

Nova Eye Medical Reports Strong FY23 Financial Results with Record Global Sales

Highlights

- **Record global sales of US\$11.3 million for the glaucoma surgical devices segment for the year ended 30 June 2023, up 18%¹ on the prior comparable period.**
- **Substantially improved operating result of the glaucoma surgical devices segment in the second half of the 2023 financial year driven by a lift in gross margin to 73%, compared to 61% in the first half.**
- **Group cash outflow from operations of A\$2.2 million for the six months to 30 June 2023 and cash on hand of A\$7.4 million as at 30 June 2023.**

Nova Eye Medical Limited (ASX: EYE) (**Nova Eye Medical** or the **Company**), a medical technology company committed to advanced ophthalmic treatment technologies and devices, today announces the audited full year financial results for the period ended 30 June 2023.

Nova Eye Medical Managing Director, Tom Spurling, commented:

“We are delighted with the record sales result for the year. The results were augmented by positive growth contribution of the iTrack™ Advance which was made available for sale in the USA in the months of May and June. Sales in the USA for the three months through to July 31, 2023 were US\$2.2 million, up 32% on the prior period which included acceleration during the period.

We expect further sales acceleration through reactivation of accounts with the new iTrack™ Advance. Our opportunity in the USA glaucoma surgical devices market continues to be very strong and the Nova Eye Medical team is looking forward to continuing the successful roll out of the iTrack™ Advance .”

Glaucoma Surgical Devices

The Company achieved record sales revenue of US\$11.3 million for its glaucoma surgical device segment during the period, up 18%¹ on the prior comparable period. This equates to sales revenue of A\$16.7million, up 26% on the prior comparable period.

In the USA, sales momentum was achieved late in the second half of the year, following US Food and Drug Administration (FDA) marketing clearance of the new iTrack™ Advance in April 2023.

¹ Based on US\$ constant currency

As reported to the market on [2 August 2023](#), this momentum continued through July 2023, with the three-month period ending July 2023 achieving a 32%¹ uplift in sales to US\$2.2 million, as compared to the same period in the prior year. Total sales in the USA for FY23 was US\$6.6 million, a modest increase from US\$6.4 million in the prior year.

Outside of the USA, FY23 sales were US\$4.6 million, an increase of 46%¹ on the prior comparable period. This strong result was principally driven by sales of the Company's original iTrack™ microcatheter into China, contributing to 16% of the Company's total global sales revenue, as compared to 5% in the prior comparable period. Sales into Europe were flat year on year.

Operating Performance

The Company's operating performance during FY23 was strong, with a material improvement in gross margin of 67% for the glaucoma surgical devices segment, compared to 61% in the prior comparable period. Of note, improved operational efficiencies in the manufacture of the Company's iTrack™ Advance device via its Fremont production facility and higher product prices resulted in a gross margin of 73% for the second half, compared to 60% in the first half.

The EBITDA operating loss for the glaucoma surgical devices segment for the full year increased to US\$4.1 million, up from US\$2.2 million in the prior comparable period. Importantly, the EBITDA operating loss fell from US\$2.5 million in the first half to US\$1.6 million in the second half, signalling improved operational results as sales of iTrack™ Advance grow and it becomes fully integrated into the Company's production processes.

Reduced expenditure in AlphaRET and lower corporate costs complemented by the improved operating result in the glaucoma surgical devices segment, resulted in group cash outflow from operations of A\$2.2 million in the second half, a substantial improvement on A\$4.6 million in the first half. Following the well supported capital raise in March 2023, the Company is well placed to invest in the growth of its glaucoma surgical devices segment, with cash on hand of A\$7.4 million.

AlphaRET 2RT®

The Company undertook limited investment in its proprietary 2RT® retinal laser technology during the period as it continued to engage in discussions with potential partners to take a direct equity interest in AlphaRET in exchange for specific funding to support 2RT® commercialisation efforts. As previously stated, the commercialisation of 2RT® requires funding that exceeds the financial resources currently available to the Company.

Outlook

- Sales of new iTrack™ Advance in the USA are expected to drive significant sales growth for the Company's glaucoma surgical device segment in the 2024 financial year and beyond.
- Operating expenditure will increase to support the expansion of USA sales in the glaucoma surgical device segment, with the improvement in the underlying operating results for this segment evident in the second half of 2023 financial year expected to

continue during the year ending 30 June 2024

- Continue work towards a transaction with a partner to fund AlphaRET 2RT[®] commercialisation.

Authorised for lodgement to ASX by the Board of Directors of Nova Eye Medical Limited.

– ENDS –

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ABOUT NOVA EYE MEDICAL

Nova Eye Medical Limited is a medical technology company that develops, manufactures and sells a portfolio of proprietary ophthalmic treatment technologies and devices. Used by eye surgeons globally, these technologies include the iTrack™ family of minimally invasive glaucoma surgery (MIGS) devices, consumable surgical devices that restore the eye's natural outflow pathway to lower intraocular pressure in the treatment of glaucoma, one of the leading causes of blindness in the developed world. With its sales headquarters based in Fremont, California, Nova Eye Medical operates direct sales subsidiaries in the USA, Germany and Australia, and is supported by a global network of distribution partners. The Company's manufacturing facilities are located in Fremont, California and Dunedin, New Zealand.

For additional information about Nova Eye Medical and its technologies, please visit:

www.nova-eye.com

ABOUT ALPHARET 2RT[®]

2RT[®] is an important technology to the Nova Eye Medical Group and is managed by the Company's AlphaRET division. It is a leading candidate therapy to meet a major global, unmet ophthalmic and medical need. 2RT[®] is a subthreshold nanopulse ophthalmic laser that has the potential to transform the global treatment of age-related macular degeneration (AMD) by treating patients earlier in the disease state. By permitting earlier treatment intervention, 2RT[®] represents a revolutionary change from the status quo and thereby provides enormous clinical and commercial potential. The Company estimates the global annual revenue opportunity for 2RT[®] to be US\$600 million per year.

For additional information about AlphaRET, please visit: www.alpha-RET.com