



Semler Scientific

NASDAQ:SMLR

March 2024

Forward-Looking Statements

This presentation includes statements that are, or may be deemed, “forward-looking statements.” In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believe,” “estimate,” “anticipate,” “expect,” “plan,” “intend,” “may,” “could,” “might,” “will,” “should,” or, in each case, their negative or other variations thereon or comparable terminology, although not all forward-looking statements contain these words. Such forward-looking statements appear in a number of places throughout this presentation and include express and implied statements regarding the market opportunity for our products, our up to \$20.0 million buyback program and any purchases thereunder, new products and service offerings, as well as our plans for maximizing stockholder returns and our goals for the year, among others. These statements are based on our current intentions, beliefs, projections, outlook, analyses or current expectations concerning, among other things, our ongoing and planned development of products, The expansion of QuantaFlo’s 510(k) clearance, the timing of launch of such new products, the strength and breadth of our intellectual property, the degree of clinical utility and adoption of our product, particularly for specific patient populations, and the success of new service models.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events, competitive dynamics, our expected financing needs and sources of financing, the industry in which we operate and the trends that may affect the industry or us. Our results of operations, financial condition, liquidity, prospects, growth and strategies depend on the economic circumstances that may or may not occur in the future or may occur on longer or shorter timelines than anticipated. Although we believe that we have a reasonable basis for each forward-looking statement contained in this presentation, we caution you that forward-looking statements are not guarantees of future performance and that our actual results of operations, financial condition and liquidity, and the development of the industry in which we operate may differ materially from the forward-looking statements contained in this presentation as a result of, among other factors, the factors referenced in the “Risk Factors” section of our Annual Report on Form 10-K as filed with the Securities and Exchange Commission on March 6, 2024 and as may be amended from time to time, the CMS 2024 Medicare Advantage and Part D Final Rate Announcement and the change in the reimbursement landscape, our ability to obtain a new 510(k) clearance for expanded indications, and the seasonality observed in our variable (fee per test) revenues, and other geopolitical events that may impact our supply chain, such as the Russian invasion of Ukraine, and other geopolitical conflicts as well as inflation. In addition, even if our results of operations, financial condition and liquidity, and the development of the industry in which we operate are consistent with the forward-looking statements contained in this presentation, they may not be predictive of results of developments in future periods. Any forward-looking statements that we make in this presentation speak only as of the date of such statement, and we undertake no obligation to update such statements to reflect events or circumstances after the date of this presentation, except as required by law.

You should read carefully our “Cautionary Note Regarding Forward-Looking Statements and Industry Data” and the factors described in the “Risk Factors” sections of the Annual Report to better understand the risks and uncertainties inherent in our business.

