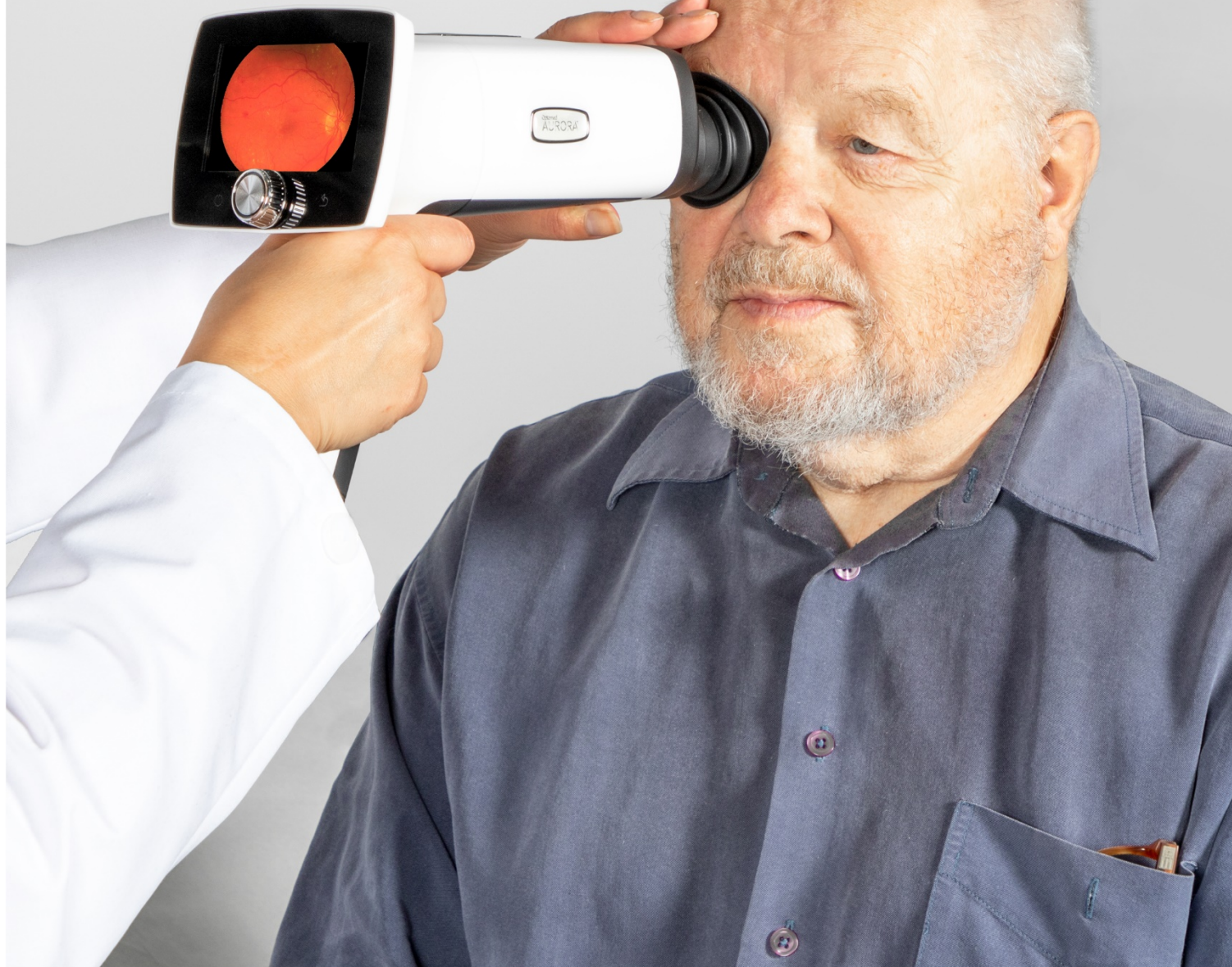


2021



Interim Report

January – March 2021

OPT  **MED**

Optomed Plc: Interim Report, January – March 2021

January – March 2021

- Revenue increased by 30.0 percent to EUR 3,944 (3,034) thousand. At comparable exchange rates, revenue grew by 30.4%
- Devices segment revenue increased by 48.6 % to EUR 1,447 (974) thousand. At comparable exchange rates, the segment revenue grew by 49.9%
- Software segment revenue increased by 21.2 % to EUR 2,497 (2,060) thousand
- EBITDA amounted to EUR –315 (-575) thousand corresponding to –8.0 (-19.0) percent of revenue
- The key driver for the strong revenue growth was the increase in demand for handheld cameras, especially in China and the US

