

**OPTOMED**

# Interim Report

January - March 2024



# Optomed Plc: Interim Report, January – March 2024

## January – March 2024

- Revenue decreased by 4.4 percent to EUR 3.3 (3.5) million.
- Devices segment revenue increased by 0.1 percent to EUR 0.9 (0.9) million.
- Software segment revenue decreased by 5.9 percent to EUR 2.4 (2.6) million.
- EBITDA and adjusted EBITDA amounted to EUR -0.6 (-0.5) million corresponding to -26.3 (-14.8) percent of revenue.
- Outlook unchanged: Optomed expects its full year 2024 revenue to grow compared to 2023.
- Optomed Aurora with AEYE-DS AI has successfully received FDA clearance after the review period.
- Discussions with a prominent eye hospital and private equity fund to establish a joint venture for eye screening services in China.

## Key figures

| EUR, thousand                                | Q1/2024 | Q1/2023 | Change, % | 2023   |
|----------------------------------------------|---------|---------|-----------|--------|
| Revenue                                      | 3,327   | 3,478   | -4.4%     | 15,100 |
| Gross profit *                               | 2,213   | 2,476   | -10.6%    | 10,292 |
| Gross margin % *                             | 66.5%   | 71.2%   |           | 68.2%  |
| EBITDA                                       | -648    | -513    | -26.3%    | -1,781 |
| EBITDA margin *, %                           | -19.5%  | -14.8%  |           | -11.8% |
| Adjusted EBITDA *                            | -648    | -513    | -26.3%    | -1,470 |
| Adjusted EBITDA margin *, %                  | -19.5%  | -14.8%  |           | -9.7%  |
| Operating result (EBIT)                      | -1,191  | -1,043  | -14.2%    | -3,974 |
| Operating margin (EBIT) *, %                 | -35.8%  | -30.0%  |           | -26.3% |
| Adjusted operating result (EBIT) *           | -1,191  | -1,043  | -14.2%    | -3,663 |
| Adjusted operating margin (EBIT margin) *, % | -35.8%  | -30.0%  |           | -24.3% |
| Net profit/ loss                             | -1,090  | -1,157  | 5.8%      | -4,441 |
| Earnings per share                           | -0.06   | -0.08   | 15.8%     | -0.27  |
| Cash flow from operating activities          | -515    | -440    | -17.1%    | -615   |
| Net Debt                                     | -2,585  | -2,136  | -21.0%    | -3,768 |
| Net debt/ EBITDA (LTM) *                     | 1.3     | 1.4     |           | 2.1    |
| Net debt/ Adjusted EBITDA (LTM) *            | 1.6     | 1.4     |           | 2.6    |
| Equity ratio *                               | 69.5%   | 64.7%   |           | 70.0%  |
| R&D expenses personnel                       | 299     | 283     | 5.6%      | 1,280  |
| R&D expenses other costs                     | 144     | 163     | -11.7%    | 644    |
| Total R&D expenses                           | 443     | 446     | -0.7%     | 1,924  |

*\*) Alternative performance measures, see section Alternative Performance Measures for definitions and calculations. Optomed presents Adjusted EBITDA and Adjusted operating result as alternative performance measures to enhance comparability of business performance between reporting periods. In 2023, items affecting comparability amounted to EUR 311 thousand and related to increased credit risk with respect to an overdue trade receivable from a customer in China.*

# CEO Review

I am pleased to announce that Optomed Aurora, equipped with AEYE-DS AI technology, has received FDA clearance, a pivotal achievement in our company's history. This approval marks the introduction of the first handheld AI fundus camera for immediate detection of diabetic retinopathy in the U.S., establishing a new benchmark in diabetic eye care. Our solution has shown unparalleled performance, achieving 92-93% sensitivity and 89-94% specificity in two comprehensive studies, with a remarkable 99% imageability rate. Notably, our technology simplifies the diagnostic process by using just a single image from each eye. This achievement comes from our diligent collaboration with our esteemed partner AEYE Health.

Turning to our financial performance for the first quarter, while we fell slightly short of our expectations, particularly in the software segment, our full-year outlook remains positive. Notably, we received promising customer orders from China during the quarter, suggesting potential growth in that region. We've also reevaluated our strategy in China and are presently engaged in discussions with a prominent eye hospital and private equity fund to establish a joint venture for eye screening services, aiming for implementation in either Q2 or Q3. The business model for this venture will be a recurring revenue model, ensuring sustainability and long-term success.