Disruptive, Paradigm-shifting Business with Large Opportunity

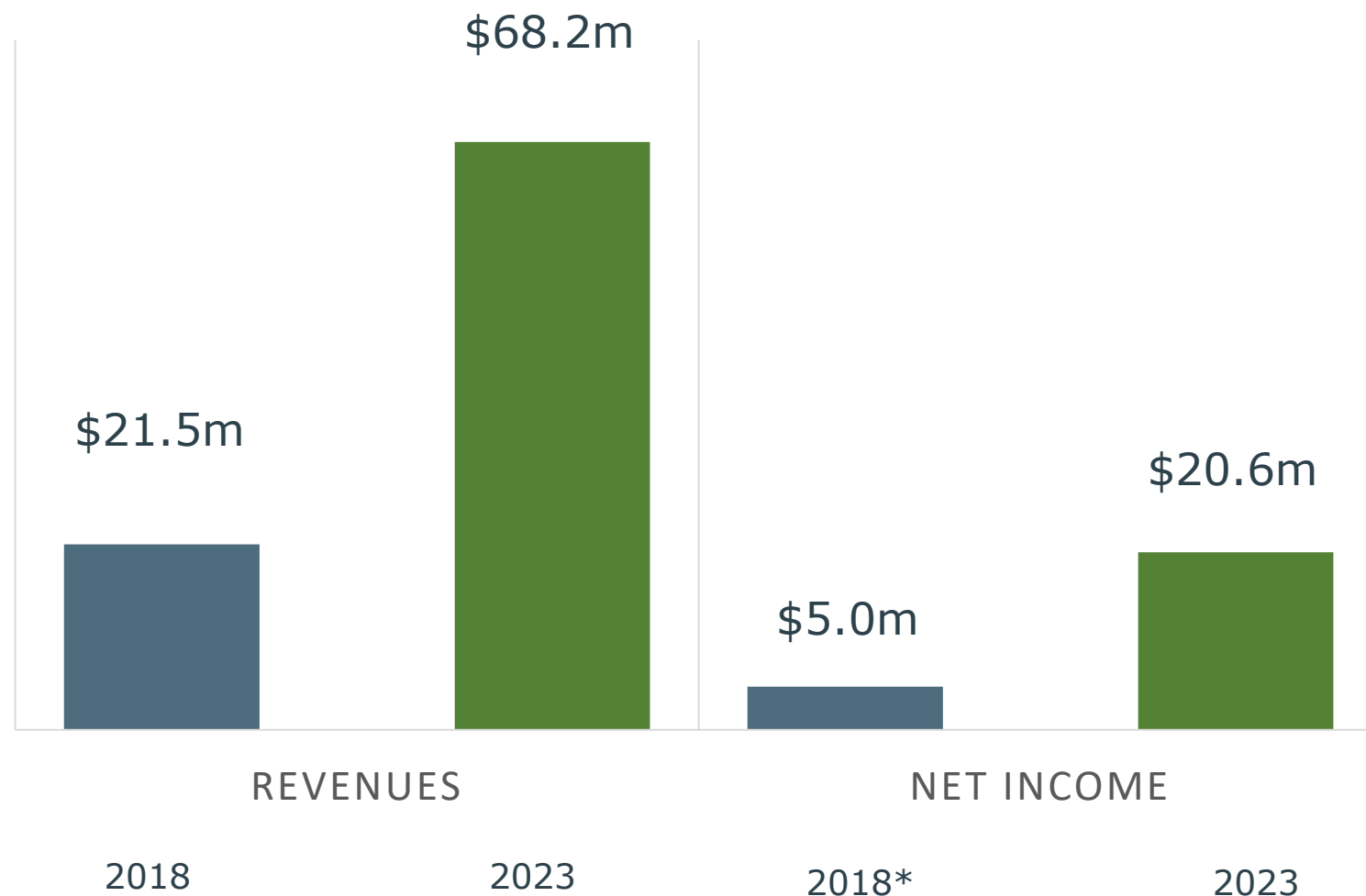
- 1 Technology to bring **cardiovascular testing** to the **front lines of medicine**
- 2 High-leverage distribution model to **Health Insurance Plans, Health Risk Assessment (HRAs)** companies, and other emerging customers
- 3 Software as a service (SAAS) **recurring-revenue subscription licensing model**
- 4 **Large and underpenetrated** addressable market opportunity

Investment Highlights

(in millions of U.S. Dollars)

Solid track record of growth and profitability

- Recurring SAAS revenue model
- Strong cash and cash equivalents position of \$57.3 million as of 12/31/2023