Key figures

EUR, thousand	Q1/2021	Q1/2020	Change, %	2020
Revenue	3,944	3,034	30.0%	13,011
Gross profit *	2,577	1,977	30.3%	8,955
Gross margin % *	65.3%	65.2%		68.8%
EBITDA	-315	-575	45.3%	-733
EBITDA margin *, %	-8.0%	-19.0%		-5.6%
Adjusted EBITDA *	-315	-575	45.3%	-733
Adjusted EBITDA margin *, %	-8.0%	-19.0%		-5.6%
Operating result (EBIT)	-851	-1,061	19.8%	-2,906
Operating margin (EBIT) *, %	-21.6%	-35.0%		-22.3%
Adjusted operating result (EBIT) *	-851	-1,061	19.8%	-2,906
Adjusted operating margin (EBIT margin) *, %	-21.6%	-35.0%		-22.3%
Net profit/ loss	-616	-1,250	50.7%	-3,177
Earnings per share	-0.05	-0.12	62.2%	-0.24
Cash flow from operating activities	-257	-2,920	91.2%	-2,801
Net Debt	-3,416	-5,566	-38.6%	-4,090
Net debt/ Adjusted EBITDA (LTM)	7.2	6.4		5.6
Equity ratio *	64.2%	66.0%		64.6%
R&D expenses personnel	479	431	11.1%	1,406
R&D expenses other costs	149	84	78.5%	253
Total R&D expenses	628	515	22.1%	1,659

*) Alternative performance measures, see section Alternative Performance Measures for definitions and calculations.

CEO comments

Optomed experienced very strong revenue growth during the first quarter. The Devices segment sales grew by an exceptional 49%, driven by strong demand from China and a positive start in our US camera sales. Also, the Software segment reported high growth numbers with revenue increasing by 21% during the quarter, due to significant new solution deliveries, as well as increased sales to existing customers. In total the Group's revenue increased by 30% compared to the previous year. This strong increase in demand is caused by the transformation in the eye screening market more towards primary care with the support of telemedicine services and artificial intelligence, which was accelerated by the Covid-19 pandemic. This need for remote eye care services has increased the demand for mobile cameras. Especially in our key markets, such as China and the United States, the demand for handheld devices has been growing rapidly. We have also been able to increase awareness of the Optomed brand as the number one handheld camera manufacturer globally, and therefore strengthen our market position even further.

Revenue increased in most of our main sales channels, although the Covid-19 pandemic continues to negatively impact our traditional distribution channels in several countries. Overall, sales to our OEM partners have been slower than last year, but we expect them to reactivate their orders later on this year. Most ophthalmology segment exhibitions and other business events are postponed, and face-to-face customer meetings are still not possible due to limited travel possibilities. As a result, our traditional distribution channel sales and solution deliveries have not yet returned to pre-pandemic levels. When the situation gradually adjusts to the new normal and personal sales work to hospitals is possible again, we believe that the demand for screening solutions will increase.

Demand for our products is currently strong in our key markets China and the United States. In China, we have started a distribution channel reform to expand our sales network to cover both a larger geographic area and more customer segments. We have started cooperating with a very well-known Chinese company focusing on pharmaceutical and medical device sales. The first camera deliveries to this new partner were made during the first quarter. This change in distribution will have a moderate effect on our expenses in the first half of the year, but we believe this expanded sales coverage will enable us to further increase our camera sales in China in both short and long term.

Our US business has progressed as expected. We have started new distribution collaborations and our strategic cooperation projects with hospitals, AI companies and our partners providing telemedicine services have proceeded as planned. These actions combined with accelerated demand for handheld cameras contributed to the strong sales in the US market compared to the previous quarter.

We believe that the transformation in the eye screening market accelerated by the coronavirus pandemic towards remote diagnosis will further increase the demand for handheld cameras. This new market situation has advanced the use of AI services and the transition of eye screenings to primary care. There is now a momentum for handheld cameras, AI services and screening solutions, and therefore we are investing heavily in clinical research of our products and solutions, development of new products and expanding our sales coverage globally. These investments are reflected in higher costs throughout the year. Our stable financial situation enables these growth investments, and we believe that we are now in a very strong position to take advantage of the opportunities brought by the new market situation. Our systematic pioneering work in the commercialization of handheld cameras and artificial intelligence services are now gradually starting to materialize, despite we are still in the early phases of our journey.

