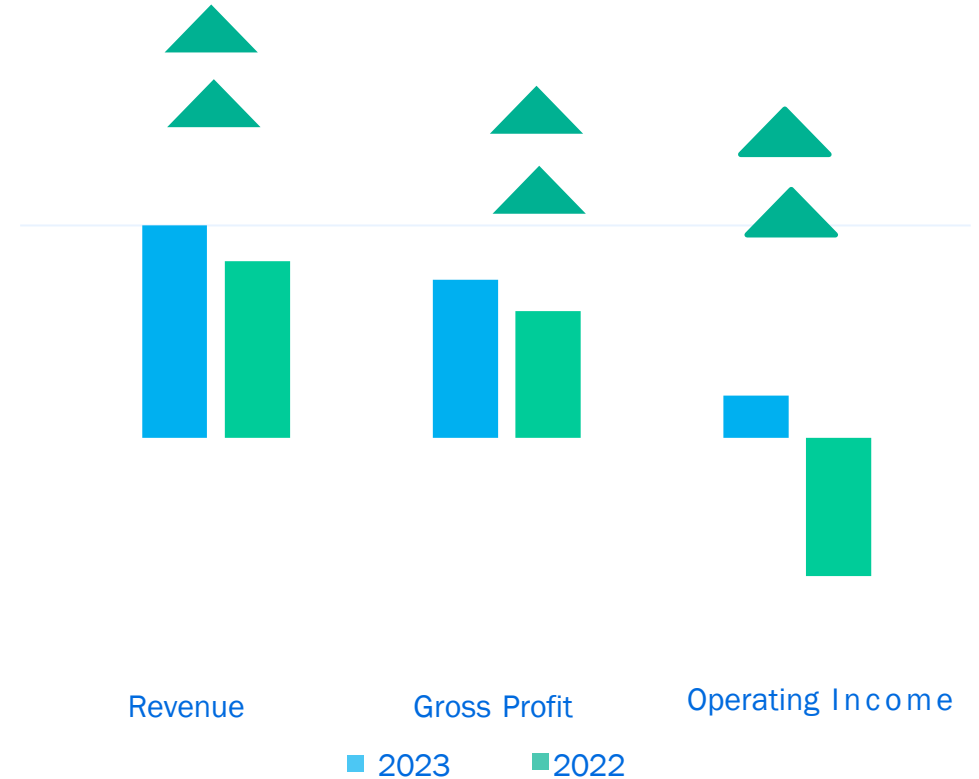
# Company Financials Q2 2023



Showing consistent topline growth while managing operating costs.

(in millions)	Q2 2023	Q2 2022	YoY
Revenue	\$4.7	\$3.9	+ 20%
Gross Profit	\$3.5	\$2.8	+ 25%
Gross Margin	74%	72%	+200bp
Operating Expense	\$2.5*	\$5.8	-57%
Operating Profit	\$0.9	(\$3.0)	+130%

\* Includes \$1.3 million positive impact for non-cash write off



# Adjusted EBITDA Non-GAAP Reconciliation



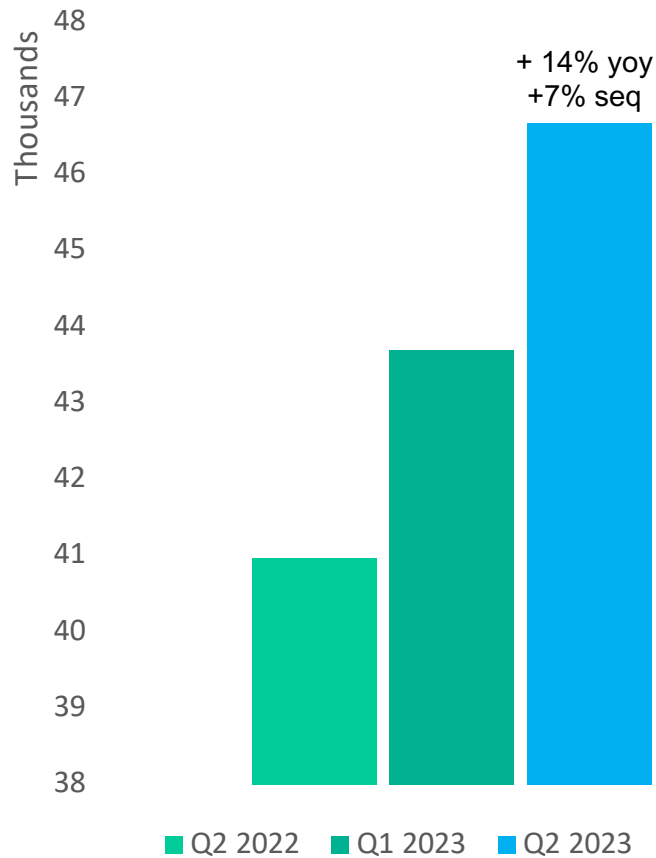
(in millions)	Q2 2023	Q2 2022
<b>Net (Loss) Income</b>	<b>(\$7.26)</b>	<b>\$1.64</b>
<b>Non-GAAP adjustments:</b>		
Interest Expense	<b>4.38</b>	<b>2.95</b>
Depreciation and Amortization	<b>0.26</b>	0.26
<b>EBITDA</b>	<b>(\$2.62)</b>	<b>\$4.85</b>
Change in fair value of derivative liabilities	<b>3.82</b>	(7.86)
Release of historical accrued expenses	<b>(1.25)</b>	-
Shares issued for services	<b>0.22</b>	0.89
Loss on extinguishment of debt	-	0.21
<b>Adjusted EBITDA</b>	<b>\$0.17</b>	<b>(\$1.90)</b>



