ASX RELEASE
31 January 2025

December 2024 Quarterly Activities Report, Appendix 4C and Revenue Guidance

Highlights

- **Global sales of US$16.9 million (12 months), up 39% on prior corresponding period.**
- **USA sales of US$12.8 million (12 months), up 48% on prior corresponding period.**
- **Nova Eye remains on target to achieve breakeven in the glaucoma segment during FY25.**
- **The Company has a significant opportunity to grow and expects continued material revenue growth in FY25 and beyond.**
- **Group cash outflow from operations of $1.3 million for the quarter ended 31 December 2024 down from $1.8 million in the quarter ended 30 September 2024.**
- **FY25 revenue guidance (excluding China sales) set between US$9 million and US$10 million for H2 FY25, with full-year revenue projected between A$27.5 million and A$29.1 million.**
- **Subsequent to the end of the quarter, successful $6.6 million placement to fund working capital, U.S. and German sales team expansion and product development.**

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 31 December 2024.

Commentary on Glaucoma Segment Sales

Nove Eye Medical delivered another robust performance, with global sales rising 39% (in constant currency, including a 48% increase in the USA) during the year ending 31 December 2024 compared with the prior corresponding period (pcp). This growth reflects the continued success of the USA direct sales force and the early benefits of commercial investments in international markets.

Despite facing temporary supply chain challenges in the first quarter of FY25, the Company demonstrated agility in overcoming these issues. As a result, sales growth rebounded strongly in the second quarter, exceeding both first-quarter results and the pcp.

In the glaucoma division, U.S. operations are trending towards breakeven, with a significant improvement in EBITDA loss to A$0.4 million for the six months ending 30 June 2024, compared to A$2.5 million in H1 FY24.

The Company also continues to reduce its cash outflow from operations, with a steady decline to A$1.3 million for Q2 FY25, indicating progress toward achieving cash flow breakeven.

Revenue by sales territory

US $000's	6 months to 31 Dec 23	6 months to 31 Dec 24[1]	Growth on PCP	Trailing 12 months to 31 Dec 23	Trailing 12 months to 31 Dec 24[1]	Growth on PCP
USA	5,050	6,477	28%	8,614	12,777	48%
Germany	718	869	21%	1,355	1,720	27%
China	315	710	125%	1,052	1,385	32%
ROW	537	329	-39%	1,114	1.020	-8%
Total sales in US$	**6,620**	**8,384**	**27%**	**12,134**	**16,901**	**39%**
Total sales in A$		**12,714**			**25,646**	

[1] Based on unaudited management accounts for the six months ended 31 December 2024 and audited financial statements for the year ended 30 June 2024

Strong Growth in the U.S. Market Driven by *iTrack™ Advance*

Nove Eye Medical continues to see robust growth in the U.S. market, driven by strong surgeon demand for the Company's flagship product, *iTrack™ Advance*. Since its introduction in April 2023 (H2 FY23), *iTrack™ Advance* sales have fuelled five consecutive half-year periods of revenue growth in the USA, with this upward trend extending into FY25.

The sustained growth underscores increasing surgeon adoption and satisfaction with the product, as evidenced by continued sales momentum. Strategic marketing investments, targeted surgeon engagement initiatives, and an expanded presence at key industry events and conferences have significantly contributed to this success. The recruitment of specialised sales professionals has also further amplified sales efforts, enhancing the Company's reach and influence in the U.S. market.

These results demonstrate the growing traction of *iTrack™ Advance* in the U.S., reinforcing its position as a preferred solution for surgeons and a critical driver of Nova Eye Medical's long-term growth in its largest market.

USA Reimbursement Update

Surgeries utilising *iTrack™* continue to qualify for the established CPT1 reimbursement code from US Medicare (CMS). However, as of December 2024, most states[2] experienced reimbursement reductions from Medicare Administrative Contractors (MACs) for stents used in combination with MIGS procedures in the same patient eye. While this adjustment does not directly impact the reimbursement rate for surgeries performed with *iTrack™,* it created market confusion in December 2024, resulting in a temporary negative effect on sales in affected states.

Looking ahead, the 2025 US Medicare reimbursement rate for surgeries with *iTrack™* remains constant, providing a stable foundation for Nova Eye Medical's growth plans in the U.S. market.

[2] Eight states are not impacted by this change. Nova Eye revenue from the eight unaffected states was 27% of total revenue for the six months to 31 December 2024.

