

## Revenio Group Corporation: Interim report January 1–March 31, 2023

The figures in parentheses refer to the corresponding period in the previous year unless otherwise stated.

### A strong start to 2023

#### January – March 2023

- Net sales totaled EUR 23.2 (20.2) million, showing an increase of 14.9%
- The currency-adjusted growth of net sales in January–March was 15.2%
- Operating profit was EUR 6.2 (5.6) million, representing 26.6% of net sales, up by 10.9%
- EBITDA was EUR 7.1 (6.4) million, up 10.6%
- Cash flow from operations totaled EUR 0.3 (-0.2) million. Cash flow from operations was affected by the payout of taxes and annual short and long-term incentives.
- Earnings per share came to EUR 0.159 (0.176)
- The Annual General Meeting was held on March 23, 2023. Dividend was set at EUR 0.36 (0.34) and paid on April 3, 2023 after the review period.

### Group key figures

MEUR	1-3/2023	1-3/2022	Change-%
Net sales	23.2	20.2	14.9
Gross margin	16.4	14.7	11.5
Gross margin - %	70.5	72.6	-2.1
EBITDA	7.1	6.4	10.6
EBITDA-%	30.5	31.7	-1.2
Operating profit, EBIT	6.2	5.6	10.9
Operating profit-%, EBIT	26.6	27.5	-0.9
Return on investment-%, ROI	6.0	5.6	0.4
Return on equity-%, ROE	4.8	5.8	-1.0
Earnings per share	0.159	0.176	
	31.3.2023	31.3.2022	Change, %-point
Equity ratio-%	64.0	67.4	-3.4
Gearing-%	-13.1	0.8	-13.9

### Financial guidance for 2023

Revenio Group's exchange rate-adjusted net sales are estimated to grow strongly from the previous year and profitability, excluding non-recurring items, is estimated to remain at a good level.

## President and CEO Jouni Toijala comments on the first quarter of 2023:

“We had a strong start to 2023: we achieved double-digit growth in net sales in both of our main product groups. Net sales totaled EUR 23.2 million, corresponding to a growth of 14.9%. Our operating profit showed positive development and came to EUR 6.2 million, representing 26.6% of net sales. In the first quarter, exchange rates had a lesser effect on net sales than in the comparison period. The exchange rate-adjusted growth of net sales was 15.2%.

Our sales team achieved excellent performance in all of our key markets. We saw very strong growth in sales, particularly in North America, United Kingdom, Germany, Finland, Italy and Australia.

The demand for our intraocular pressure measurement devices continued to be strong, and sales of iCare IC200, iCare HOME2 and probes in particular were on a high level.

We achieved very strong sales of retinal imaging devices. The iCare EIDON product family and the iCare DRSpplus retinal imaging device increased their market share, driven by brisk demand. The iCare ILLUME screening solution we launched last year utilizes artificial intelligence in the screening of diabetic retinopathy. Our screening solution that supports clinical decisions is an ecosystem whose core consists of the high-quality data generated by our devices and the related software solution. Our holistic solution optimizes the patient’s eye care pathway and the processes of eye care professionals, which is a significant factor from the perspective of critical resources in health care globally. The feedback from the market regarding iCare ILLUME has been excellent. We have made progress with the pilot projects we launched late last year, and the first commercial systems have already been delivered to diabetic clinics in Europe. Diabetic clinics are very interested in iCare ILLUME screening solution, as diabetic screening offers continuity of care and ensures that people with diabetes are less likely to drop out of their care pathway.

Our product portfolio is comprehensive and competitive, we have strong distribution channels, and our iCare brand is highly valued by eye care professionals. We actively participated in industry conferences around the world during the first quarter. Our meetings with customers and the general interest in our products and software solution further strengthened our view of the valued iCare brand. Our product portfolio includes a comprehensive range of devices and software solutions for the screening, monitoring and diagnostics of ocular diseases. We will continue to invest in product development to launch new product and system innovations on the market, and we are continuing to survey the market to identify potential acquisition targets.

Regulation concerning reporting on corporate responsibility and sustainability is increasing substantially due to factors including the introduction of the EU Corporate Sustainability Reporting Directive (CSRD). Corporate responsibility and sustainability are at the core of our business, and we have taken steps to prepare for increasing regulation by starting to develop a roadmap and sustainability program to support our compliance efforts. Our goal is to increasingly incorporate KPI data into our sustainability efforts on our journey towards fulfilling our reporting obligations.

The operating environment remains challenging. The war in Ukraine and the potentially increasing role of spheres of influence, as well as the cost pressures created by inflation, are sources of uncertainty that we are following closely. As a rule, we have been able to pass the effects of cost inflation on to product prices. We expect the global challenges to continue, and we have taken steps to prepare for that.

