

September 2024 Quarterly Activities Report and Appendix 4C

Highlights

- **Global sales of US\$4.02 million, up 32% on prior corresponding period**
- **USA sales of US\$3.14 million, up 29% on prior corresponding period**
- **The Company remains on target to achieve breakeven in the glaucoma segment during FY25 and has adequate cash reserves.**
- **The Company has a significant opportunity and expects continued material revenue growth in FY25 and beyond.**

Nova Eye Medical Limited (ASX: EYE) (**Nova Eye Medical** or the **Company**), a medical technology company committed to advanced ophthalmic treatment technologies and devices, is pleased to provide a quarterly report on activities for the three months ended 30 September 2024.

US \$	FY24 (3mths to 30 September 2023) ¹	FY25 (3mths to 30 September 2024) ¹	Growth
USA	2,426,357	3,139,756	29%
Germany	370,498	367,252	-1%
China	-	360,000	
ROW (incl Canada)	243,079	156,311	-36%
Total sales in US\$	3,039,934	4,023,320	32%
Total sales in A\$	4,646,796	6,060,311	

Commentary on Glaucoma Segment Sales

Global sales for the quarter ended 30 September 2024 demonstrated robust growth, with a 32% increase year-on-year. This increase was driven primarily by ongoing demand in the USA and strong sales momentum in China.

The Company's glaucoma segment sales in the USA, underpinned by the iTrack™ Advance canaloplasty device, continued to grow during the period. This strong result builds on the record performance achieved in FY24, during which the global and USA glaucoma segment sales grew

¹ Based on management accounts

by 37% and 73% respectively ([ASX Announcement 8 July 2024](#)). Despite temporary supply chain challenges in August and September, which negatively impacted production scaling and sales accordingly, October sales have since realigned to growth targets. This swift recovery was made possible by the Company's operational agility and underscores the strong surgeon appetite for the Company's *iTrack™ Advance* canaloplasty device.

Looking ahead, the sales outlook for the glaucoma segment remains strong. At the recent American Academy of Ophthalmology (AAO) meeting in mid-October in Chicago, surgeon interest in the *iTrack™ Advance* was significant, with market sentiment for canaloplasty at an all-time high. This sentiment is expected to be bolstered by proposed positive changes in reimbursement policies in early 2025, which will improve the economics of the *iTrack™ Advance* canaloplasty procedure in combination with cataract surgery, as compared with competitive stent-based MIGS procedures.

The USA market for glaucoma surgical devices continues to present an excellent growth opportunity for the Company and its proprietary glaucoma treatment technologies. With approximately 5 million cataract surgeries performed in the USA annually, of which one million cataract patients have concurrent glaucoma², the adoption potential for the Company's *iTrack™ Advance* canaloplasty device is significant. Globally there are 30 million cataract surgeries per year of which 6 million cataract patients have concurrent glaucoma.

Sales to our distribution partner in China in the quarter benefited from a joint review of the sales and marketing approach for Chinese surgeons.

Sales in Germany held steady during the period, with recent investments in the Company's local commercial infrastructure expected to drive sales growth in the coming quarters. Other regions showed sales fluctuations mainly due to the timing of distributor shipments.

Commentary on Outlook

Sales in the Company's key markets of the USA, China and Germany are expected to grow over the remainder of FY25 and beyond. In particular, the USA market opportunity is very large, and the Company will continue to aggressively pursue this growth opportunity. The Company has adequate cash reserves as of 30 September 2024 and remains committed to achieving breakeven in the glaucoma segment during FY25 followed by material revenue growth.

The sales performance of the business over the last 15 months in the USA has demonstrated that the *iTrack™* technology has an important position in the marketplace with strong growth prospects. Augmented by favourable reimbursement tailwinds in the USA, continued strong revenue growth is expected. Operating leverage from the growing sales is expected to translate to an improving operating result.

Based on an independent market assessment², the Company's current share of the USA minimally invasive glaucoma surgical devices (MIGS) market is 3%. During the year to 30 June 2024, the Company produced approximately 17,000 *iTrack™* devices for the global market and has clean room facilities in Fremont, CA, to manufacture up to 100,000 units per year.

² [Marketscope 2024 Glaucoma Surgical Device Market Report](#)

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

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For more information:

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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 iTrack™ minimally invasive glaucoma surgery (MIGS), a consumable surgical device that restores the eye’s natural outflow pathway to lower pressure inside the eye and to eliminate patient reliance on anti-glaucoma medications for mild-moderate glaucoma. The Molteno3® glaucoma drainage device platform is designed to enhance surgical utility and optimize clinical outcomes for long-term IOP control in cases of severe glaucoma. It also offers the benefit of a simplified and faster surgical procedure. With its sales headquarters based in Fremont, California, Nova Eye Medical is supported by a global network of distribution partners. 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

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

1.1 Name of entity

Nova Eye Medical Limited

1.2 ABN

15 007 702 927

1.3

1.4 Quarter ended ("current quarter")

30 September 2024

1.5 Consolidated statement of cash flows

**Current quarter
\$A'000**

**Year to date
(three months)
\$A'000**

1. Cash flows from operating activities

1.1	Receipts from customers	6514	6514
1.2	Payments for		
	(a) research and development	-	-
	(b) product manufacturing and operating costs	(3980)	(3980)
	(c) advertising and marketing	(1077)	(1077)
	(d) leased assets	(246)	(246)
	(e) staff costs	(2626)	(2626)
	(f) administration and corporate costs	(380)	(380)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	27	27
1.5	Interest and other costs of finance paid	(23)	(23)
1.6	Income taxes paid		
1.7	Government grants and tax incentives		
1.8	Other (provide details if material)		
1.9	Net cash from / (used in) operating activities	(1792)	(1792)

2. Cash flows from investing activities

2.1	Payments to acquire or for:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment	(85)	(85)
	(d) investments		
	(e) intellectual property	(285)	(285)
	(f) other non-current assets		

1.5 Consolidated statement of cash flows		Current quarter \$A'000	Year to date (three months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment		
	(d) investments		
	(e) intellectual property		
	(f) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities	(370)	(370)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	6147	6147
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1792)	(1792)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(370)	(370)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

1.5 Consolidated statement of cash flows		Current quarter \$A'000	Year to date (three months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(258)	(258)
4.6	Cash and cash equivalents at end of period	3727	3727

5.	1.6 Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	3727	3727
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3727	3727

(a)

6.	1.7 Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	52
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	1.8 Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> 1.9 Add notes as necessary for an understanding of the sources of finance available to the entity.	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities		
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	NONE		

8.	1.10 Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(1792)
8.2	Cash and cash equivalents at quarter end (item 4.6)	3727
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	3727
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	2.1
	<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: not required	
8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: not required	
8.6.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: not required	
	<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

(a)

1.11 Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 October 2024.....

Authorised by: Board of Directors.....

(Name of body or officer authorising release – see note 4)

1.12 Notes

- 1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
- 2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
- 3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
- 4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
- 5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.