Additionally, we successfully halted the decline in our OEM business and resumed our growth trajectory. Despite facing challenges, our team's dedication and strategic execution have yielded excellent outcome as two of our main strategic goals were achieved. Additionally, we are delighted to share that we have emerged victorious in a public tender within the software segment which we have discussed in our previous reports, a result to the quality and competitiveness of our offerings.

As we look ahead, we are energized by this momentum and remain committed to delivering value to our shareholders. We sincerely thank you for your continued support and confidence in Optomed.

**Juho Himberg**  
CEO

# Outlook 2024

Optomed expects its full year 2024 revenue to grow compared to 2023.

## Telephone conference

A telephone conference for analysts, investors and media will be arranged on 7 May 2024 at 11.00 EET, (10.00 CET). The event will be held in English. The presentation material will be available at [www.optomed.com/investors](http://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](mailto: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 398 980 747 974#

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 2024

In January - March 2024, Group revenue decreased by 4.4 percent to EUR 3,327 (3,478) thousand. Devices segment had a slow quarter and the revenue increased to EUR 890 (888) thousand. The Software segment revenue decreased by 5.9 percent to EUR 2,437 (2,590) thousand.

In January - March 2024, the gross margin decreased to 66.5 from 71.2 percent of last year.

EBITDA decreased and it was EUR -648 (-513) thousand. The decrease was mainly due to weakened revenue and, therefore, gross profit.

EBIT decreased and it was EUR -1,191 (-1,043) thousand.

In January - March 2024, net financial items amounted to EUR 94 (-134) thousand and consisted mainly of interest payments to financial institutions and the translation effect of CNY and USD to EUR.

# Cash flow and financial position

## January – March 2024

In January - March 2024, the cash flow from operating activities amounted to EUR -515 (-440) thousand. Net cash used in investing activities was EUR -534 (-545) thousand and relates to capitalized development expenses. Net cash from financing activities amounted to EUR -366 (-349) thousand.

Consolidated cash and cash equivalents at the end of the period amounted to EUR 5,706 (7,179) thousand. Interest-bearing net debt was EUR -2,585 (-2,136) thousand at the end of the period.

Net working capital was EUR 2,364 (3,658) thousand at the end of the period.

Optomed has large trade receivables from a Chinese customer. The customer missed payments since H2-2023 and, consequently, the specific loss allowance weighted average loss rate was increased from 30% to 50% in Q3-2023. The payment negotiations continue with the said customer. The total amount of the receivable in the balance sheet is now EUR 778 thousand.

## 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                | Q1/2024 | Q1/2023 | Change, % | 2023   |
|------------------------------|---------|---------|-----------|--------|
| Revenue                      | 890     | 888     | 0.1%      | 5,009  |
| Gross profit *               | 516     | 559     | -7.6%     | 2,947  |
| Gross margin % *             | 58.0%   | 62.9%   |           | 58.8%  |
| EBITDA                       | -361    | -426    | 15.3%     | -1,264 |
| EBITDA margin *, %           | -40.5%  | -47.9%  |           | -25.2% |
| Operating result (EBIT)      | -705    | -779    | 9.5%      | -2,707 |
| Operating margin (EBIT) *, % | -79.2%  | -87.7%  |           | -54.0% |

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

## January - March 2024

In January - March 2024, the Devices segment revenue increased by 0.1 percent to EUR 890 (888) thousand. The OEM and China revenue increased slightly whereas the global distributor sales declined slightly. In the US, the focus of the sales organization was on preparing for the possible Aurora AEYE launch.

The gross margin was 58.0 (62.9) percent. During the quarter, the Company sold an amount of Smartscope Pros which had a slight negative effect on the gross margin.

EBITDA was EUR -361 (-426) thousand or -40.5 (-47.9) percent of revenue.

## 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                | Q1/2024 | Q1/2023 | Change, % | 2023   |
|------------------------------|---------|---------|-----------|--------|
| Revenue                      | 2,437   | 2,590   | -5.9%     | 10,091 |
| Gross profit *               | 1,697   | 1,917   | -11.5%    | 7,346  |
| Gross margin % *             | 69.6%   | 74.0%   |           | 72.8%  |
| EBITDA                       | 526     | 790     | -33.4%    | 2,629  |
| EBITDA margin *, %           | 21.6%   | 30.5%   |           | 26.1%  |
| Operating result (EBIT)      | 329     | 615     | -46.5%    | 1,889  |
| Operating margin (EBIT) *, % | 13.5%   | 23.8%   |           | 18.7%  |

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

## January – March 2024

In January - March 2024, the Software segment revenue decreased by 5.9 percent to EUR 2,437 (2,590) thousand as there were no major projects deliveries during the quarter. There were no updates in terms of the large Finnish public procurement process during the quarter. After the review period, Optomed announced that it has won a contract to provide non-healthcare development services to a Finnish governmental agency. Optomed has been providing the services since 2003 but the contract was subject to a procurement process. The decision can be appealed against.