Our entire organization is performing at an excellent level across national boundaries in various respects, including delivery reliability, quality, product development, sales and marketing, and management. We have a competitive product portfolio and strong iCare brand, which ensures our progress towards our long-term financial and strategic objectives.”

### **The effects of the war in Ukraine on Revenio**

The security situation in Europe has changed drastically since Russia invasion of Ukraine. Revenio stopped all its business in Russia and Belarus in the first quarter of the year 2022. Revenio’s sales in Russia have been limited prior to the war, accounting for less than two per cent of net sales.

### **Revenio Group’s strategy**

The cornerstones of the Group’s strategy are:

1. Focus fully on the eye care market
2. Improve the quality of clinical diagnostics with targeted product innovations
3. Transform clinical care pathways with eye care focused software solutions
4. Continue to develop stronger distribution and build on iCare brand awareness and client experience
5. Continue strong profitable growth

# FINANCIAL REVIEW

## INTERIM REPORT JANUARY 1–MARCH 31, 2023, TABLES

### Accounting policies applied in the preparation of the interim report

This interim report is not prepared in accordance with IAS 34. Revenio Group adheres to half-year reporting in accordance with the Securities Markets Act and, for the first three and nine months of the year, publishes interim reports to present key information on the Group's financial performance. The financial figures presented in this interim report are unaudited. The financial statement bulletin and the half-year report are drawn up in accordance with IAS 34 Interim Financial Reporting.

This report has been drawn up in accordance with the same reporting principles as the 2022 financial statements, except for the following amendments to the existing standards, which the Group has applied as of January 1, 2023:

Amendments made to IFRS 17, IAS 1, IAS 8, and IAS 12.

In the management's estimate, the adoption of the above-mentioned standards does not have a material impact on the Group's financial statements.

### Consolidated comprehensive income statement

MEUR	1-3/2023	1-3/2022	1-12/2022
NET SALES	23.2	20.2	97.0
Other operating income	0.0	0.0	0.3
Materials and services	-6.8	-5.5	-27.2
Employee benefits	-5.0	-4.8	-19.4
Depreciation, amortization, and impairment	-0.9	-0.8	-3.4
Other operating expenses	-4.3	-3.5	-17.6
NET PROFIT/LOSS	6.2	5.6	29.7
Financial income and expenses (net)	-0.4	0.3	-0.6
PROFIT BEFORE TAXES	5.8	5.8	29.1
Income taxes	-1.5	-1.2	-7.3
NET PROFIT	4.2	4.7	21.8
Other comprehensive income items	-0.3	0.7	0.3
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	3.9	5.3	22.1
Earnings per share, EUR	0.159	0.176	0.818

## Consolidated balance sheet

<b>MEUR</b>	<b>31.3.2023</b>	<b>31.3.2022</b>	<b>31.12.2022</b>
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Goodwill	59.4	60.3	59.8
Intangible assets	16.9	17.8	17.1
Tangible assets	2.8	3.0	2.8
Right-of-use assets	1.6	1.5	1.7
Other non-current financial assets	0.4	0.0	0.4
Other receivables	0.0	0.6	0.2
Deferred tax assets	1.6	1.7	1.6
<b>TOTAL NON-CURRENT ASSETS</b>	<b>82.8</b>	<b>84.9</b>	<b>83.6</b>
<b>CURRENT ASSETS</b>			
Inventories	7.0	6.0	6.7
Trade and other receivables	12.5	9.7	13.7
Cash and cash equivalents	30.2	22.6	32.1
<b>TOTAL CURRENT ASSETS</b>	<b>49.7</b>	<b>38.3</b>	<b>52.5</b>
<b>TOTAL ASSETS</b>	<b>132.5</b>	<b>123.1</b>	<b>136.1</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	5.3	5.3	5.3
Fair value reserve	0.3	0.3	0.3
Reserve for invested unrestricted capital	52.2	52.4	52.4
Other reserves	0.3	0.3	0.3
Retained earnings/loss	28.5	26.0	34.3
Translation difference	-0.1	0.6	0.2
Own shares held by the company	-1.8	-2.0	-1.9
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>84.8</b>	<b>82.9</b>	<b>90.9</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Deferred tax liabilities	3.4	3.5	3.7
Financial liabilities	13.9	18.2	15.0
Lease liabilities	0.8	0.8	0.9
<b>TOTAL LONG-TERM LIABILITIES</b>	<b>18.0</b>	<b>22.6</b>	<b>19.5</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	24.1	12.1	20.1
Provisions	0.5	0.5	0.5
Financial liabilities	4.2	4.3	4.2
Lease liabilities	0.9	0.7	0.9
<b>TOTAL CURRENT LIABILITIES</b>	<b>29.6</b>	<b>17.6</b>	<b>25.7</b>
<b>TOTAL LIABILITIES</b>	<b>47.7</b>	<b>40.1</b>	<b>45.2</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND TOTAL LIABILITIES</b>	<b>132.5</b>	<b>123.1</b>	<b>136.1</b>