CEO, *Seppo Kopsala*

Outlook 2021

Optomed expects its full year 2021 revenue to grow strongly compared to 2020.

Telephone conference

A telephone conference for analysts, investors and media will be arranged on 6 May 2021 at 11.00 EET. The event will be held in English. The presentation material will be available at www.optomed.com/investors 10.00 EET at the latest.

The participants are requested to register for the call-in advance by email to sakari.knuutti@optomed.com.

Please see the call-in numbers below:

FI +358 9 856 263 00

SE +46 8 505 218 52

UK +44 20 3321 5273

US +1 646 838 1719

FR +33 1 70 99 53 92

The conference id is 346 457 303#.

Please note that by dialing into the conference call, the participant agrees that personal information such as name and company name will be collected.

Group performance

January – March 2021

In January-March 2021, Group revenue increased by 30.0 percent to EUR 3,944 (3,044) thousand. The main driver for revenue growth was increase in demand for handheld cameras in China. In the US, the demand has also increased sharply due to the transformation in the eye screening market accelerated by the coronavirus pandemic towards remote diagnosis. The Devices segment's revenue increased very strongly by 48.6 percent. The Software segment's solid performance continued, and its revenue also increased very strongly by 21.2 percent driven by stable recurring business from the existing customers in addition to new global solution delivery projects. The Group gross margin of 65.3 (65.2) percent was largely in line with first quarter 2020. The Group recorded other operating income of EUR 82 (1) thousand during January-March. The January-March Group gross margin excluding other operating income was 63.3 percent in 2021 and 65.1 percent in 2020.

In January-March 2021, both Group reported EBITDA and adjusted EBITDA amounted to EUR -315 (-575). The main reasons for the positive adjusted EBITDA development compared to 2020 was the higher gross margin of the devices segment due to higher share of Optomed branded product sales with more favorable gross margins.

In January-March 2021, net financial items amounted to EUR 216 (209) thousand and consisted mainly of interest payments to financial institutions and the translation effect of Chinese RMB and USD to EUR.

Cash flow and financial position

January – March 2021

In January-March 2021, the cash flow from operating activities amounted to EUR -257 (-2,920) thousand. The first quarter 2020 included deferred payments from 2019 because of the successful IPO in December 2019. Net cash in investing activities was EUR -557 (-354) thousand and relates mainly to capitalized development expenses. Net cash from financing activities amounted to EUR -71 (-3,452). The First quarter of 2020 included a loan repayment of EUR 3,2 million.

Consolidated cash and cash equivalents at the end of the period amounted to EUR 9,767 (12,145) thousand. Interest-bearing net debt totaled EUR -3,416 (-5,566) thousand at the end of the period.

Net working capital was EUR 3,689 (3,529) thousand at the end of the period.

Devices segment

Optomed has two synergistic business segments: Devices and Software.

The Devices segment develops, commercializes, and manufactures easy-to-use, and affordable handheld fundus cameras, that are suitable for any clinic for screening of various eye diseases, such as diabetic retinopathy, glaucoma, and AMD (Age Related Macular Degeneration).

EUR, thousand	Q1/2021	Q1/2020	Change, %	2020
Revenue	1,447	974	48.6 %	5,097
Gross profit *	842	396	112.7 %	2,862
Gross margin, % *	58.2 %	40.7 %		56.1 %
EBITDA	-231	-421	45.2 %	-251
EBITDA margin, % *	-15.9 %	-43.2 %		-4.9 %
Operating result (EBIT)	-615	-758	19.0 %	-1,820
Operating margin (EBIT), % *	-42.5 %	-77.9 %		-35.7 %

**) Alternative performance measures, see section Alternative Performance Measures for definitions and calculations.*

January – March 2021

In January-March 2021, the Devices segment revenue increased very strongly by 48.6 percent and was EUR 1,447 (974) thousand. The growth was mainly driven by increase in demand for handheld cameras in China. In the US, the demand has also increased sharply due to the transformation in the eye screening market accelerated by the coronavirus pandemic towards remote diagnosis.

In January-March 2021, the gross margin increased to 58.2 percent from 40.7 percent in the previous year. The positive variance is partly related to a higher share of Optomed branded products sold with a higher gross margin compared to OEM products and partly to special sourcing arrangements in first quarter 2020, as a consequence of the COVID-19 outbreak, which temporary increased our cost of sales.

EBITDA was EUR -231 (-421) thousand or -15.9 (-43.2) percent of revenue. The key drivers for the improved EBITDA were higher revenue and gross profit.

