



# Bittium Corporation Updates Its Strategy and Long-Term Financial Goals

## Bittium Corporation

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The Board of Directors of Bittium Corporation has today approved the company's updated growth strategy for the years 2025–2028 and long-term financial goals. The growth strategy is built on four basic pillars: 1) strengthening the leading secure embedded technology expertise as the cornerstone of the competitive advantage, 2) building up the capabilities required for sales and commercialization to enable growth, 3) strengthening the technology base by focusing R&D investments closer to customer needs, and 4) ensuring the delivery capabilities to enable trust and scalability.

Bittium's main goals are an average annual net sales growth of more than 10 percent and an operating profit level of more than 10 percent. To enable profitable growth, Bittium updated its strategy at the end of 2023, focusing on the change from a R&D-oriented organization to a sales and customer-oriented segment organization. The goal of the growth strategy announced today is profitable growth in all three independent Business Segments: **Medical**, which focuses on the measurement and processing of biosignals, **Defense & Security**, which offers products and services to the defense and security markets, and **Engineering Services**, which offers R&D services and wireless embedded solutions.

"Bittium is known for its reliability and innovative products and solutions. In the coming strategy period, we will focus on comprehensive customer orientation and increasing sales in all our Business Segments. The utilization of AI (artificial intelligence) in the operational development of businesses will be strongly as part of building the future. In addition, we will continue improving profitability and efficiency systematically. With these measures, we believe that we are well equipped to achieve the goals set for us", says Johan Westermarck, CEO of Bittium Corporation.

### Medical Business Segment

The Medical Business Segment offering focuses on solutions for measuring biosignals. The business consists of four product areas, which are the already known measurement and analysis of electrical activity of the heart (ECG), measurement and analysis of electrical activity of the brain (EEG), a solution for sleep apnea testing at home, and as a new area, measurement of muscle activation (EMG). EMG measurement has been in the company's product portfolio before, and at the beginning of next year the company plans to introduce a new version of its EMG measuring device to the market. The EMG device is intended for measuring the electrical activity of muscles and is used e.g. in monitoring the progress of rehabilitation or identifying various muscle or movement disorder related diseases, such as Parkinson's disease.

The remote diagnostics market is expected to grow significantly in the coming years. Diagnostics are being carried out at home rather than in a hospital environment at an increasingly early stage. Reducing hospital and treatment days would increase efficiency in healthcare processes and reduce costs. The prerequisite for remote diagnostics is enabling accurate and high-quality measurements in home conditions.

Bittium's competitive advantage is based on high-quality and reliable measurement of biosignals using embedded wireless technology. The devices are designed to be easy to use and patient-friendly. In addition to the products, the company offers its customers both its own and third-party biosignal analytics software and accessories. In the upcoming strategy period, the business will focus especially on continuous improvement of the competitiveness and

productivity of its products, as well as the efficiency of operations. Customer-orientation will be emphasized in both sales and other operations.

Bittium's customers include global device manufacturers, service providers and traditional medical device distributors. Bittium will focus on collaborating with existing international key customers and partners to grow market shares together and open new customer relationships. The company will focus on the selling of environmentally sustainable, disposable accessories to increase recurring revenue.

The regulatory approvals of medical devices are demanding processes, and during the past year the company has invested in increasing the necessary expertise. Bittium has several ongoing development projects that aim at obtaining medical device regulatory approvals in different countries. The most important development projects are the European medical device approvals (MDR approvals, Medical Device Regulation) of the Bittium Faros™ ECG monitor and the Bittium BrainStatus™ EEG measuring device. These approvals must be received at the latest in 2028, after which the current medical device approvals of these products will no longer be valid. The EMG measuring device to be released at the beginning of next year is a medical device in accordance with the MDR requirements, but it does not require evaluation by a notified body. At-home sleep apnea testing device Bittium Respiro™ has a medical device approval according to the new MDR requirements, and sales of the solution will be focused on the European market in the coming next years. In the background, fulfilling the requirements of the FDA (US Food and Drug Administration) for the sales license required for the US market will continue, however obtaining the license requires some development of the product's algorithms and extensive clinical tests, which is why the company does not expect to receive the license in the next few years.