*2018 was the first year since inception with net income



**Solutions
to Improve
Healthcare
for Age 50
and Over**

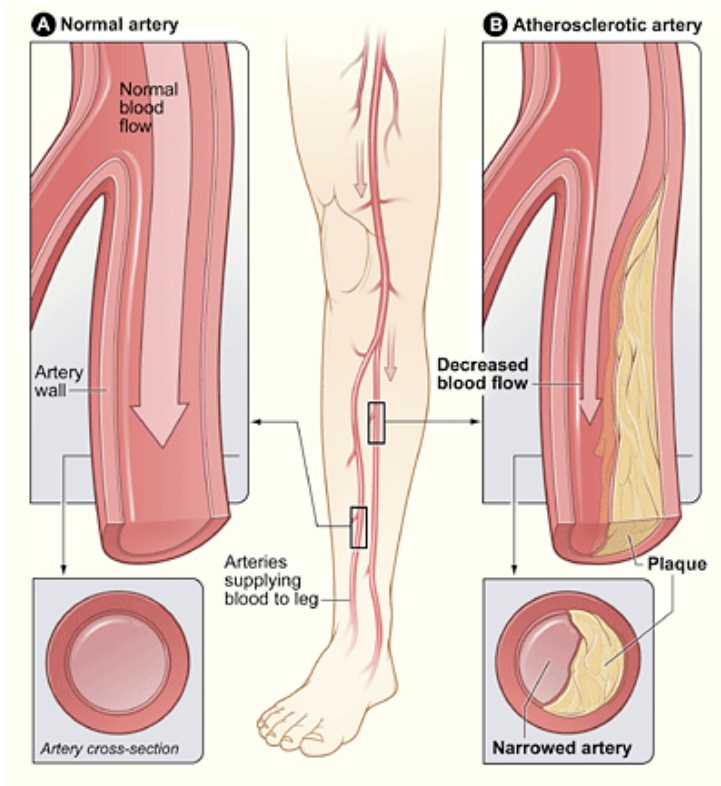
Software and Products Platform

- **Faster**
- **More practical to use**
- **More accurate**
- **Less expensive**

QuantaFlo Product

	QuantaFlo®
Aids in the diagnosis:	for Peripheral Artery Disease (PAD)
Market Introduction	2011
Regulatory Status	FDA cleared
Point of Service	Office, clinic, home
Hardware/Software	PC or tablet + sensor/QuantaFlo Application
Test administered by	Medical aide
Pricing Model	Software Fixed-fee license or Variable-fee license

QuantaFlo® Aids the Diagnosis of PAD



- We believe there are more than **80 million** U.S. patients who could be tested based on AHA/ACC criteria
- **PAD** is a condition where the arteries serving the extremities (peripheries) narrow and reduce blood flow
- Often has **comorbidities** such as heart failure, diabetes, and renal failure

<https://www.businesswire.com/news/home/20190925005563/en/SAGE-GROUP-LLC-Comments-National-Peripheral-Artery/>

Source: Yost, ML, The Sage Group,
September 25, 2019

Realities of PAD

- PAD is highly underdiagnosed
- **>30% of patients over age 65** screen positive for PAD¹
- **75%** of PAD patients are **asymptomatic**² - primary MDs often miss the diagnosis
- PAD sufferers have a **21% increased risk** of a heart attack, stroke, hospitalization or death within one year³
- Co-morbidity and cost of asymptomatic PAD are **similar to that of symptomatic PAD**⁴
- **Significant annual costs** to the U.S. Government

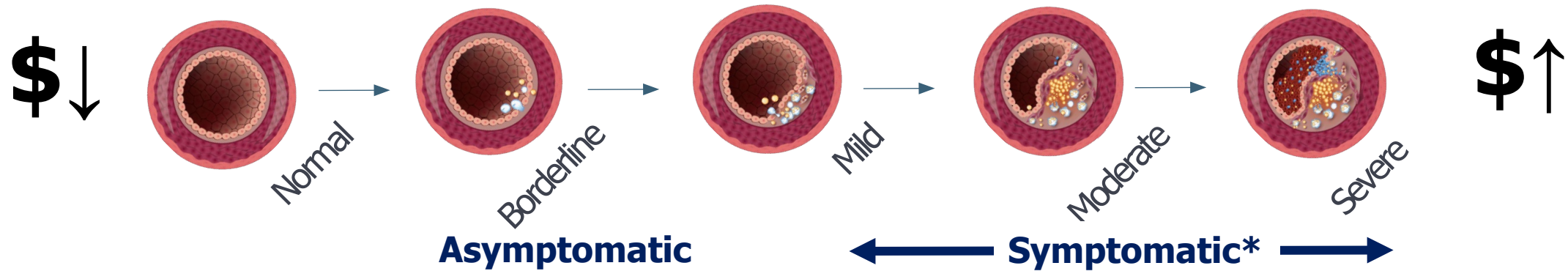
References:

- 1- Smolderen K, Heath K, et al. Clinical Research Study Screening for Peripheral Artery Disease: Journal of Vascular Surgery, 06/01/2022: Vol 75, Issue 6, P2054-2064. [https://www.jvascsurg.org/article/S0741-5214\(22\)00340-8/fulltext](https://www.jvascsurg.org/article/S0741-5214(22)00340-8/fulltext)
- 2 - Sillesen H, Falk E: Peripheral artery disease (PAD) screening in the asymptomatic population: why, how, and who? Curr Atheroscler Rep, 13(5):390-395. and Hirsch: Peripheral Arterial Disease Detection, Awareness, and Treatment in Primary Care JAMA, 2001: Vol 286: 1317-1324
- 3 - Steg PG, Bhatt DL, Wilson PW, et al. One-year cardiovascular event rates in outpatients with atherothrombosis. JAMA. 2007;297(11):1197-1206. doi:10.1001/jama.297.11.1197
- 4 - a) Criqui The epidemiology of peripheral arterial disease: importance of identifying the population at risk Vasc Med 1997;2:221-226
b) Reach Study: One-Year Costs in patients with a History of or at risk for atherothrombosis in the United States Circ Cardiovasc Qual Outcomes, 2008;1:38-45
c) Vascular Hospitalization Rates and Costs in Patients with Peripheral Artery Disease in the United States Cardiovascular Qual Outcomes 2010;3:642-651

Delaying Testing for PAD Allows Progression

- **PAD screening** is a reasonable medical intervention with an **acceptable cost in a CMS patient population**.¹

Arterial Disease Progression



- There is enormous potential to realize cost-savings by reducing cardiovascular event rates and deploying population-based PAD risk management strategies.²

1. Vascular Medicine 2018, Vol. 23(2) 107-108

2. - [https://www.jvascsurg.org/article/S0741-5214\(22\)00340-8/fulltext](https://www.jvascsurg.org/article/S0741-5214(22)00340-8/fulltext)


* Illustration

What is Currently Lacking?



Patients at risk for heart attacks and strokes or other chronic conditions are often unaware of their status

A need exists for cost efficient and a time efficient means to identify these patients



**Society benefits from
“early warning”
of patients’
health status in
two ways:**

- **Start preventive care to avoid acute care costs down the road**
- **Improved economics to mitigate the financial costs of heart attacks, strokes and chronic disease**

