



Dental  
Imaging  
Specialists



LED Medical Diagnostics Inc.

TSXV: LMD / OTCQB: LEDIF

# FORWARD-LOOKING STATEMENTS

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In this presentation, all references to dollars or “\$” are to the lawful currency of Canada and all amounts are in Canadian dollars, unless otherwise indicated.

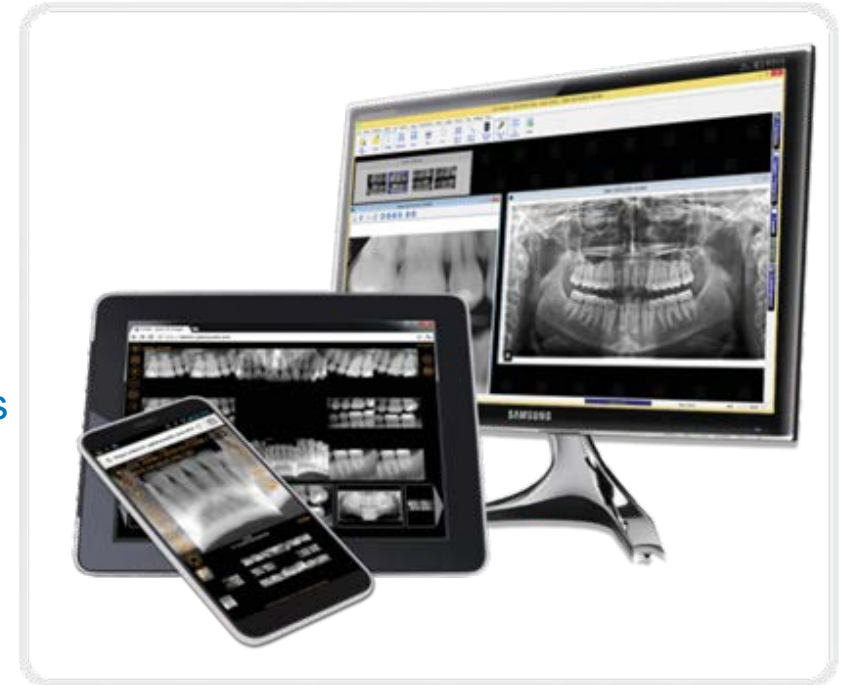
# WHAT WE DO

**LED Medical Diagnostics Inc.** provides cloud software and imaging device solutions to Dentists, Dental Support Organizations (DSOs) & the US Military Dental Command



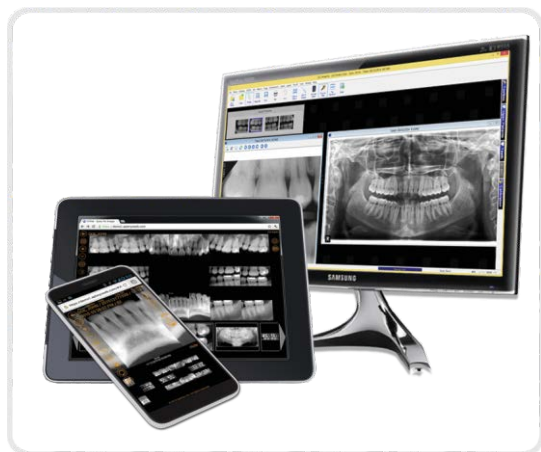
# PROBLEMS WE SOLVE FOR OUR CUSTOMERS

- 🦷 Unlocks Dentists and DSOs from “closed” proprietary competitive software and devices
- 🦷 Provides hosted single database solution enabling image analysis, retrieval and sharing from any web-enabled device
  - Solves image accessibility issues and reduces IT costs for DSOs
- 🦷 LED provides (SaaS) imaging solutions for partnering with cloud-based dental practice management solutions



