



OPSENS ANNOUNCES FOURTH QUARTER AND FISCAL YEAR 2023 FINANCIAL RESULTS

Total Revenue up 37% - Medical Sales up 42% - Gross Margin 58%

Quebec City, Quebec, November 22, 2023 – OpSens Inc. (“OpSens” or the “Company”) (TSX:OPS) (OTCQX:OPSSF), a medical device cardiology-focused company delivering innovative solutions based on its proprietary optical technology, today reported its results for the fourth quarter of fiscal year 2023, ended August 31, 2023.

Fiscal Year 2023 Financial Highlights

- Record consolidated sales of \$48.3 million in FY 2023, an increase of 37%, compared with \$35.3 million in FY 2022.
- Gross margin improved to 58% in FY 2023, an increase of 747 basis points compared with 50% in FY 2022.
- Coronary Artery Disease sales of \$24.5 million in FY 2023, an increase of 12%, compared with \$21.8 million in FY 2022.
- Structural Heart sales of \$2.6 million in FY 2023, an increase of \$2.5 million, compared with \$0.1 million in FY 2022.
- Optical Medical Products sales increased by 82% to \$17.4 million in FY 2023, compared with \$9.5 million in FY 2022.
- Cash and cash equivalents at \$18.1 million as of August 31, 2023.

Fourth Quarter Fiscal Year 2023 Highlights

- Record consolidated revenues of \$14.2 million, compared with \$9.1 million in the fourth quarter of 2022, a 57% increase.
- Gross margin improved to 58% in the fourth quarter of 2023, an increase of 962 basis points compared with 48% in the fourth quarter of 2022.
- Coronary Artery Disease sales of \$6.8 million, representing a 20% increase in sales as compared to the fourth quarter of 2022.
- Structural Heart sales of \$1.1 million in the fourth quarter of 2023, representing a 38% sequential increase in sales as compared to the third quarter of 2023.
- Optical Medical Products sales were \$5.4 million, an increase of 146%, compared with \$2.2 million in the fourth quarter of 2022.

Recent Highlights

- On October 10, 2023, OpSens announced it had entered into a definitive arrangement agreement with Haemonetics Corporation whereby Haemonetics Corporation will indirectly acquire all of the issued and outstanding common shares in the capital of OpSens for \$2.90 per share. The transaction is expected to close by the end of January 2024, subject to satisfaction of customary closing conditions.

Management Commentary

"We are pleased with the results of the quarter and fiscal year 2023 which reflect a record for quarterly revenues and a strong 37% improvement in year-over-year revenues. We delivered growth in our key medical segment, which includes the OptoWire for Coronary Artery Disease, Optical Medical Products, and

the SavvyWire solution for Structural Heart TAVR procedures. The combined growth in medical segment revenue was up 66% compared to the fourth quarter of 2022 and up 42% for FY 2023,” said Louis Laflamme, President and CEO of OpSens.

“The adoption of both OptoWire and SavvyWire through a synergistic, multi-pronged approach which utilizes direct field sales representatives, distribution partners, and group purchasing agreements, has continued during the quarter and has contributed to another record quarter. The roll-out strategy of SavvyWire has continued during the quarter with 38% sequential revenue growth. This, coupled with the continued solid performance of our more established OptoWire product, positions OpSens well to continue its growth in the years to come,” Mr. Laflamme concluded.

Segmented Revenues Information

(\$ in Millions Canadian)	Three-month period ended August 31, 2023	Three-month period ended August 31, 2022	Financial year ended August 31, 2023	Financial year ended August 31, 2022
Medical segment				
Coronary Artery Disease	6.8	5.7	24.5	21.8
Structural Heart	1.1	0.1	2.6	0.1
Optical Medical Products	5.4	2.2	17.4	9.5
Other	0.1	0.1	0.4	0.3
Total Medical Revenues	13.4	8.1	44.9	31.7
Industrial	0.8	1.0	3.4	3.6
Total Revenues	14.2	9.1	48.3	35.3

Financial Commentary

Fiscal Year Financial Results - Year Ended August 31, 2023

Total revenue was \$48.3 million in FY 2023, compared with \$35.3 million in FY 2022, an increase of \$13.0 million or 37%.

Coronary Artery Disease

Sales of coronary artery disease products, Fractional Flow Reserve (“FFR”) and diastolic pressure ratio (“dPR”), amounted to \$24.5 million in FY 2023 compared with \$21.8 million in FY 2022, a 12% year over year increase. The increase was in part due to the positive impact of the synergistic, multi-pronged approach in having two proprietary products (OptoWire and SavvyWire) to sell in the North American market through the Company’s direct field sales representatives.

Structural Heart

Structural heart sales were \$2.6 million in FY 2023, compared with \$0.1 million in FY 2022, following the commercialization of the Company’s SavvyWire product in late FY 2022. Sales grew steadily throughout the year as the commercialization step-plan was implemented.

Optical Medical Products

Sales of optical medical products, including the supply agreement with Abiomed, were \$17.4 million in FY 2023, compared with \$9.5 million in FY 2022, an increase of 82%. The revenue increase was driven by significant increased demand for the Company's sensors, particularly during the second half of the year.

Industrial

Industrial sales decreased by 4% to \$3.4 million in FY 2023 from \$3.6 million in FY 2022.

Gross Margin

Gross margin was 58% in FY 2023, compared with 50% in FY 2022, an improvement of 747 basis points. The gross margin increase was driven by favorable product mix, a higher weighting of direct sales to hospitals in North America and overall higher sales volume.

Operating Expenses

Operating expenses for FY 2023 were \$40.5 million compared with \$28.8 million for FY 2022. The increase in operating expenses is primarily due to increased headcount in sales and marketing, research and development, and administration relating to the Company's launch of the SavvyWire product following regulatory clearance in Canada and United States.