Gross margin decreased and was 69.6 (74.0) percent. EBITDA was EUR 526 (790) thousand or 21.6 (30.5) percent of revenue.

## 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 2024

Group-wide operating expenses amounted to EUR 816 (877) thousand.



## Personnel

Number of personnel at the end of the reporting period.

|                     | 3/2024 | 3/2023 | 12/2023 |
|---------------------|--------|--------|---------|
| <b>Devices</b>      | 51     | 48     | 47      |
| <b>Software</b>     | 47     | 45     | 47      |
| <b>Group common</b> | 16     | 22     | 20      |
| <b>Total</b>        | 114    | 115    | 114     |

## 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 2023 is available on the company website [www.optomed.com/investors/](http://www.optomed.com/investors/).

## Annual General Meeting

Optomed's Annual General Meeting will be held on Friday, 10 May 2024 at 10:00 a.m. (EEST) at Life Science Center Keilaniemi, Keilaranta 16 C, FI-02150 Espoo, Finland. The reception of persons who have registered for the meeting and the distribution of voting tickets will commence at 9:30 a.m. (EEST).

The invitation and other material is available at:

<https://www.optomed.com/investors/annual-general-meeting-2024/>

## 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 18,130,397 shares and the Company held 353,973 shares in the treasury which approximately corresponds to 1.95 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/](http://www.optomed.com/investors/).

## Risks and uncertainties

The key risks and uncertainties are described in the company's Annual Report 2023 which was published on 29 February 2024. The complete report is available at <https://www.optomed.com/investors/>. The risk position of Optomed has not changed since then, except for that the risks titled "AURORA AEYE FDA CLEARANCE PROCESS" and "PUBLIC PROCUREMENT" are no longer applicable.

# Audit review

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

## Financial reporting in 2024

- **8 August 2024** Half-Year Financial Report for 1 January – 30 June 2024
- **7 November 2024** Interim Report for 1 January – 30 September 2024

### For more information, contact

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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 fundus cameras with software and artificial intelligence with the aim to transform the diagnostic process of various 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.

[www.optomed.com](http://www.optomed.com)

# 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.

| <b>Alternative Performance Measures</b>        | <b>Definition</b>                                                                                                                                                                                                                                                                                                                                                                                                                    |
|------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Gross profit</b>                            | Revenue + Other operating income – Materials and services expenses                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Gross margin, %</b>                         | Gross profit / Revenue                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>EBITDA</b>                                  | Operating result before depreciation, amortization and impairment losses                                                                                                                                                                                                                                                                                                                                                             |
| <b>EBITDA margin, %</b>                        | EBITDA / Revenue                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Operating result</b>                        | Profit/loss after depreciation, amortization and impairment losses                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Operating margin, %</b>                     | Operating result / Revenue                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Adjusted operating result</b>               | Operating result excluding items affecting comparability                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Adjusted operating margin, %</b>            | Adjusted operating result / Revenue                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Adjusted EBITDA</b>                         | EBITDA excluding items affecting comparability                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Adjusted EBITDA margin, %</b>               | Adjusted EBITDA / Revenue                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Items affecting comparability</b>           | 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 reorganisation, impairment charges on non-current assets incurred in connection with restructurings, compensation for damages and transaction costs related to business acquisitions. |
| <b>Net Debt</b>                                | Interest-bearing liabilities (borrowings from financial institutions, government loans and subordinated loans) – cash and cash equivalents (excl. lease liabilities according to IFRS 16)                                                                                                                                                                                                                                            |
| <b>Net Debt / EBITDA (LTM), times</b>          | Net Debt / EBITDA (for the last twelve months, LTM)                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Net Debt / Adjusted EBITDA (LTM), times</b> | Net Debt / Adjusted EBITDA (for the last twelve months, LTM)                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Earnings per share</b>                      | Net result / Weighted average number of outstanding shares                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Equity ratio, %</b>                         | Total equity / Total assets                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>R&amp;D expenses</b>                        | Employee benefit expenses for R&D personnel and other operational expenses related to R&D activities                                                                                                                                                                                                                                                                                                                                 |