## **Defense & Security Business Segment**

The Defense & Security Business Segment consists of two business areas, which are defense products and services (Defense) and information security products and services (Security). The business consists of solutions for tactical communication aimed at the defense market and solutions for highly secure mobile communications aimed at the authority market.

The products and systems offered to the defense market are globally at a very competitive level both in terms of the wide range of the portfolio and technical capabilities. In R&D, the focus is on the continuous improvement of the quality of existing products and the development of performance to maintain competitiveness, as well as the refinement of existing products and solutions for new use cases.

For the authority market, Bittium offers information security solutions on both the hardware and software side. Customers are governments and authorities of different countries, as well as technology integrators who are well-known in their own country's authority networks. Bittium's security expertise is world-class, and the company is a recognized manufacturer of secure mobile phones. In the coming strategy period, Bittium aims to increase sales of security software along with device sales.

Bittium will invest strongly in key customers and international sales and marketing to pursue new customers. The company will improve and increase its production capacity to enable future growth. Bittium's goal is to grow significantly the international product business and achieve an internationally significant position as a provider of tactical communication and highly secure communication solutions.

Global geopolitical instability has increased countries' defense budgets and increased the interest of states to modernize their tactical communications systems. Modern warfare requires a new kind of tactical data transmission, where increasingly mobile network users can reliably and securely transfer ever larger amounts of data. Finland's accession to the defense alliance NATO has increased the visibility of Bittium's products on the international defense and security markets.

Bittium has superior waveform quality and secure wireless technology integrated with hardware and software intended for military and authority use. The long-standing cooperation and the partnership agreement signed this year with the Finnish Defense Forces form a significant reference for Bittium's internationalization both through the system solution and the operating environment perspective.

## **Engineering Services Business Segment**

In the Engineering Services Business Segment, Bittium offers its customers R&D services and wireless connectivity solutions for the development of innovative products in a secure and evolving wireless environment. The company has focused its R&D service offering around radio technology and embedded devices. Bittium has world-class expertise in embedded wireless technologies and comprehensive product development.

In wireless communication, investments in the development of new products and features continue, and the need for product variants of radios continues. With digitization, secure IoT (Internet of Things) is a significant development area in almost all industries, where demand is created by the growing need for companies to digitize their operations, collect data wirelessly and transfer data to the Internet and cloud services, as well as monitor and control devices and systems remotely. Bittium's goal is to create value for its customers in the digitalization

transition. To support this, the company will invest in strengthening AI (artificial intelligence) expertise in its own operations.

In the coming strategy period, Bittium will invest strongly in the development of sales, focusing especially on global customers in Europe. The company will also invest in deepening partnerships with its current customers.

### **Long-Term Financial Goals**

Bittium aims for an average annual net sales growth of more than 10 percent and an operating profit level of more than 10 percent.

Earlier long-term financial goals were an average annual net sales growth of more than 10 percent and an operating profit level of 10 percent.

Oulu, December 20, 2024

Bittium Corporation  
The Board of Directors

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### **Distribution**

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### **Bittium**

Bittium specializes in the development of reliable, secure communications and connectivity solutions leveraging its over 35-year legacy of expertise in advanced radio communication technologies. Bittium provides innovative products and services, customized solutions based on its product platforms and R&D services. Complementing its communications and connectivity solutions, Bittium offers proven information security solutions for mobile devices and portable computers. Bittium also provides healthcare technology products and services for biosignal measuring in the areas of cardiology and neurophysiology. Net sales in 2023 were EUR 75.2 million and operating loss was EUR -4.3 million. Bittium is listed on Nasdaq Helsinki. [www.bittium.com](http://www.bittium.com)