Software segment

Optomed has two synergistic business segments: Devices and Software.

The Software segment develops and commercializes screening software for diabetic retinopathy and cancer screening for healthcare organizations. The segment also distributes off-the-shelf products from selected partners to supplement its own solutions and expertise and provides software consultation to support the Devices segment screening solution projects.

EUR, thousand	Q1/2021	Q1/2020	Change, %	2020
Revenue	2,497	2,060	21.2 %	7,913
Gross profit *	1,734	1,581	9.7 %	6,093
Gross margin, % *	69.5 %	76.7 %		77.0 %
EBITDA	540	481	12.4 %	1,926
EBITDA margin, % *	21.6 %	23.3 %		24.3 %
Operating result (EBIT)	388	333	16.5 %	1,323
Operating margin (EBIT), % *	15.5 %	16.2 %		16.7 %

**) Alternative performance measures, see section Alternative Performance Measures for definitions and calculations.*

January – March 2021

In January-March 2021, the Software segment had another successful quarter and the revenue increased very strongly by 21.2 percent and was EUR 2,497 (2,060) thousand. Performance was driven by the continued stable recurring business with the current customer base in addition to new global solution delivery projects. In January-March 2021, the gross margin was 69.5 (76.7) percent. The gross margin decreased due to different product mix in sales as compared to previous year.

EBITDA was EUR 540 (481) thousand or 21.6 (23.3) percent of revenue, respectively. The travel restriction due to the pandemic have also in the first quarter of 2021 slowed down the global screening solution sales.

Organic growth

The following table shows the organic growth of the group and the segments. The adjusted elements are related to exchange rate variances between EUR and Chinese RMB and USD.

Organic growth, percentage	Q1/2021	2020
Devices segment*	49.9 %	-29.5%
Software segment*	21.2 %	3.2%
Group*	30.4 %	-12.7%

**) Alternative performance measures, see section Alternative Performance Measures for definitions and calculations*

Group-wide expenses

Group-wide expenses relate to functions supporting the entire group such as treasury, group accounting, Marketing, legal, HR, and IT.

January – March 2021

In January-March 2021, group-wide operating expenses amounted to EUR 624 (635) thousand.

Personnel

Number of personnel at the end of the reporting period.

	31 March 2021	31 March 2020
Devices	57	55
Software	40	37
Group	18	18
Total	114	110

Corporate Governance

Optomed complies with Finnish laws and regulations, Optomed's Articles of Association, the rules of Nasdaq Helsinki and the Finnish Corporate Governance Code 2020 issued by the Securities Market Association of Finland. The code is publicly available at <http://cgfinland.fi/en/>. Optomed's corporate governance statement 2020 is available on the company website www.optomed.com/investors/.

Annual General Meeting

On 31 March 2021, the Company announced the notice for the Annual General Meeting on 31 March 2021. The meeting was held after the review period on Wednesday, 28 April 2021 in Espoo, Finland.

On 30 March 2021, the proposal of the Optomed shareholder's nomination board was announced. The Nomination Board proposed to the Annual General Meeting that:

- Seppo Mäkinen, Petri Salonen, Reijo Tauriainen and Anna Tenstam re-elected as Board members, and
- Xisi Guo is elected as a new Board member

In addition, the proposal of the nomination board included board remuneration proposal.

Shares and shareholders

The company has one share series with all shares having the same rights. At the end of the review period Optomed Plc's share capital consisted of 14,003,144 shares and the company held 645,378 shares in the treasury which approximately corresponds to 4.6 percent of the total amount of the shares and votes. Additional information with respect to the shares, shareholding and trading can be found on the company's website www.optomed.com/investors/.

Risks and uncertainties

The key risks and uncertainties are described in the company's annual report 2020 which was published on 12 March 2021. The complete report is available at <https://www.optomed.com/investors/>. The risk position of Optomed has not changed since then.

Flagging notifications

On 17 February 2021, the total holdings of treasury shares held by Optomed Plc decreased to 4.61 per cent of all the registered shares.

Events after the review period

On 8 April 2021, Optomed upgraded its outlook for 2021 due to improved market sentiment and very strong start of the year.

On 9 April 2021, Optomed received a major shareholder notification from OP-Rahastoyhtiö Oy. According to the notification, the total holdings in Optomed shares and votes held by OP-Rahastoyhtiö has increased to 5.46 per cent of all of the registered shares in Optomed on 8 April 2021.