## Consolidated statement of changes in equity

	Share capital	Reserve for unrestricted equity	Other reserves	Retained earnings	Translation difference	Own shares	Total equity
<b>MEUR</b>							
Balance 1 Jan 2023	5.3	52.4	0.6	34.3	0.2	-1.9	90.9
Dividend distribution	0.0	0.0	0.0	-9.6	0.0	0.0	-9.6
Disposal and purchase of own shares	0.0	-0.1	0.0	0.0	0.0	0.1	0.0
Other direct entries to retained earnings	0.0	0.0	0.0	-0.4	0.0	0.0	-0.4
Total comprehensive income	0.0	0.0	0.0	4.2	-0.3	0.0	3.9
Balance 31 March 2023	5.3	52.2	0.6	28.5	-0.1	-1.8	84.8

	Share capital	Reserve for unrestricted equity	Other reserves	Retained earnings	Translation difference	Own shares	Total equity
<b>MEUR</b>							
Balance 1 Jan 2022	5.3	52.6	0.6	22.1	0.0	-2.1	78.4
Dividend distribution	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Disposal and purchase of own shares	0.0	-0.2	0.0	0.0	0.0	0.2	0.0
Other direct entries to retained earnings	0.0	0.0	0.0	-0.8	0.0	0.0	-0.8
Total comprehensive income	0.0	0.0	0.0	4.7	0.7	0.0	5.3
Balance 31 March 2022	5.3	52.4	0.6	26.0	0.6	-2.0	82.9

## Consolidated cash flow statement

<b>MEUR</b>	<b>1-3/2023</b>	<b>1-3/2022</b>	<b>1-12/2022</b>
<b>CASH FLOW FROM OPERATIONS</b>			
Profit for the period	4.2	4.7	21.8
Adjustments:			
Depreciation, amortization, and impairment	0.9	0.8	3.4
Other non-cash items	0.3	0.7	0.5
Interest and other financial expenses	0.7	0.1	1.3
Interest income and other financial income	-0.3	-0.4	-0.6
Taxes	1.5	1.2	7.3
Other adjustments	-0.5	-0.8	-1.0
Change in working capital:			
Changes in sales and other receivables	1.6	-0.5	-4.6
Changes in current assets	-0.2	0.4	-0.3
Changes in trade and other payables	-5.8	-4.2	1.7
Change in working capital, total	-4.4	-4.3	-3.2
Interest paid	-0.2	-0.1	-0.3
Interest received	0.1	0.0	0.1

Taxes paid	-2.1	-2.1	-6.0
NET CASH FLOW FROM OPERATING ACTIVITIES	0.3	-0.2	23.2
CASH FLOW FROM INVESTING ACTIVITIES			
Acquisitions of subsidiaries less cash and cash equivalents at acquisition time	0.0	0.0	0.0
Purchase of tangible assets	-0.1	-0.6	-1.1
Purchase of intangible assets	-0.3	-0.6	-0.9
Investments in other investments	0.0	-0.4	-0.2
NET CASH FLOW FROM INVESTING ACTIVITIES	-0.5	-1.6	-2.2
CASH FLOW FROM FINANCING ACTIVITIES			
Repayments of loans	-1.1	-1.1	-4.3
Dividends paid	0.0	0.0	-9.0
Payments of lease agreement liabilities	-0.2	-0.2	-0.8
NET CASH FLOW FROM FINANCING ACTIVITIES	-1.3	-1.3	-14.1
Net change in cash and credit accounts	-1.5	-3.1	6.9
Cash and cash equivalents at beginning of period	32.1	25.2	25.2
Effect of exchange rates	-0.4	0.4	-0.1
Cash and cash equivalents at end of period	30.2	22.6	32.1

## Key consolidated figures

MEUR	1-3/2023	1-3/2022	1-12/2022
Net sales	23.2	20.2	97.0
Ebitda	7.1	6.4	33.1
Ebitda-%	30.5	31.7	34.1
Operating profit	6.2	5.6	29.7
Operating profit-%	26.6	27.5	30.6
Pre-tax profit	5.8	5.8	29.1
Pre-tax profit-%	24.9	28.8	30.0
Net profit	4.2	4.7	21.8
Net profit-%	18.2	23.1	22.4
Gross capital expenditure	0.1	1.6	4.5
Gross capital expenditure-%	0.6	7.8	4.7
R&D costs	2.3	1.6	8.6
R&D costs-% from net sales	10.0	8.0	8.9
Gearing-%	-13.1	0.8	-13.1
Equity ratio-%	64.0	67.4	66.8
Return on investment-% (ROI)	6.0	5.6	28.2
Return on equity-% (ROE)	4.8	5.8	25.7
Earnings per share, EUR	0.159	0.176	0.818
Equity per share, EUR	3.18	3.11	3.41
Average no. of employees	212	184	194
Cash flow from operating activities	0.3	-0.2	23.2
Cash flow from investing activities	-0.5	-1.6	-2.2
Net cash used in financing activities	-1.3	-1.3	-14.1
Total cash flow	-1.5	-3.1	6.9