Capital Raising

Subsequent to the end of the quarter, the Company announced the successful completion of a Placement to raise approximately $6.6 million at $0.12 per New Share. The Placement was strongly supported by new and existing institutional and sophisticated Nova Eye shareholders. This raise positions Nova Eye Medical to capitalise on its momentum, as the glaucoma segment nears profitability, and the company continues to deliver innovative solutions to the global ophthalmology market

Placement Details:

The Placement was conducted in two tranches:

- Tranche One: Raised approximately A$4.1 million under the Company's available placement capacity in accordance with ASX Listing Rule 7.1.
- Tranche Two: Will raise approximately A$2.5 million, subject to shareholder approval at an Extraordinary General Meeting (EGM) in mid March 2025.
- A major shareholder committed A$1.1 million to Tranche Two.
- Company Directors, including Chairman Victor Previn, committed A$125,000, subject to shareholder approval.

Use of Funds

Proceeds from the raise will support Nova Eye Medical's next phase of growth by funding:

- Sales team expansion in the United States and Germany to meet growing demand for the iTrack™ Advance.
- Product development and production efficiencies.
- Working capital to support growth.

FY25 Guidance

- Revenue for H2 FY25 (excluding China sales) is expected to range between US$9 million and US$10 million, reflecting growth of 15%-30% over H1 FY25.
- Full-year FY25 revenue (excluding China sales) is projected between A$27.5 million and A$29.1 million.
- The glaucoma division is expected to achieve profitability in H2 FY25.
- Sales growth and cost management are anticipated to drive a continued reduction in group cash outflows, with steady progress toward breakeven.

Sales Momentum and Market Leadership

This capital raising follows a year of strong financial and commercial performance, with:

- Global sales growth of 39% for the 12 months to 31 December 2024 compared with the pcp, including a 48% increase in the USA, reflecting increasing adoption of *iTrack™ Advance*.
- The glaucoma division trending toward profitability, with an improving EBITDA position.
- *iTrack™ Advance* gaining market share, supported by strong surgeon adoption and expanded direct sales teams.

Investment in working capital

Quarterly cash outflow from operations fell from $1.8 million in Q1 FY25 to $1.3 million in Q2 FY25.

The cash outflow from operations includes an additional $1 million invested in working capital to fund receivables and inventory growth.

Related party payments

Related party payments include CEO and Executive Chairman remuneration, Directors' fees and rent on the Company's headquarters.

Authorised for lodgement 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 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	1.3	1.4 Quarter ended ("current quarter")
15 007 702 927		31 December 2024

1.5 Consolidated statement of cash flows		Current quarter $A'000	Year to date (six months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	6,310	12,824
1.2	Payments for		
	(a) research and development	-	-
	(b) product manufacturing and operating costs	(3,770)	(7,750)
	(c) advertising and marketing	(915)	(1,992)
	(d) leased assets	(249)	(495)
	(e) staff costs	(2,396)	(5,022)
	(f) administration and corporate costs	(249)	(628)
1.3	Dividends received (see note 3)	-	
1.4	Interest received	8	35
1.5	Interest and other costs of finance paid	(24)	(47)
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**	**(1,285)**	**(3,077)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	(147)	(232)
	(d) investments		
	(e) intellectual property	(250)	(535)
	(f) other non-current assets		

1.5 Consolidated statement of cash flows		Current quarter $A'000	Year to date (six 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**	**(397)**	**(767)**

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	3,727	6,147
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,345)	(3,077)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(397)	(767)
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 (six months) $A'000
4.5	Effect of movement in exchange rates on cash held	157	(106)
4.6	**Cash and cash equivalents at end of period**	**2,196**	**2,196**

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	2,196	3,727
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)**	**2,196**	**3,727**

(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	170
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 *Note: the term "facility' includes all forms of financing arrangements available to the entity.* 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)	(1,285)
8.2	Cash and cash equivalents at quarter end (item 4.6)	2,196
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	2,196
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	1.7

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.

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: Yes. Cash outflows are expected to reduce with sales growth and cost management

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: Yes. Issue of new shares announced on 31 January 2025 to raise $6.6 million to fund growth.

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: Yes. The progressively improving operational performance of the business along with the additional equity funds will enable the company to meet its business objectives.

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.

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 January 2025.....

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.