Net Loss

Net loss was \$12.4 million in FY 2023, compared with net loss of \$11.4 million in FY 2022. The change is primarily due to the increase in operating expenses associated with the aforementioned SavvyWire regulatory clearance and commercial launch.

Fourth Quarter Financial Results - Three-Month Period Ended August 31, 2023

Total revenues were \$14.2 million in the fourth quarter of 2023, a 57% increase compared with the \$9.1 million recorded in the fourth quarter of 2022.

Coronary Artery Disease

Sales of Coronary Artery Disease products were \$6.8 million in the fourth quarter of 2023, compared with \$5.7 million in the fourth quarter of 2022, an increase of 20%. OptoWire sales in the U.S. contributed to enhanced performance with a 13% increase due to continued strength in the Company's direct selling efforts. For markets served by distributors, EMEA revenue increased 42% during the fourth quarter, while Asia Pacific experienced revenue growth of 13%.

Structural Heart

Structural Heart sales were \$1.1 million in the fourth quarter of 2023, driven by a 38% sequential increase in sales as compared with the third quarter of 2023. The Company continues to execute its systematic, step-by-step, commercialization plan, having moved to a full market release during the fourth quarter of fiscal 2023.

Optical Medical Products

Sales of Optical Medical Products, including the Company's multi-year supply contract of sensors for ventricular assist devices, were \$5.4 million in the fourth quarter of 2023, compared with \$2.2 million in the fourth quarter of 2022, an increase of 146%. The Company is seeing increased demand for its sensors with expectations for continued growth in the future.

Industrial

Industrial sales were at \$0.8 million in the fourth quarter of 2023, compared with \$1.0 million in the fourth quarter of 2022. During the quarter, the Company delivered solutions in optical temperature, pressure, strain, and other critical parameters for various industries, including aerospace, nuclear and power electronics.

Gross Margin

Gross margin improved to 57.9%, an increase of 962 basis points, compared with 48.3% during the prior year period. The increase was driven by favorable product mix, a higher weighting of direct sales to hospitals and higher sales volume.

Operating Expenses

Operating expenses in the fourth quarter of 2023 were \$9.7 million, compared with \$8.5 million in the fourth quarter of 2022. The \$1.2 million increase was due in part to an increase in Sales and Marketing activities as the SavvyWire launch continued. Research and Development expenditure increased due to an increase in projects and resources to support existing products while continuing to drive future innovations.

Net Loss

Net loss for the fourth quarter of fiscal 2023 was \$(1.6) million, or \$(0.01) per diluted share, compared to a net loss of \$(4.0) million, or \$(0.04) per diluted share in the fourth quarter of fiscal 2022.

Balance Sheet

OpSens had a cash position of \$18.1 million, as of August 31, 2023 (May 31, 2023, was \$20.5 million).

Table A

(In thousands of Canadian dollars, except for information per share)	Three-month period ended August 31, 2023	Three-month period ended August 31, 2022	Financial year ended August 31, 2023	Financial year ended August 31, 2022
	\$	\$	\$	\$
Revenues				
Sales				
Medical	13,281	7,948	44,512	31,427
Industrial	831	981	3,422	3,577
	14,112	8,929	47,934	35,004
Other	78	123	413	320
	14,190	9,052	48,347	35,324
Cost of sales	5,966	4,677	20,372	17,523
Gross margin	8,224	4,375	27,975	17,801
Gross margin percentage	58%	48%	58%	50%
Operating expenses				
Administrative	2,324	1,872	9,898	7,822
Sales and marketing	4,580	4,339	19,293	12,576
Research and development	2,839	2,244	11,308	8,358
	9,743	8,455	40,499	28,756
Financial expenses	53	1	30	312
(Gain) loss on foreign currency translation	(107)	(52)	(429)	68
Loss before income taxes	(1,466)	(4,029)	(12,125)	(11,335)
Current income tax expense	166	-	278	43
Net result	(1,632)	(4,029)	(12,403)	(11,378)
Basic and diluted net loss per share	(0.01)	(0.04)	(0.11)	(0.11)

Table B

CONSOLIDATED BALANCE SHEET HIGHLIGHTS (in thousands of Canadian dollars)	As at	As at
	August 31, 2023	Aug 31, 2022
	\$	\$
Cash and cash equivalents	18,105	23,816
Trade and other receivables	9,037	5,855
Inventories	9,566	6,672
Total Current Assets	38,761	39,016
Property, plant, and equipment	4,005	2,683
Intangible assets	1,676	1,786
Right-of-use assets	6,389	5,026
Total Assets	50,831	48,511
Current liabilities	8,778	8,601
Long-term debt	1,323	639
Lease liabilities	6,898	5,012
Total Liabilities	16,999	14,252
Shareholders' equity	33,832	34,259

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

OpSens focuses mainly on cardiology. The Company 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 more than 250,000 patients in more than 30 countries. It is approved for sale in the U.S., the European Union, the United Kingdom, Japan and Canada.

OpSens has received FDA clearance and Health Canada approval to commercialize the SavvyWire for transcatheter aortic valve replacement procedures (TAVI). This unique guidewire is a 3-in-1 solution for stable aortic valve delivery and positioning, continuous accurate hemodynamic measurement during the procedure, and reliable left ventricular pacing without the need for adjunct devices or venous access.

OpSens' SavvyWire is on trend with a minimalist approach to TAVR and advances the procedure, allowing patients to leave the hospital earlier, sometimes the same day.

The TAVR procedure is growing rapidly globally, driven by the aging population and recent studies that demonstrate its benefits for a broader array of patients. The global TAVR market is expected to reach over 400,000 in 2025 and over 600,000 in 2030.

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

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