**XV** Web®

# OUR SOLUTIONS



## PATENTED

- Software
  - XrayVision
  - XrayVision DCV
  - XVWeb
  - XVWeb® 3D



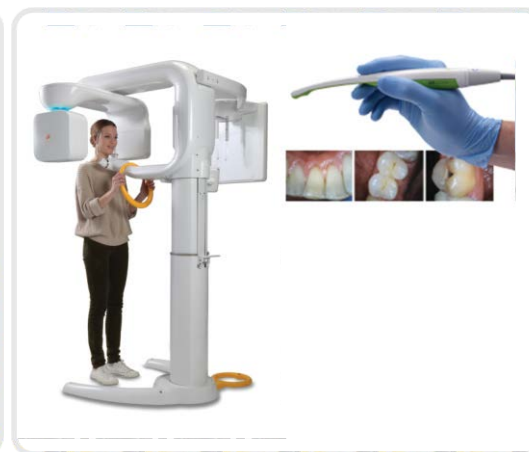
## PROPRIETARY

- LED TUXEDO Sensor



## PATENTED

- VELscope Vx



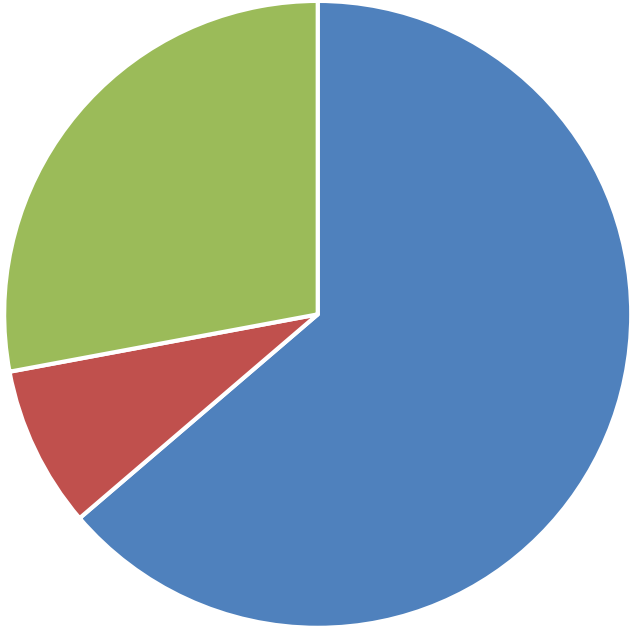
## LICENSED

- RAYSCAN  $\alpha$
- LED IC100 / IC200

# MARKET OPPORTUNITY

- 191,772 Dentists working in dentistry in 2017
- 16,213 DSO-affiliated solo or group practices
- DSOs represent 16% of total practices in the United States
- Expected to grow at approximately 15 percent annually over the next five years
- US penetration could reach 30 percent by 2021

US Dentists (2016)



■ DSO Solo   ■ DSO Solo or Group   ■ Non DSO Solo

US market for dental digital imaging is world's largest and growing with market estimated to exceed \$1.7B by 2020

# 2018 ENHANCED BUSINESS STRATEGY

## Path to Recurring / Repeatable Revenue

- ① Promote XVWeb® and DCV (client server solution) to Dental Service Organizations (DSOs) through: participation at national conferences, organizational sponsorships, advertising in key industry publications, targeted email campaigns, website, white papers and blogs
- ① Build strategic relationships with dental practice management vendors, focusing on synergies between their technologies and XVWeb (QSI, Dental Planet, etc.)
- ① Leverage existing VELscope and Apteryx customer base as prospect pipeline for Tuxedo and software solutions – focus on workflow / service / support
  - Single vendor solution advantage
- ① US Government leveraging US Military relationship GSA contract



# TRENDS DRIVING OUR GROWTH

- DSOs now own or control approximately 16 percent of total practices in the United States and expected to grow at approximately 15 percent annually over the next five years\*
- Rapidly expanding growth of cloud-based dental practice management software models



*The medical software industry has evolved toward cloud-based computing over the past decade and the dental industry is finally following in its footsteps.*



# COMPETITIVE ADVANTAGES

- ⦿ Patented subscription “capture to cloud” Picture Archiving System (PACS) offering in dental industry
- ⦿ Open-architected patented software solutions integrating with a wide variety of imaging devices and dental management software systems
- ⦿ Proven software development teams in niche dental imaging market
- ⦿ Extensive experience in the dental industry, DSO and government market segments
- ⦿ Substantial user base of existing VELscope and Apteryx customers
- ⦿ Tuxedo sensor optimized for use with Apteryx software
- ⦿ Strong intellectual property portfolio – 40 issued digital imaging related patents