## Reconciliation of Alternative Performance Measures

| In thousand of Euro                                 | Q1/2024       | Q1/2023       | 2023          |
|-----------------------------------------------------|---------------|---------------|---------------|
| <b>Revenue</b>                                      | <b>3,327</b>  | <b>3,478</b>  | <b>15,100</b> |
| Other operating income                              | 1             | 0             | 49            |
| Material and services                               | -1,114        | -1,002        | -4,857        |
| <b>Gross profit</b>                                 | <b>2,213</b>  | <b>2,476</b>  | <b>10,292</b> |
| <b>Operating result (EBIT)</b>                      | <b>-1,191</b> | <b>-1,043</b> | <b>-3,974</b> |
| <b>Items affecting comparability</b>                |               |               |               |
| Specific credit loss percent change from 30 to 50 % | 0             | 0             | 311           |
| <b>Adjusted EBIT</b>                                | <b>-1,191</b> | <b>-1,043</b> | <b>-3,663</b> |
| Depreciation, amortization and impairment losses    | 543           | 530           | 2,193         |
| <b>Adjusted EBITDA</b>                              | <b>-648</b>   | <b>-513</b>   | <b>-1,470</b> |

## Consolidated income statement

| In thousands of euro                             | Q1/2024       | Q1/2023       | 2023          |
|--------------------------------------------------|---------------|---------------|---------------|
| Revenue                                          | 3,327         | 3,478         | 15,100        |
| Other operating income                           | 1             | 0             | 49            |
| Materials and services                           | -1,114        | -1,002        | -4,857        |
| Employee benefit expenses                        | -2,127        | -2,191        | -8,699        |
| Depreciation, amortization and Impairment losses | -543          | -530          | -2,193        |
| Other operating expenses                         | -734          | -798          | -3,374        |
| <b>Operating result</b>                          | <b>-1,191</b> | <b>-1,043</b> | <b>-3,974</b> |
| Finance income                                   | 211           | 68            | 479           |
| Finance expenses                                 | -118          | -202          | -1,024        |
| <b>Net finance expenses</b>                      | <b>94</b>     | <b>-134</b>   | <b>-545</b>   |
| <b>Profit (loss) before income taxes</b>         | <b>-1,098</b> | <b>-1,177</b> | <b>-4,519</b> |
| Income tax expense                               | 7             | 20            | 79            |

|                                            |               |               |               |
|--------------------------------------------|---------------|---------------|---------------|
| <b>Loss for the period</b>                 | <b>-1,090</b> | <b>-1,157</b> | <b>-4,441</b> |
| <b>Loss for the period attributable to</b> |               |               |               |
| Owners of the parent company               | -1,090        | -1,157        | -4,441        |
| Weighted average number of shares          | 17,108,667    | 15,284,687    | 16,706,508    |
| Basic loss per share (euro)                | -0.06         | -0.08         | -0.27         |

# Consolidated condensed comprehensive income statement

| In thousands of euro                                                         | Q1/2024       | Q1/2023       | 2023          |
|------------------------------------------------------------------------------|---------------|---------------|---------------|
| Loss for the period                                                          | -1,090        | -1,157        | -4,441        |
| Other comprehensive income                                                   |               |               |               |
| Foreign currency translation difference                                      | -80           | 78            | 283           |
| Other comprehensive income, net of tax                                       | -80           | 78            | 283           |
| <b>Total comprehensive loss attributable to Owners of the parent company</b> | <b>-1,170</b> | <b>-1,079</b> | <b>-4,157</b> |

# Consolidated balance sheet

| In thousands of euro            | March 31, 2024 | March 31, 2023 | December 31, 2023 |
|---------------------------------|----------------|----------------|-------------------|
| <b>ASSETS</b>                   |                |                |                   |
| <b>Non-current assets</b>       |                |                |                   |
| Goodwill                        | 4,256          | 4,256          | 4,256             |
| Development costs               | 7,996          | 6,849          | 7,731             |
| Customer relationships          | 887            | 1,109          | 942               |
| Technology                      | 407            | 509            | 433               |
| Other intangible assets         | 386            | 374            | 384               |
| <b>Total intangible assets</b>  | <b>13,932</b>  | <b>13,096</b>  | <b>13,746</b>     |
| Tangible assets                 | 652            | 793            | 710               |
| Right-of-use assets             | 1,341          | 1,353          | 1,472             |
| Deferred tax assets             | 11             | 16             | 23                |
| <b>Total non-current assets</b> | <b>15,936</b>  | <b>15,258</b>  | <b>15,951</b>     |
| <b>Current assets</b>           |                |                |                   |
| Inventories                     | 2,777          | 3,071          | 2,820             |
| Trade and other receivables     | 3,259          | 4,324          | 3,190             |
| Cash and cash equivalents       | 5,706          | 7,179          | 7,118             |
| <b>Total current assets</b>     | <b>11,742</b>  | <b>14,574</b>  | <b>13,128</b>     |
| <b>Total assets</b>             | <b>27,678</b>  | <b>29,832</b>  | <b>29,079</b>     |