On 28 April 2021, Optomed held its Annual General Meeting (AGM) that adopted the financial statements 2020 and the remuneration report for governing bodies and discharged the members of the Board of Directors and the CEO from liability for 2020. The AGM resolved that no dividend will be paid for the year 2020.

The number of members of the Board of Directors was confirmed as five:

- Seppo Mäkinen, Petri Salonen, Reijo Tauriainen and Anna Tenstam were re-elected as members of the Board
- Xisi Guo was elected as a new member of the Board.

The Annual General Meeting confirmed the annual Board remuneration as follows:

- Chairman of the Board EUR 36,000
- members of the Board EUR 18,000.

In addition, a meeting fee in the amount of EUR 500 is paid to the Chairman of the Audit Committee for each Audit Committee meeting. 40 percent of the Board remuneration is paid in Optomed shares and 60 percent in cash. The remuneration will be paid once a year in August, after Optomed's H1 report has been announced.

The AGM decided to elect KPMG Oy Ab, a firm of authorized public accountants, as the Company's auditor. KPMG Oy Ab has informed the Company that Authorized Public Accountant Tapio Raappana will continue as the auditor with principal responsibility.

The AGM approved the authorization for the Board of Directors to repurchase Optomed's own shares and to accept them as pledge. Altogether no more than 1,400,314 shares may be repurchased or accepted as pledge. The

authorization will be valid until the earlier of the end of the next Annual General Meeting or 18 months from the resolution of the Annual General Meeting.

The General Meeting authorized the Board of Directors to decide on the issuance of shares as well as the issuance of option rights and other special rights entitling to shares referred to in Chapter 10, Section 1 of the Finnish Companies Act. The number of shares to be issued based on this authorization may not exceed 1,400,314. The Board of Directors is authorized to resolve on all terms and conditions of the issuance of shares and special rights entitling to shares, including the right to derogate from the pre-emptive right of the shareholders. The authorization will be valid until the earlier of the end of the next Annual General Meeting or 18 months from the resolution of the Annual General Meeting.

Decisions of the Board of Directors:

At its meeting held after the Annual General Meeting, the Board of Directors elected from among its members Petri Salonen as its Chairman. The committee members were elected as follows:

Audit Committee:

- Reijo Tauriainen (Chairman)
- Seppo Mäkinen
- Anna Tenstam

Remuneration Committee:

- Seppo Mäkinen (Chairman)
- Reijo Tauriainen
- Anna Tenstam

On 29 April 2021, Optomed received a major shareholder notification from BI Asset Management Fondsmægler-selskab A/S ("BIAM"). According to the notification, the total holdings in Optomed shares and votes held by BIAM has increased to 5.69 per cent of all of the registered shares in Optomed on 28 April 2021.

Audit review

This financial report has not been audited by the company's auditors.

Financial reporting in 2021

5 August Half-Year Financial Report for 1 January – 30 June 2021

4 November Interim Report for 1 January – 30 September 2021

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About Optomed

Optomed is a Finnish medical technology company and one of the leading providers of handheld fundus cameras. Optomed combines handheld screening devices with software and artificial intelligence with the aim to transform the diagnostic process of blinding eye-diseases such as rapidly increasing diabetic retinopathy. In its business Optomed focuses on eye-screening devices and software solutions related R&D in Finland and sales through different channels in over 60 countries. The company has an extensive portfolio of 56 international patents protecting the technology.

Alternative Performance Measures

Optomed uses certain alternative performance measures (APMs) with the purpose to provide a better understanding of how the business develops. These APMs, as defined, cannot be fully compared with other companies' APMs.

Alternative Performance Measures	Definition
Gross profit	Revenue + Other operating income – Materials and services expenses
Gross margin, %	Gross profit / Revenue
EBITDA	Operating result before depreciation, amortization, and impairment losses
EBITDA margin, %	EBITDA / Revenue
Operating result	Profit/loss after depreciation, amortization, and impairment losses
Operating margin, %	Operating result / Revenue
Adjusted operating result	Operating result excluding items affecting comparability
Adjusted operating margin, %	Adjusted operating result / Revenue
Adjusted EBITDA	EBITDA excluding items affecting comparability
Adjusted EBITDA margin %	Adjusted EBITDA / Revenue
Items affecting comparability	Material items outside ordinary course of business including restructuring costs, net gains or losses from sale of business operations or other non-current assets, strategic development projects, external advisory costs related to capital reorganization, impairment charges on non-current assets incurred in connection with restructurings, compensation for damages and transaction costs related to business acquisitions.
Net Debt	Interest-bearing liabilities (borrowings from financial institutions, government loans and subordinated loans) – cash and cash equivalents (excl. lease liabilities according to IFRS 16)
Net Debt / Adjusted EBITDA (LTM), times	Net Debt / Adjusted EBITDA (for the last twelve months, LTM)
Earnings per share	Net result / Number of outstanding shares (reflecting changes in the number of shares following the resolution of the EGM to split the shares of the company with a ratio of 1:20)