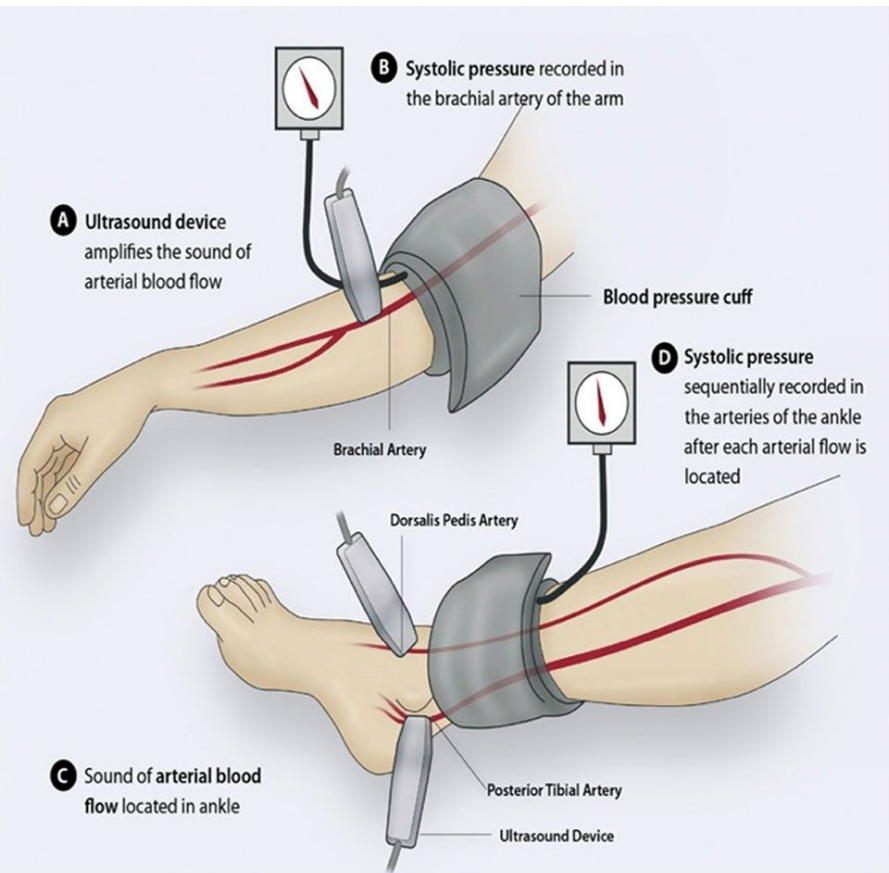
Bringing Cardiovascular Testing to the Front Lines of Medicine



- **FDA** marketing clearance and **patent** granted
- Well-suited for use in primary care & specialty practices, health fairs and during in home evaluations
- Delivers **fast, clinically-proven, accurate results** in ~5 minutes by a medical aide, saving valuable physician time
- Performed at the point of care providing significant opportunity to **improve health**



Competition in the Peripheral Arterial Disease (PAD) Market



- Traditional Ankle-Brachial Index (ABI) testing for PAD has been the standard for decades, uses blood pressure cuffs and doppler ultrasound imaging
- Requires a trained vascular technician, performed by referral in a specialized vascular lab, requires more time and cost, **accuracy same as or less than QuantaFlo®**
- ABI not suitable for certain types of patients
- ABI not practical for primary care offices or home testing



Customers Serving Primarily the Large Enterprise Customer Population

- Customer base includes health insurance plans, home risk assessment companies, delegated medical groups, hospitals and retail clinics

Favorable Customer Economics

- QuantaFlo® provides **valuable information** to **better guide patient care**
- Early prevention may **lower the cost of care**

Business Opportunity

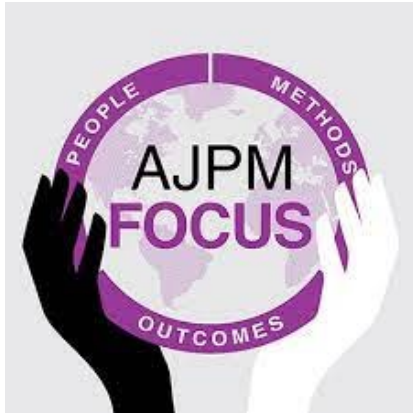


- More than **400K primary care providers** in the U.S.
- We believe there are **80+ million people** in U.S. who are either:
 - 64 million age 65 or older, or
 - 10,000 people in the U.S. turn 65 every day
 - Age 50 to 64 with cardiovascular risk factors
- Of these 80+ million:
 - **28 million are Medicare Advantage**
 - 36 million are Medicare