| In thousands of euro                       | March 31, 2024 | March 31, 2023 | December 31, 2023 |
|--------------------------------------------|----------------|----------------|-------------------|
| <b>EQUITY</b>                              |                |                |                   |
| Share capital                              | 80             | 80             | 80                |
| Share premium                              | 504            | 504            | 504               |
| Reserve for invested non-restricted equity | 50,936         | 46,900         | 50,936            |
| Translation differences                    | 255            | 129            | 334               |
| Retained earnings                          | -31,460        | -27,149        | -27,052           |
| Profit (loss) for the financial year       | -1,090         | -1,157         | -4,441            |
| <b>Total equity</b>                        | <b>19,223</b>  | <b>19,306</b>  | <b>20,361</b>     |
| <b>LIABILITIES</b>                         |                |                |                   |
| <b>Non-current liabilities</b>             |                |                |                   |
| Borrowings from financial institutions     | 1,386          | 3,182          | 1,651             |
| Government loans                           | 681            | 874            | 713               |
| Lease liabilities                          | 870            | 876            | 991               |
| Deferred tax liabilities                   | 291            | 368            | 310               |
| <b>Total Non-current liabilities</b>       | <b>3,228</b>   | <b>5,300</b>   | <b>3,665</b>      |
| <b>Current liabilities</b>                 |                |                |                   |
| Borrowings from financial institutions     | 860            | 794            | 794               |
| Government loans                           | 193            | 193            | 193               |
| Lease liabilities                          | 501            | 502            | 516               |
| Trade and other payables                   | 3,672          | 3,737          | 3,550             |
| <b>Total current liabilities</b>           | <b>5,227</b>   | <b>5,226</b>   | <b>5,052</b>      |
| <b>Total liabilities</b>                   | <b>8,455</b>   | <b>10,526</b>  | <b>8,718</b>      |
| <b>Total equity and liabilities</b>        | <b>27,678</b>  | <b>29,832</b>  | <b>29,079</b>     |

# 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         |
|------------------------------------------------------|---------------|---------------|--------------------------------------------|-------------------------|-------------------|---------------|
| <b>Balance at January 1, 2024</b>                    | 80            | 504           | 50,936                                     | 334                     | -31,493           | 20,361        |
| <b>Comprehensive income</b>                          |               |               |                                            |                         |                   |               |
| Loss for the period                                  |               |               |                                            |                         | -1,090            | -1,090        |
| <b>Other comprehensive income</b>                    |               |               |                                            |                         |                   |               |
| Translation differences                              |               |               |                                            | -80                     |                   | -80           |
| <b>Total comprehensive income for the period</b>     |               |               |                                            | <b>-80</b>              | <b>-1,090</b>     | <b>-1,170</b> |
| Share issue                                          |               |               |                                            |                         |                   |               |
| Share based payments                                 |               |               |                                            |                         |                   |               |
| Share options                                        |               |               |                                            |                         | 32                | 32            |
| <b>Total transactions with owners of the company</b> |               |               |                                            |                         | <b>32</b>         | <b>32</b>     |
| <b>Balance at March 31, 2024</b>                     | 80            | 504           | 50,936                                     | 255                     | -32,551           | 19,223        |