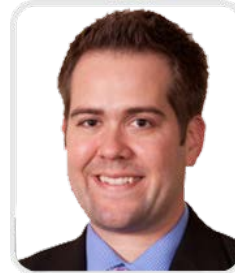
# TEAM



David - CEO



Vince - Sales DSO



Chris - Marketing



Kevin – SW Development



Lamar - Sales & Marketing



Michaela - R&D

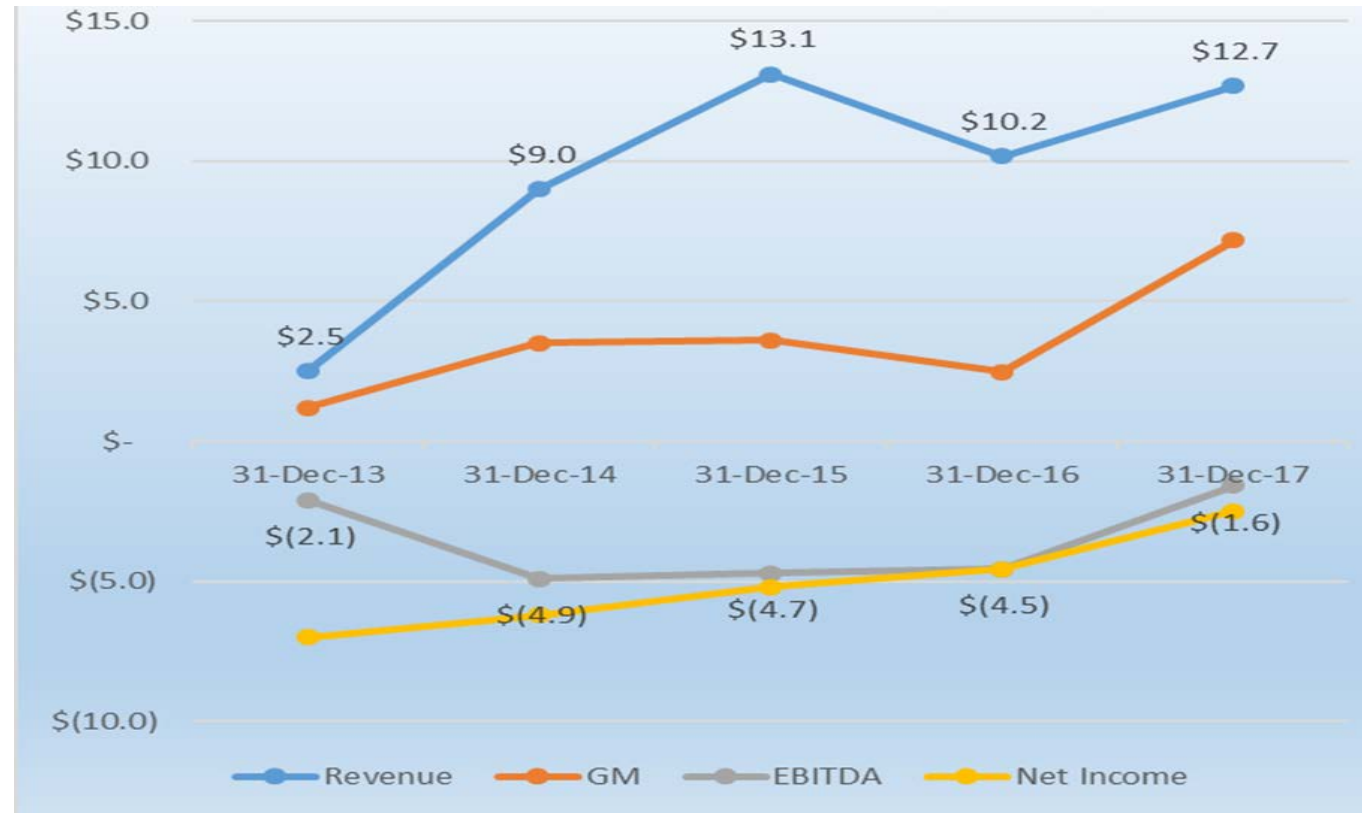


Nathan – Sales Government

# LED FINANCIAL PERFORMANCE (US\$M)

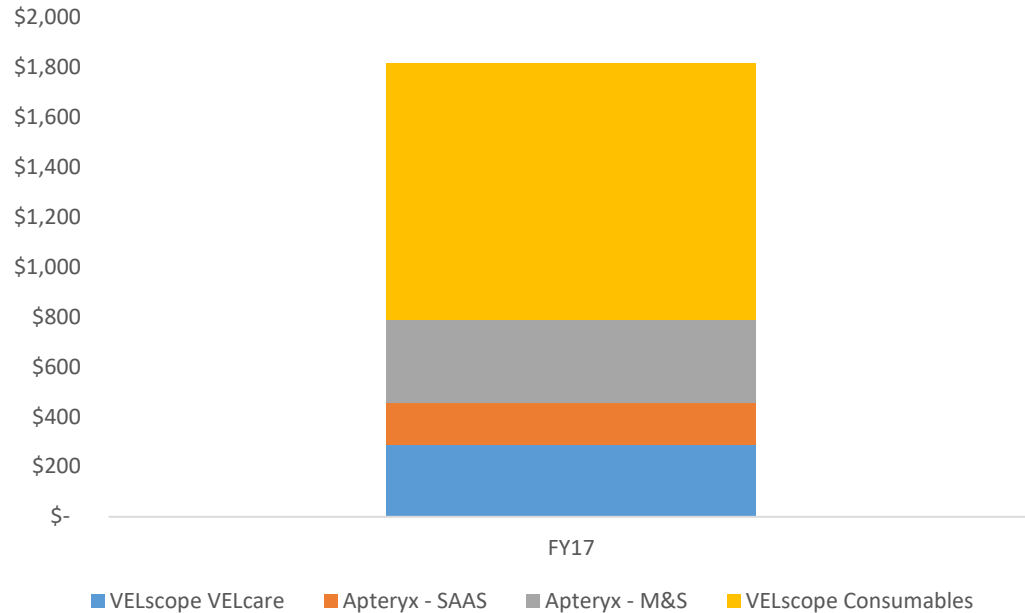
## Highlights from 2017 include:

- Acquisition of Apteryx, bringing us an enhanced Software as a Service (SaaS) recurring revenue business model
- New customer wins, including significant Dental Service Organizations (DSOs)
- Revenue US\$ 12.7M increase of 25% for the full year 2017 over 2016
- Gross margin improvement of more than 100% to 56% for 2017 vs. 24% for 2016
- EBITDA improvement of more than US\$3 million
- Reduced net loss YoY by nearly US\$3 million

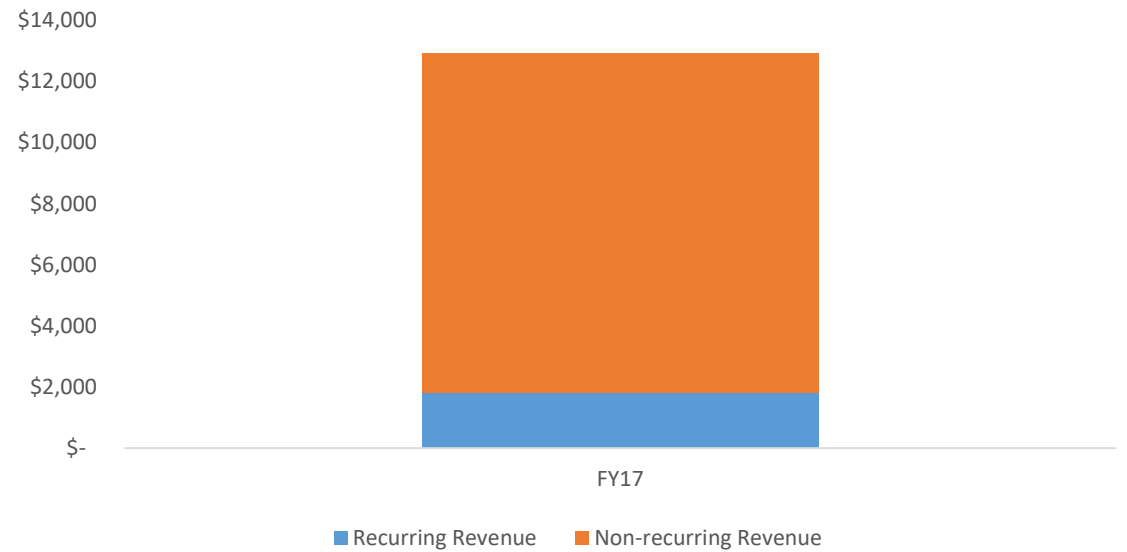


# 2017 RECURRING / REPEATABLE REVENUE STREAMS

Recurring Revenue Contribution by Source (US\$'000's)



Recurring Revenue Contribution (US\$'000's)



Recurring revenue 14.0% of total revenue

# COMPANY OVERVIEW

<b>Exchange: Ticker</b>	TSXV: LMD (OTCQB: LEDIF)
<b>Market Cap. (as at: 5/1/2018)</b>	CAN \$18.2M (TSXV)
<b>Price (as of: 4/1/2018)</b>	CAN \$0.48 (TSXV)
<b>Common Shares Outstanding</b>	53,407,313
<b>Fully Diluted Shares Outstanding</b>	37,914,636
<b>Warrants @ CDN \$0.60 (expire Feb 11, 2019)</b>	1,326,286
<b>Warrants @ CDN \$1.00 (expire Feb 10, 2019)</b>	11,070,753
<b>Warrants @ CDN \$1.00 (expire Oct 30, 2019)</b>	88,800
	12,485,839
<b>Stock Options</b>	2,970,833
<b>Management Ownership</b>	~11%
<b>Total Debt</b>	US \$5.9M



Dental  
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# See the difference

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