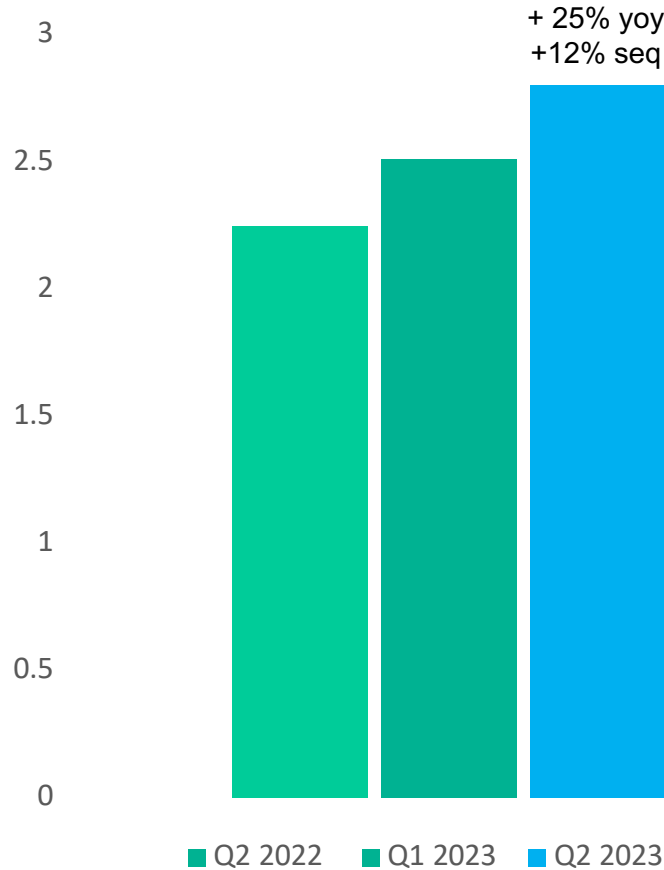
# UltraMist Sales Metrics



### Treatments



### Consumable Revenue



- **526 Active Systems in the field at end Q2\***
- **49 systems were sold in Q2 2023 compared to 28 in Q1 2023**
- **14% increase in treatments from Q2 2022 to Q2 2023**
- **25% increase in consumables revenue. \$2.8 million in Q2 2023 vs \$2.2 million in Q2 2022**

\*active systems defined as customers who have ordered consumables in prior 6 months



# 2023 Q3 Revenue Guidance



3rd Quarter 2023 (estimate. +15 – 25% vs Q3 2022)

Break Even

\$1.8mm/mo

Gross Margin

75%

Opex

\$1.4mm/mo

**Unbounded Upside:** 1% market share in US wound market = \$450 million



# Summary

Wound care is undergoing a **payor led shift to evidence based medicine and reimbursement.**

This has aligned incentives for Patients, Payors, and Providers.

**SANUWAVE is in a prime position to benefit:**

- Approved products protected by strong IP
- Strong existing reimbursement with room to improve
- Strong, focused sales force
- Now able to meet demand with expanded manufacturing



Rapid growth poised to accelerate and bring company to **profitability.**