## Alternative growth indicators used in financial reporting

Revenio has adopted the guidelines of the European Securities and Market Authority (ESMA) on Alternative Performance Measures. In addition to the IFRS-based key figures, the company will publish certain other generally used key figures that may, as a rule, be derived from the income statement and balance sheet. The calculation of these figures is presented below. According to the company's view, these key figures supplement the income statement and balance sheet, providing a better picture of the company's financial performance and position.

Revenio Group's net sales are strongly affected by fluctuations in the exchange rate between the euro and the US dollar. As an alternative growth indicator, we also present our net sales with the exchange rate effect eliminated.

<b>Alternative growth indicator (EUR thousand)</b>	<b>1-3/2023</b>
Reported net sales	23,200
Effect of exchange rates on net sales	262
Net sales adjusted by the effect of exchange rates	22,938
Growth in net sales, adjusted by the effect of exchange rates	15.2%
Reported net sales growth	0.3%
Difference, % points	14.9%

### Alternative profitability indicator EBITDA (EUR thousand)

EBITDA = Operating profit + depreciation + impairment

As an alternative growth indicator, the company also presents profitability as an operating margin (EBITDA) key figure.

<b>Alternative profitability indicator EBITDA (EUR thousand)</b>	<b>1-3/2023</b>	<b>1-3/2022</b>
Operating profit, EBIT	6,170	5,561
Depreciation, amortization, and impairment	898	831
EBITDA	7,067	6,392

## Formulas

EBITDA	=		EBITDA = Operating profit + amortization + impairment
Gross margin	=		Sales revenue – variable costs
Earnings per share	=		<u>Net profit for the period (attributable to the parent company's shareholders)</u> Average number of shares during the period – own shares purchased

Equity ratio, %	=	100 x	$\frac{\text{Shareholders' equity + non-controlling interest}}{\text{Balance sheet total – advance payments received}}$
Net gearing, %	=	100 x	$\frac{\text{Interest-bearing debt – cash and cash equivalents}}{\text{Total equity}}$
Return on equity (ROE), %	=	100 x	$\frac{\text{Profit for the period}}{\text{Shareholders' equity + non-controlling interest}}$
Return on investment (ROI), %	=	100 x	$\frac{\text{Profit before taxes + interest and other financial expenses}}{\text{Balance sheet total – non-interest-bearing debt}}$
Equity per share	=		$\frac{\text{Equity attributable to shareholders}}{\text{Number of shares at the end of the period}}$

## Audiocast and conference call

Revenio will hold an audiocast and teleconference, primarily for investors, analysts, and the media, on Thursday, April 27, 2023, at 3:00 p.m. Finnish time. In the event, Revenio's President and CEO Jouni Toijala and CFO Robin Pulkkinen will present the Company's results for Q1/2023. The invitation to the event was published as a press release on April 14, 2023.

Audiocast: <https://revenio.videosync.fi/q1-2023-results>

To ask questions, please join the teleconference by registering using the following link: <http://palvelu.flik.fi/teleconference/?id=10010581>

After the registration, you will be provided with phone numbers and a conference ID to access the conference. To ask a question, please press \*5 on your telephone keypad to enter the queue.

A recording of the audiocast will be published on <https://www.reveniogroup.fi/en/> after the event.

## General statement

This report contains certain statements that are estimates based on the management's best knowledge at the time they were made. For this reason, they involve a certain amount of inherent risk and uncertainty. The estimates may change in the event of significant changes in the general economic conditions.

Revenio Group Corporation  
Board of Directors

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### **Distribution**

Nasdaq Helsinki Oy  
Principal media  
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### **Revenio Group in brief**

Revenio is a leading company in the global market for ophthalmological devices and software solutions. Revenio's ophthalmic diagnostic solutions include intraocular pressure (IOP) measurement devices (tonometers), fundus imaging devices, and perimeters as well as clinical software under the iCare brand. iCare is a trusted partner in ophthalmic diagnostics, offering physicians fast, easy-to-use, and reliable tools for the diagnosis of glaucoma, diabetic retinopathy, and macular degeneration (AMD). iCare Solutions provide digital clinical tools that drive greater efficiency and enhance quality in eye care.

In 2022, the Group's net sales totaled EUR 97.0 million, with an operating profit of EUR 29.7 million. Revenio Group Corporation is listed on Nasdaq Helsinki with the trading code REG1V.