Observe Medical ASA: Full year and second half 2023 results

Oslo, March 13, 2024 - Observe Medical ("the Company" or "Observe Medical") today releases its results for the full year and second half of 2023.

Business update

The strategic acquisition of trademarks and intellectual property rights for the UnoMeter™ portfolio from Convatec, coupled with the CE certification of UnoMeter™ 500, marked 2023 as a transformative year for Observe Medical. These milestones laid a strong groundwork for the company's commercial growth.

In a year of commercial milestones, Observe Medical achieved growth and market expansion in 2023. We launched and delivered our first UnoMeter™ Abdo-Pressure and UnoMeter™ 500 products, demonstrating our capacity to meet market demand. Also, we expanded our distribution network to cover more than 20 countries, accounting for a substantial portion of historic Convatec sales territories.

Financial highlights

In the second half of 2023 (H2 2023), operating revenues increased to 16.1 MNOK, demonstrating an 8.6 MNOK improvement year-over-year (YoY). For the full year 2023 (FY 2023), revenues climbed to 27.9 MNOK, reflecting an 8.4 MNOK increase YoY.

Gross profit in H2 2023 increased, reaching 5.0 MNOK, up by 4.6 MNOK YoY. The FY 2023 gross profit was 9.3 MNOK, showing a solid increase of 4.1 MNOK YoY.

Despite the negative EBITDA figures, there has been a noticeable improvement. H2 2023's EBITDA was -14.9 MNOK, which is a positive change of 12.3 MNOK compared to H2 2022. The FY 2023 EBITDA also improved by 10.8 MNOK YoY.

The net result shows a reduction in losses, with H2 2023 posting a loss of 25.159 MNOK, which is an 8.469 MNOK improvement over H2 2022. The FY 2023 net loss of 60.354 MNOK is also an improvement of 9.553 MNOK over FY 2022.

As announced on December 12, 2023, the Company completed a rights issue raising a total of 35.7 MNOK, which included 21.5 MNOK in cash contributions.

Presentation

The Company will host a presentation and Q&A session at 08:30 CET today. Personal attendance is welcomed at Olav Vs gate 5, 0161 Oslo. The presentation will also be available via webcast at the following link:

http://channel.royalcast.com/hegnarmedia/#!/hegnarmedia/20240313_1

After the live event, the presentation and recording will be made available under the Investor Relations section on the Company's website,

http://observemedical.com/investor-relations/

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About Observe Medical

Observe Medical is a Nordic medtech company that develops, markets and sells innovative medtech products for the global market. The Company is committed to improving patient welfare and patient outcomes, improving clinical data accuracy and promoting positive health economics.

The Company seeks to drive growth by leveraging its expertise in sales and commercialization of its broad portfolio of medical technology products, mainly in urine measurement, ultrasound, anesthesiology/ICUs, surgery and wound care, in combination with targeted M&A.

The Company is headquartered in Oslo, Norway, with additional offices in Narvik, Norway and Gothenburg, Sweden, and subsidiaries in Finland and the US. In addition, Observe Medical has a direct sale organization in the Nordics and a distributor network internationally.

Further information is available at www.observemedical.com.