## 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         |
|--------------------------------------------------|---------------|---------------|--------------------------------------------|-------------------------|-------------------|---------------|
| <b>Balance at January 1, 2023</b>                | 80            | 504           | 46,896                                     | 51                      | -27,189           | 20,342        |
| <b>Comprehensive income</b>                      |               |               |                                            |                         |                   |               |
| Loss for the period                              |               |               |                                            |                         | -1,157            | -1,157        |
| <b>Other comprehensive income</b>                |               |               |                                            |                         |                   |               |
| Translation differences                          |               |               |                                            | 78                      |                   | 78            |
| <b>Total comprehensive income for the period</b> |               |               |                                            | <b>78</b>               | <b>-1,157</b>     | <b>-1,079</b> |



|                                                      |           |            |               |            |                |               |
|------------------------------------------------------|-----------|------------|---------------|------------|----------------|---------------|
| Share options                                        |           |            | 4             |            | 40             | 43            |
| <b>Total transactions with owners of the company</b> |           |            | <b>4</b>      |            | <b>40</b>      | <b>43</b>     |
| <b>Balance at March 31, 2023</b>                     | <b>80</b> | <b>504</b> | <b>46,900</b> | <b>129</b> | <b>-28,307</b> | <b>19,306</b> |

### 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         |
|------------------------------------------------------|---------------|---------------|--------------------------------------------|-------------------------|-------------------|---------------|
| <b>Balance at January 1, 2023</b>                    | <b>80</b>     | <b>504</b>    | <b>46,896</b>                              | <b>51</b>               | <b>-27,189</b>    | <b>20,342</b> |
| <b>Comprehensive income</b>                          |               |               |                                            |                         |                   |               |
| Loss for the period                                  |               |               |                                            |                         | -4,441            | -4,441        |
| <b>Other comprehensive income</b>                    |               |               |                                            |                         |                   |               |
| Translation differences                              |               |               |                                            | 283                     |                   | 283           |
| <b>Total comprehensive income for the period</b>     |               |               |                                            | <b>283</b>              | <b>-4,441</b>     | <b>-4,157</b> |
| Share issue                                          |               |               | 3,973                                      |                         |                   | 3,973         |
| Share based payments                                 |               |               | 48                                         |                         |                   | 48            |
| Share options                                        |               |               | 19                                         |                         | 137               | 156           |
| <b>Total transactions with owners of the company</b> |               |               | <b>4,039</b>                               |                         | <b>137</b>        | <b>4,176</b>  |
| <b>Balance at December 31, 2023</b>                  | <b>80</b>     | <b>504</b>    | <b>50,936</b>                              | <b>334</b>              | <b>-31,493</b>    | <b>20,361</b> |

# Consolidated cash flow statement

| In thousands of euro                                                                 | Q1/2024       | Q1/2023       | 2023          |
|--------------------------------------------------------------------------------------|---------------|---------------|---------------|
| <b>Cash flows from operating activities</b>                                          |               |               |               |
| Loss for the financial year                                                          | -1,090        | -1,157        | -4,441        |
| Adjustments:                                                                         |               |               |               |
| Depreciation, amortization and impairment losses                                     | 543           | 530           | 2,193         |
| Finance income and finance expenses                                                  | -47           | 167           | 468           |
| Other adjustments                                                                    | -2            | -11           | 289           |
| <b>Cash flows before change in net working capital</b>                               | <b>-596</b>   | <b>-471</b>   | <b>-1,491</b> |
| Change in net working capital:                                                       |               |               |               |
| Change in trade and other receivables (increase (-) / decrease (+))                  | -34           | 324           | 1,094         |
| Change in inventories (increase (-) / decrease (+))                                  | 54            | -95           | 118           |
| Change in trade and other payables (increase (+) / decrease (-))                     | 107           | -171          | -75           |
| <b>Cash flows before finance items</b>                                               | <b>-468</b>   | <b>-413</b>   | <b>-354</b>   |
| Interest paid                                                                        | -29           | -17           | -169          |
| Other finance expenses paid                                                          | -32           | -10           | -93           |
| Interest received                                                                    | 14            | 0             | 0             |
| <b>Net cash from operating activities (A)</b>                                        | <b>-515</b>   | <b>-440</b>   | <b>-615</b>   |
| Cash flows from investing activities                                                 |               |               |               |
| Capitalization of development expenses                                               | -509          | -518          | -2,199        |
| Acquisition of tangible assets                                                       | -25           | -27           | -213          |
| <b>Net cash used in investing activities (B)</b>                                     | <b>-534</b>   | <b>-545</b>   | <b>-2,412</b> |
| Cash flows from financing activities                                                 |               |               |               |
| Proceeds from share subscriptions                                                    | 0             | 4             | 4,310         |
| Share issue transaction costs                                                        | 0             | 0             | -318          |
| Repayment of loans and borrowings                                                    | -230          | -230          | -1,921        |
| Repayment of lease liabilities                                                       | -136          | -122          | -462          |
| <b>Net cash from financing activities (C)</b>                                        | <b>-366</b>   | <b>-349</b>   | <b>1,609</b>  |
| <b>Net cash from (used in) operating, investing and financing activities (A+B+C)</b> | <b>-1,415</b> | <b>-1,333</b> | <b>-1,419</b> |
| Cash and cash equivalents at beginning of period                                     | 7,118         | 8,524         | 8,524         |
| Effect of movements in exchange rate on cash held                                    | 3             | -12           | 13            |
| <b>Cash and cash equivalents at end of period</b>                                    | <b>5,706</b>  | <b>7,179</b>  | <b>7,118</b>  |