Equity ratio, %	Total equity / Total assets
R&D expenses	Employee benefit expenses for R&D personnel and other operational expenses related to R&D activities
Organic growth, %	<p>Organic growth refers to revenue growth excluding (i) growth attributable to acquisitions and divestments; and (ii) growth attributable to fluctuations in exchange rates. The various components in organic growth are calculated as follows:</p> <p>Acquisitions and divestments: Show how acquisitions and divestments completed during the relevant period have affected the reported revenues. To estimate the impact of acquisitions on reported revenue, the revenue from the contributions of the acquired units for the current period is subtracted from the total revenue for the same period. To estimate the impact of divestments on reported revenue, the revenue from the contributions from the divested units for the current period is subtracted from the total revenue from the previous respective comparison period.</p> <p>Currency fluctuations: Shows how the reported revenue has been affected by the translation of revenue generated in other currencies than the euro (which is the Group's accounting currency) when there are exchange rate differences between the current period and the corresponding comparative period. Income in currencies other than euro for the comparative period is recalculated using the applicable exchange rate for the current period to eliminate the effects of exchange rate fluctuations for the relevant period.</p>

Reconciliation of Alternative Performance Measures

In thousands of euro	Q1/2021	Q1/2020	2020
Revenue	3,944	3,034	13,011
Other operating income	82	1	157
Material and services	-1,449	-1,059	-4,213
Gross profit	2,577	1,977	8,955
Operating profit/loss (EBIT)	-851	-1,061	-2,906
Adjusted EBIT	-851	-1,061	-2,906
Depreciation, amortization and impairment losses	536	485	2,173
Adjusted EBITDA	-315	-575	-733

Organic growth for the Group

	Q1/2021	Q1/2020	2020	2019
Revenue	3,944	3,034	13,010	14,977
Acquisitions (elimination of revenues for comparability)	0	0	0	0
Revenue excluding acquisitions	3,944	3,034	13,010	14,977
Currency effects	0	-9	0	-82
Revenue excluding acquisitions and currency effects	3,944	3,025	13,010	14,895
Organic growth, percent	30.4 %		-12.7 %	
Organic growth for the Devices segment	Q1/2021	Q1/2020	2020	2019
Revenue	1,447	974	5,097	7,309
Acquisitions (elimination of revenues for comparability)	0	0	0	0
Revenue excluding acquisitions	1,447	974	5,097	7,309
Currency effects	0	-9	0	-82
Revenue excluding acquisitions and currency effects	1,447	965	5,097	7,227
Organic growth, percent	49.9 %		-29.5 %	
Organic growth for the Software segment	Q1/2021	Q1/2020	2020	2019
Revenue	2,497	2,060	7,913	7,668
Acquisitions (elimination of revenues for comparability)	0	0	0	0
Revenue excluding acquisitions	2,497	2,060	7,913	7,668
Currency effects	0	0	0	0
Revenue excluding acquisitions and currency effects	2,497	2,060	7,913	7,668
Organic growth, percent	21.2 %		3.2 %	

Consolidated income statement

In thousands of euro	Q1/2021	Q1/2020	2020
Revenue	3,944	3,034	13,011
Other operating income	82	1	157
Materials and services	-1,449	-1,059	-4,213
Employee benefit expenses	-2,148	-1,916	-7,319
Depreciation, amortization, and Impairment losses	-536	-485	-2,173
Other operating expenses	-744	-636	-2,369
Operating result	-851	-1,061	-2,906
Finance income	239	75	452
Finance expenses	-23	-284	-794
Net finance expenses	216	-209	-341
Profit (loss) before income taxes	-635	-1,270	-3,247
Income tax expense	19	20	70
Loss for the period	-616	-1,250	-3,177
Loss for the period attributable to			
Owners of the parent company	-616	-1,250	-3,177
Loss per share attributable to owners of the parent company			
Weighted average number of shares	13,326,099	10,212,475	13,262,766
Basic loss per share (euro)	-0.05	-0.12	-0.24

