



OPSENS ANNOUNCES FOURTH QUARTER AND FISCAL YEAR 2020 FINANCIAL RESULTS

Quebec City, Quebec, November 19, 2020 – OpSens Inc. (“OpSens” or the “Company”) (TSX:OPS) (OTCQX:OPSSF) today reported its results for the fourth quarter and fiscal year 2020 ended August 31, 2020.

Financial Highlights

- Sales of product at \$29.5 million in FY 2020 compared to prior FY 2019;
- Delivered Q4 2020 a \$2.2 million improvement in profitability compared with Q4 2019;
- The Company ended fourth quarter with a cash balance of \$10.9 million compared to \$10.0 million as of May 31, 2020.

Recent Developments

- Awarded 3-year contract with major American group purchasing organization (“GPO”) to provide access to the OptoWire to their members across the United States;
- Progress in the development of a guidewire for transcatheter aortic valve replacement (TAVI or TAVR) procedures.

Management Commentary

“I am pleased with the way the company is successfully navigating the COVID-19 pandemic,” said Louis Laflamme, President and CEO of OpSens. “Despite the temporary closure of several cardiology laboratories, we continued to achieve progress in our commercial activities, including the signing of our first GPO contract to further increase our U.S. coronary artery stenosis measurement business.”

“As we look ahead to fiscal 2021, we are cautiously optimistic about continued improvement in access to our commercial customers as hospital protocols for managing the pandemic are being implemented. In addition to continued traction in our currently commercialized products, we are accelerating the development of our new guidewire for TAVR procedures, a \$4 billion global market which is growing in excess of 40% per year.”

“Our continued progress over the past few years to create, manufacture and deliver world-class products, that contribute to health through our expertise in innovative medical products was highlighted during the last quarter. I congratulate the OpSens team for their determination to provide customers with continued access to our technology under these unusual circumstances,” concluded Mr. Laflamme.

Financial Results - Year Ended August 31, 2020

Sales of product were stable at \$29.5 million in fiscal 2020 compared with fiscal 2019.

Sales of products for the measurement of coronary artery stenosis (Fractional Flow Reserve (“FFR”) and diastolic pressure ratio (“dPR”)) were \$18.7 million in FY 2020 compared with \$20.0 million in FY 2019. The \$1.3 million decrease in OptoWire sales was primarily related to the temporary closure of several cardiology laboratories brought on by COVID-19.

Sales of optical medical systems, including the Company’s partnership for ventricular assist device sensors, were \$8.3 million in FY 2020 compared with \$7.0 million in FY 2019.

Operating expenses in fiscal 2020 were \$19.3 million compared with \$20.5 million in fiscal 2019. The improvement in operating expenses is attributable to savings on sales and marketing expenses offset by continued investment in research and development.

Net loss was \$2.6 million during fiscal 2020 compared with a net loss of \$2.0 million in fiscal 2019. This variation is mainly explained by a decrease of \$3.3 million in non-recurring licensing revenue offset by a decrease in sales and marketing expenses and by a grant of \$1.7 M from the Canadian government.

EBITDAO¹ (see table B) was \$0.1 million in fiscal 2020 compared with \$(0.4) million in fiscal 2019.

OpSens had a cash position of \$10.9 million as of August 31, 2020.

Financial Results - Three-Month Period Ended August 31, 2020

Total revenue was \$7.6 million in the fourth quarter of 2020 compared with \$7.9 million in the fourth quarter of 2019.

Sales of products for the measurement of coronary artery stenosis (FFR and dPR) were \$4.8 million in Q4 2020 compared with \$5.3 million in Q4 2019. The \$0.5 million decrease in OptoWire sales was primarily related to the temporary closure of several cardiology laboratories brought on by COVID-19.

Sales of optical medical systems including the Company's partnership for ventricular assist device sensors were \$2.2 million in Q4 2020 compared with \$1.8 million in Q4 2019.

Operating expenses in the fourth quarter of 2020 were \$3.8 million compared with \$5.5 million in the fourth quarter of 2019. The improvement in operating expenses is attributable to savings on sales and marketing expenses.

Net income was \$0.6 million during the fourth quarter of 2020 compared with a net loss of \$1.6 million in the fourth quarter of 2019. The \$2.2 million improvement in net earnings is the result of a reduction in sales and marketing expenses and the recognition of a grant of \$0.9 M from the Canadian government.

EBITDAO¹ (see table B) was \$1.4 million in the fourth quarter of 2020 compared with \$(1.1) million in the fourth quarter of 2019.