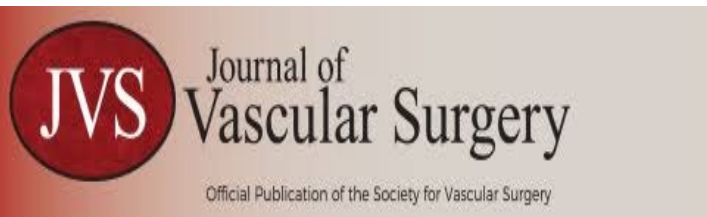
References:
<https://www.commonwealthfund.org/blog/2022/taking-stock-medicare-advantage-overview>
<https://arc.aarpinternational.org/countries/united-states>

Recent Independent Clinical Studies Supports Use of QuantaFlo®

Two independently conducted; peer-reviewed studies published in 2022 analyzed screening tests using QuantaFlo®



- The “**HouseCalls Program**” published in the *AJPM Focus*¹ tested **192,500 patients** in their home
- The “**Nevada Paper**” published in the *Journal of Vascular Surgery*² tested **13,971 patients** in clinics
- **~30% of asymptomatic patients tested positive** for PAD
- The **risk** associated with detecting PAD was **substantial** with increased risk of all-cause mortality or morbidity at one to three years
- The studies **underscore the potential for nationwide screening programs in clinics and at home**, allowing stratification for further cardiovascular risk management



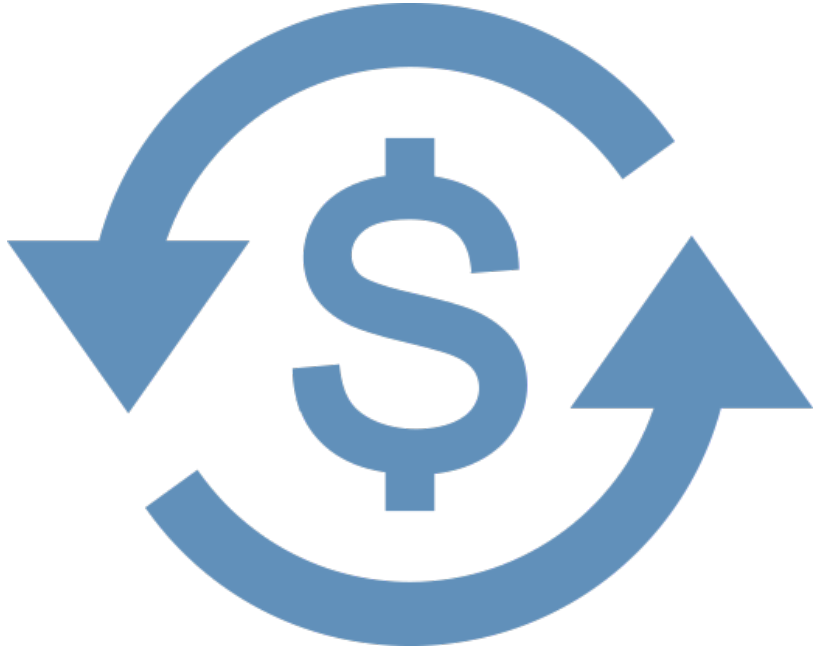
1 - <https://doi.org/10.1016/j.focus.2022.100016>

2 - [https://www.jvascsurg.org/article/S0741-5214\(22\)00340-8/fulltext](https://www.jvascsurg.org/article/S0741-5214(22)00340-8/fulltext)

Recurring Revenue SAAS Model



- **Two types of recurring revenue** depending on customer type:
 - Monthly fixed-fees
 - Variable-fees or fee-per-test based on usage (plus cost of sensor)
- Offering enterprise solutions, such as EMR integration; results in **high customer retention**
- Opportunity to introduce **new, synergistic products** that have recurring revenues and are sold through the same channel



Maximize Stockholder Returns

- **Reinvest in core business** – establish QuantaFlo® as a standard of care in the industry, add additional customers, invest in QuantaFlo® upgrades and new products
- **Diversify Product Range** – through license deals, investments and acquisitions
- **Share Buybacks** – \$20m total share buyback authorization; \$15m remaining



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