Consolidated condensed comprehensive income statement

In thousands of euro	Q1/2021	Q1/2020	2020
Loss for the period	-616	-1,250	-3,177
Other comprehensive income			
Foreign currency translation difference	-78	9	77
Other comprehensive income, net of tax	-78	9	77
Total comprehensive income for the period	-694	-1,241	-3,100
Total comprehensive loss attributable to Owners of the parent company	-694	-1,241	-3,100

Consolidated balance sheet

In thousands of euro	March 31 2021	March 31 2020	Dec 31, 2020
ASSETS			
Non-current assets			
Goodwill	4,256	4,256	4,256
Development costs	5,842	5,311	5,667
Customer relationships	1,552	1,774	1,608
Technology	712	814	738
Other intangible assets	454	502	485
Total intangible assets	12,816	12,657	12,753
Tangible assets	399	386	359
Right-of-use assets	1,091	974	1,165
Deferred tax assets	11	9	11
Total non-current assets	14,317	14,026	14,289
Current assets			
Inventories	2,353	2,773	2,539
Trade and other receivables	4,410	3,659	3,637
Cash and cash equivalents	9,767	12,145	10,608
Total current assets	16,530	18,577	16,784
Total assets	30,847	32,603	31,073

In thousands of euro	March 31 2021	March 31 2020	Dec 31, 2020
EQUITY			
Share capital	80	80	80
Share premium	504	504	504
Reserve for invested non-restricted equity	37,708	37,341	37,470
Translation differences	88	97	166
Retained earnings	-17,950	-15,264	-14,970
Profit (loss) for the financial year	-616	-1,250	-3,177
Total equity	19,813	21,509	20,073
LIABILITIES			
Non-current liabilities			
Borrowings from financial institutions	3,299	3,293	3,520
Government loans	2,336	3,057	2,670
Lease liabilities	699	623	782
Deferred tax liabilities	521	597	540
Total Non-current liabilities	6,855	7,571	7,512
Current liabilities			
Borrowings from financial institutions	220	2	0
Government loans	495	226	328
Lease liabilities	389	391	425
Trade and other payables	3,075	2,904	2,736
Total current liabilities	4,180	3,523	3,489
Total liabilities	11,034	11,094	11,001
Total equity and liabilities	30,847	32,603	31,073

Consolidated statement of changes in shareholders' equity

Equity attributable to owners of the parent company

In thousands of euro	Share capital	Share premium	Reserve for invested non-restricted equity	Translation differences	Retained earnings	Total
Balance at January 1, 2021	80	504	37,470	166	-18,147	20,073
Comprehensive income						
Loss for the financial year					-616	-616
Other comprehensive income						
Translation differences				-78		-78
Total comprehensive income for the financial year				-78	-616	-694
Share options			237		111	348
Total transactions with owners of the company			237		111	348
Other adjustments					86	86
Balance at March 31, 2021	80	504	37,708	88	-18,566	19,813

**Equity attributable to
owners of the parent company**

In thousands of euro	Share capital	Share premium	Reserve for invested non-restricted equity	Translation differences	Retained earnings	Total
Balance at January 1, 2020	80	504	37,341	89	-15,376	22,637
Comprehensive income						
Loss for the period					-1,250	-1,250
Other comprehensive income				9		9
Translation differences				9	-1,250	-1,241
Total comprehensive income for the period						
Share options					112	112
Total transactions with owners of the company					112	112
Other adjustments						
Balance at March 31, 2020	80	504	37,341	97	-16,513	21,509

**Equity attributable to
owners of the parent company**

In thousands of euro	Share capital	Share premium	Reserve for invested non-restricted equity	Translation differences	Retained earnings	Total
Balance at January 1, 2020	80	504	37,341	89	-15,376	22,637
Comprehensive income						
Loss for the period					-3,177	-3,177
Other comprehensive income						
Translation differences				77		77
Total comprehensive income for the period				77	-3,177	-3,100
Share options			129		406	535
Total transactions with owners of the company			129		406	535
Other adjustments						
Balance at December 31, 2020	80	504	37,470	166	-18,147	20,073