# Selected notes

## Corporate information and basis of accounting

### Corporate information

Optomed is a Finnish medical technology group (hereafter 'Optomed' or 'Group') that specialises 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, 2024.

These interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting and should be read in conjunction with Group's last annual consolidated financial statements as at and for the year ended 31 December 2023. This Interim financial statements do not include all of the information required by IAS 34: 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.

All presented figures have been rounded so the sum of the individual figures may differ from the presented total figure. Financial ratios have been calculated using exact figures.

## Reportable segments

### Q1/2024

| In thousands of euro           | Devices     | Software     | Group Admin | Total         |
|--------------------------------|-------------|--------------|-------------|---------------|
| External revenue               | 890         | 2,437        | 0           | 3,327         |
| Net operating expenses         | -374        | -740         | 1           | -1,113        |
| <b>Margin</b>                  | <b>516</b>  | <b>1,697</b> | <b>1</b>    | <b>2,213</b>  |
| Depreciation and amortization  | -344        | -197         | -3          | -543          |
| Other expenses                 | -877        | -1,171       | -814        | -2,861        |
| <b>Operating result</b>        | <b>-705</b> | <b>329</b>   | <b>-816</b> | <b>-1,191</b> |
| Finance items                  | 0           | 0            | 94          | 94            |
| <b>Loss before tax expense</b> | <b>-705</b> | <b>329</b>   | <b>-723</b> | <b>-1,098</b> |

## Q1/2023

| In thousands of euro           | Devices     | Software     | Group Admin   | Total         |
|--------------------------------|-------------|--------------|---------------|---------------|
| External revenue               | 888         | 2,590        | 0             | 3,478         |
| Net operating expenses         | -330        | -673         | 0             | -1,002        |
| <b>Margin</b>                  | <b>559</b>  | <b>1,917</b> | <b>0</b>      | <b>2,476</b>  |
| Depreciation and amortization  | -353        | -175         | -2            | -530          |
| Other expenses                 | -984        | -1,127       | -877          | -2,989        |
| <b>Operating result</b>        | <b>-779</b> | <b>615</b>   | <b>-879</b>   | <b>-1,043</b> |
| Finance items                  | 0           | 0            | -134          | -134          |
| <b>Loss before tax expense</b> | <b>-779</b> | <b>615</b>   | <b>-1,014</b> | <b>-1,177</b> |

## 2023

| In thousands of euro           | Devices       | Software     | Group Admin   | Total         |
|--------------------------------|---------------|--------------|---------------|---------------|
| External revenue               | 5,009         | 10,091       | 0             | 15,100        |
| Net operating expenses         | -2,062        | -2,745       | 0             | -4,807        |
| <b>Margin</b>                  | <b>2,947</b>  | <b>7,346</b> | <b>0</b>      | <b>10,292</b> |
| Depreciation and amortization  | -1,444        | -740         | -9            | -2,193        |
| Other expenses                 | -4,210        | -4,717       | -3,146        | -12,074       |
| <b>Operating result</b>        | <b>-2,707</b> | <b>1,889</b> | <b>-3,155</b> | <b>-3,974</b> |
| Finance items                  | 0             | 0            | -545          | -545          |
| <b>Loss before tax expense</b> | <b>-2,707</b> | <b>1,889</b> | <b>-3,701</b> | <b>-4,519</b> |

## Other operating income

| In thousands of euro   | Q1/2024  | Q1/2023  | 2023      |
|------------------------|----------|----------|-----------|
| Other operating income | 1        | 0        | 49        |
| <b>Total</b>           | <b>1</b> | <b>0</b> | <b>49</b> |

## Other operating expenses

| Other operating expenses | Q1/2024 | Q1/2023 | 2023 |
|--------------------------|---------|---------|------|
| Sales and marketing      | -95     | -147    | -635 |
| Research and development | -79     | -90     | -230 |

|                                 |             |             |               |
|---------------------------------|-------------|-------------|---------------|
| General and administration      | -561        | -562        | -2,509        |
| <b>Total operating expenses</b> | <b>-734</b> | <b>-798</b> | <b>-3,374</b> |

Other operating expenses also comprise changes in expected credit losses and realized credit losses.