¹ This non-IFRS measure is presented for additional information and should be used in conjunction with the IFRS financial measures presented. Definition of non-IFRS measures is explained at table B to provide the reader with a better understanding of the metrics used by management. Comparative figures have not been restated to reflect the adoption of IFRS 16 - Leases, as set out in the accounting policy.

Table A

Consolidated statement of results (In thousands of Canadian dollars, except for information per share)	For the year ended August 31, 2020	For the year ended August 31, 2019*
	\$	\$
Revenues		
Sales		
Medical	26,996	27,032
Industrial	2,457	2,418
	29,453	29,450
Licensing	-	3,302
	29,453	32,752
Cost of Sales	13,834	14,037
Gross margin	15,619	18,715
Gross margin (%)	53%	57%
Operating Expenses		
Administration	5,041	4,593
Sales and marketing	8,780	11,116
R&D	5,441	4,801
	19,262	20,510
Other income	(1,683)	-
Financial expenses	684	157
Net loss and comprehensive loss	(2,644)	(1,952)
Net loss per share – Basic and diluted	(0.03)	(0.02)

*Comparative figures have not been adjusted to reflect the adoption of IFRS 16 – Leases as set out in the accounting policy

Table B

Reconciliation of net earnings (loss) to EBITDAO

The Earnings Before Interest, Taxes, Depreciation, Amortisation and Stock-based compensation costs (EBITDAO) has no normalized sense prescribed by IFRS. It is not very probable that this measure is comparable with measures of the same type presented by other issuers. EBITDAO is defined by the Company as the addition of net loss, financial expenses (income), depreciation and amortisation and stock-based compensation costs. The Company uses EBITDAO for the purposes of evaluating its historical and prospective financial performance. This measure also helps the Company to plan and forecast for future periods as well as to make operational and strategic decisions. The Company believes that providing this information to investors, in addition to IFRS measures, allows them to see the Company's results through the eyes of management, and to better understand its historical and future financial performance.

Reconciliation of consolidated Net loss to EBITDAO (In thousands of Canadian dollars)	For the year ended August 31, 2020	For the year ended August 31, 2019*
	\$	\$
Net loss	(2,644)	(1,952)
Financial expenses	684	157
Depreciation of PP&E and right-of-use-assets	1,548	802
Amortization of intangible assets	120	91
Stock-based compensation cost	438	489
EBITDAO	146	(413)

Reconciliation of consolidated Net Earnings (loss) to EBITDAO (In thousands of Canadian dollars)	For the quarter ended August 31, 2020	For the quarter ended August 31, 2019*
	\$	\$
Net earnings (loss)	558	(1,618)
Financial expenses	356	160
Depreciation of PP&E and right-of-use-assets	386	205
Amortization of intangible assets	24	25
Stock-based compensation cost	78	121
EBITDAO	1,402	(1,107)

*Comparative figures have not been adjusted to reflect the adoption of IFRS 16 – Leases as set out in the accounting policy

Table C

CONSOLIDATED BALANCE SHEET HIGHLIGHTS (in thousands of Canadian dollars)	As at	As at
	August 31, 2020	August 31, 2019*
	\$	\$
Cash and cash equivalents	10,884	14,856
Trade and other receivables	4,041	5,115
Inventories	6,505	5,133
Total Current Assets	22,543	26,099
Property, plant, and equipment	3,230	2,962
Intangible assets	1,622	1,027
Right-of-use assets	4,513	-
Total Assets	31,908	30,088
Current liabilities	5,655	4,787
Long-term debt	6,608	7,135
Lease liabilities	4,298	-
Total Liabilities	16,561	12,648
Shareholders' equity	15,347	17,441

*Comparative figures have not been adjusted to reflect the adoption of IFRS 16 – Leases as set out in the accounting policy

About OpSens Inc. (www.OpSens.com or www.OpSensmedical.com)

OpSens focuses mainly on coronary physiology products in interventional cardiology. OpSens offers an advanced optical-based pressure guidewire that aims at improving the clinical outcome of patients with coronary artery disease. Its flagship product, the OptoWire, is a second-generation fiber optic pressure guidewire designed to provide the lowest drift in the industry and excellent lesions access. The OptoWire has been used in the diagnosis and treatment of over 100,000 patients in more than 30 countries. It is approved for sale in the United States, European Union, Japan, and Canada.

OpSens is also involved in industrial activities in developing, manufacturing, and installing innovative fiber optic sensing solutions for critical applications.

Forward-looking statements contained in this press release involve known and unknown risks, uncertainties and other factors that may cause actual results, performance, and achievements of OpSens to be materially different from any future results, performance or achievements expressed or implied by the said forward-looking statements.

Neither TSX nor its Regulation Services Provider (as that term is defined in the policies of the TSX) accepts responsibility for the adequacy or accuracy of this release.

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