Consolidated cash flow statement

In thousands of euro	Q1/2021	Q1/2020	2020
Cash flows from operating activities			
Loss for the financial period	-616	-1,250	-3,177
Adjustments:			
Depreciation, amortization and impairment losses	536	485	2,173
Finance income and finance expenses	-7	209	343
Other adjustments	89	47	284
Cash flows before change in net working capital	2	-509	-377
Change in net working capital:			
Change in trade and other receivables (increase (-) / decrease (+))	-600	535	496
Change in inventories (increase (-) / decrease (+))	209	-303	-82
Change in trade and other payables (increase (+) / decrease (-))	169	-2,444	-2,402
Cash flows before finance items	-221	-2,721	-2,367
Interest paid	-18	-27	-75
Other finance expenses paid	-18	-259	-725
Interest received	0	87	366
Net cash from operating activities (A)	-257	-2,920	-2,801
Cash flows from investing activities			
Acquisition of intangible assets	-436	-307	-1,553
Acquisition of tangible assets	-121	-47	-268
Net cash used in investing activities (B)	-557	-354	-1,820
Cash flows from financing activities			
Proceeds from share subscriptions	237	0	92
Proceeds from loans and borrowings	0	-180	-167
Repayment of loans and borrowings	-189	-3,173	-3,233
Repayment of lease liabilities	-119	-98	-390
Net cash from financing activities (C)	-71	-3,452	-3,698
Net cash from (used in) operating, investing, and financing activities (A+B+C)	-884	-6,727	-8,319
Net increase (decrease) in cash and cash equivalents	-884	-6,727	-8,319
Cash and cash equivalents at beginning of period	10,608	18,866	18,866
Effect of movements in exchange rate on cash held	43	5	61
Cash and cash equivalents at end of period	9,767	12,145	10,608

Selected notes

Corporate information and basis of accounting

Corporate information

Optomed is a Finnish medical technology group (hereafter 'Optomed' or 'Group') that specializes in handheld fundus cameras and solutions for screening of blinding eye diseases, established in 2004.

The Group's parent company, Optomed Plc. (hereafter the 'company') is a Finnish public limited liability company established under the laws of Finland, and its business ID is 1936446-1. It is domiciled in Oulu, Finland and the Company's registered address is Yrttipellontie 1, 90230 Oulu, Finland.

Basis of accounting

Optomed's consolidated financial statements has been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. The preparation of this interim report also takes into account the amendments to IFRS standards that have become effective by January 1, 2020.

All presented figures have been rounded. Financial ratios have been calculated using exact figures.

These interim financial statements have not been prepared in accordance with IAS 34 Interim Financial Reporting. This Interim financial statements do not include all the information required for a complete set of IFRS financial statements: selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

Reportable segments

Q1/2021

In thousands of euro	Devices	Software	Group admin	Total
External revenue	1,447	2,494		3,944
Net operating expenses	-605	-762	0	-1,367
Margin	846	1,731	-	2,577
Depreciation and amortization	-384	-152	0	-536
Other expenses	-1,073	-1,194	-624	-2,891
Operating result	-611	385	-624	-851
Finance items	0	0	216	216
Loss before tax expense	-611	385	-409	-635

Q1/2020

In thousands of euro	Devices	Software	Group admin	Total
External revenue	974	2,060	0	3,034
Net operating expenses	-578	-479	0	-1,057
Margin	396	1,581	0	1,977
Depreciation and amortization	-338	-148	0	-485
Other expenses	-817	-1,100	-635	-2,552
Operating result	-758	333	-635	-1,061
Finance items	0	0	-209	-209
Loss before tax expense	-758	333	-844	-1,270

2020

In thousands of euro	Devices	Software	Group Admin	Total
External revenue	5,097	7,913	0	13,011
Net operating expenses	-2,235	-1,820	0	-4,055
Margin	2,862	6,093	0	8,955
Depreciation and amortization	-1,569	-603	0	-2,173
Other expenses	-3,113	-4,167	-2,408	-9,687
Operating result	-1,820	1,323	-2,408	-2,904
Finance items	0	0	-341	-341
Loss before tax expense	-1,820	1,323	-2,749	-3,247

Financial liabilities

In thousands of euro	31.3.2021	31.3.2020	31.12.2020
Non-current financial liabilities			
Borrowings from financial institutions	3,299	3,293	3,192
Government loans	2,336	2,831	2,998
Lease liabilities	699	623	782
Total	6,334	6,748	6,972
Current financial liabilities			
Borrowings from financial institutions	220	2	0
Government loans	495	226	328
Lease liabilities	389	391	425
Trade payables	686	765	595
Total	1,791	1,385	1,348
Total financial liabilities	8,125	8,132	8,320

Fair values - financial liabilities measured at amortized cost

Optomed considers that the carrying amounts of the financial liabilities measured at amortized cost substantially equal to their fair values.