## Financial liabilities

| In thousands of euro                     | March 31, 2024 | March 31, 2023 | December 31, 2023 |
|------------------------------------------|----------------|----------------|-------------------|
| <b>Non-current financial liabilities</b> |                |                |                   |
| Borrowings from financial institutions   | 1,386          | 3,182          | 1,651             |
| Government loans                         | 681            | 874            | 713               |
| Lease liabilities                        | 870            | 876            | 991               |
| <b>Total</b>                             | <b>2,937</b>   | <b>4,932</b>   | <b>3,355</b>      |
| <b>Current financial liabilities</b>     |                |                |                   |
| Borrowings from financial institutions   | 860            | 794            | 794               |
| Government loans                         | 193            | 193            | 193               |
| Lease liabilities                        | 501            | 502            | 516               |
| Trade payables                           | 1,102          | 758            | 782               |
| <b>Total</b>                             | <b>2,656</b>   | <b>2,247</b>   | <b>2,285</b>      |
| <b>Total financial liabilities</b>       | <b>5,594</b>   | <b>7,179</b>   | <b>5,640</b>      |

### 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.

## Exposure to credit risk and loss allowance

Optomed considers it has heightened risk regarding Chinese customer's trade receivables. The credit risk concentration has been formed and is associated with an increased credit loss risk due to overdue trade receivables. Specific loss allowance weighted average loss rate% increased from 30% to 50%.

| In thousands of euro     | Gross carrying amount | Weighted av. loss rate% | Loss allowance |
|--------------------------|-----------------------|-------------------------|----------------|
| <b>At March 31, 2024</b> |                       |                         |                |
| Current (not past due)   | 1,698                 | 0.50%                   | 8              |
| Past due                 |                       |                         |                |
| 1-30 days                | 44                    | 1.50%                   | 1              |

|                            |              |     |            |
|----------------------------|--------------|-----|------------|
| 31-60 days                 | -8           | 4%  | 0          |
| 61-90 days                 | 6            | 9%  | 1          |
| More than 90 days past due | 67           | 12% | 8          |
| Specific loss allowance    | 1,541        | 50% | 770        |
| <b>Total</b>               | <b>3,347</b> |     | <b>788</b> |

| In thousands of euro | Gross carrying amount | Weighted av. loss rate% | Loss allowance |
|----------------------|-----------------------|-------------------------|----------------|
|----------------------|-----------------------|-------------------------|----------------|

**At March 31, 2023**

|                            |              |      |            |
|----------------------------|--------------|------|------------|
| Current (not past due)     | 1,839        | 0.5% | 9          |
| Past due                   |              |      |            |
| 1-30 days                  | 83           | 1.5% | 1          |
| 31-60 days                 | 33           | 4%   | 1          |
| 61-90 days                 | 255          | 9%   | 23         |
| More than 90 days past due | 5            | 12%  | 1          |
| Specific loss allowance    | 1,810        | 30%  | 543        |
| <b>Total</b>               | <b>4,024</b> |      | <b>578</b> |

| In thousands of euro | Gross carrying amount | Weighted av. loss rate% | Loss allowance |
|----------------------|-----------------------|-------------------------|----------------|
|----------------------|-----------------------|-------------------------|----------------|

**At December 31, 2023**

|                            |              |       |            |
|----------------------------|--------------|-------|------------|
| Current (not past due)     | 1,516        | 0.50% | 8          |
| Past due                   |              |       |            |
| 1-30 days                  | 51           | 1.50% | 1          |
| 31-60 days                 | 6            | 4%    | 0          |
| 61-90 days                 | 10           | 9%    | 1          |
| More than 90 days past due | 277          | 12%   | 33         |
| Specific loss allowance    | 1,534        | 50%   | 767        |
| <b>Total</b>               | <b>3,392</b> |       | <b>809</b> |

## Events after the review period

On 30 April 2024, Optomed announced that Optomed Aurora with AEYE-DS AI has successfully received FDA clearance.

On 2 May 2024, Optomed announced that it has won a contract to provide non-healthcare development services to a Finnish governmental agency. Optomed has been providing the services since 2003 but the contract was subject to a procurement process. The decision can be appealed against.