

# EuroEyes International Eye Clinic Limited

Stock code: 1846.hk

2024 Annual Results  
Resilience and Growth Ahead



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# EuroEyes

## 2024 Annual Results Highlights

# Navigating challenges – delivering growth

EuroEyes benefits from the market shift from laser to lens-based procedures

- The refractive laser surgery market is experiencing a slowdown, with younger myopia patients being more affected by the economic downturn
- As a leader in lens exchange surgeries, EuroEyes is poised to capitalize on this global market trend and continues to succeed despite the economic challenges
- The intraocular lens (IOL) market in Europe is expected to expand at a compound annual growth rate (CAGR) of approximately 7.5% from 2023 to 2029<sup>1</sup>.
- The Chinese market is anticipated to grow even more rapidly, with a CAGR of about 9.0% from 2023 to 2029<sup>2</sup>.

<sup>1</sup> source: oai\_citation:5,Cataract Reports | Market Scope

<sup>2</sup> source: oai\_citation:2,Cataract Reports | Market Scope

# Navigating challenges – delivering growth

## New clinics lay foundation for further growth

- London flagship clinic – LEC – increased surgery numbers in Q1/25 by more than 50% and achieved EBITDA breakeven in February 2025
- Two new German clinics in Wiesbaden and Kiel confirmed their robust performance during ramp-up by having reached EBITDA breakeven already
- HK flagship clinic is currently below expectations , largely due to ongoing regulatory hurdles and delayed approvals. We are actively working on resolving these issues but anticipate a slower ramp-up compared to other markets
- The four new clinics weighed on net profit<sup>1</sup> with a financial impact of HK\$43.8 million in 2024
- Without the financial impact from these four clinics, the Group's net profit<sup>1</sup> margin could rise by an extra 6.1 ppt to 17.9%

<sup>1</sup> net profit refers to profit for the year

# Highlights of the year

The 6<sup>th</sup> consecutive

**Revenue  
Record**

HK\$715.7 mn

Revenue growth in

**3 largest  
markets**

Germany: +1% yoy

PRC: +1% yoy

UK: +12% yoy

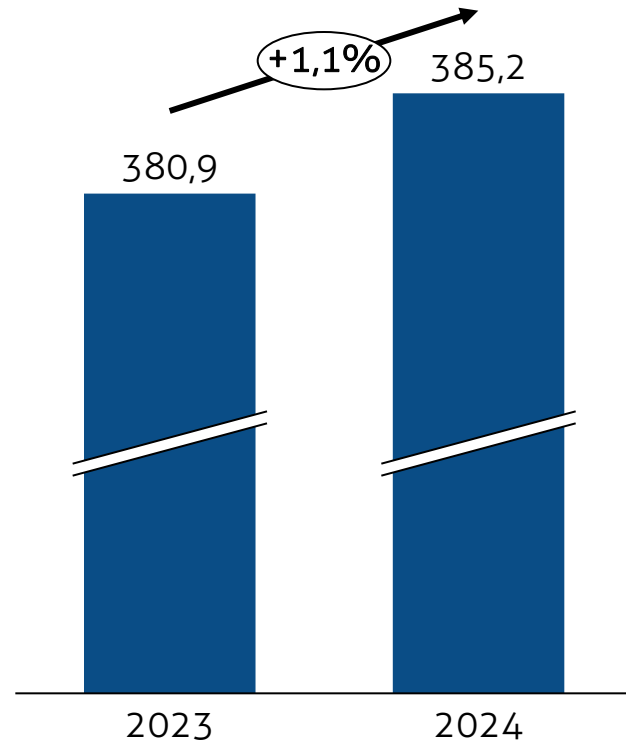
Solid growth in

**Lens  
exchange  
surgery**

Revenue: +5% yoy

Presbyopia revenue  
contribution: 59%

# Germany: Continued growth amidst challenges



## Revenue growth supported by presbyopia treatment and increased market presence

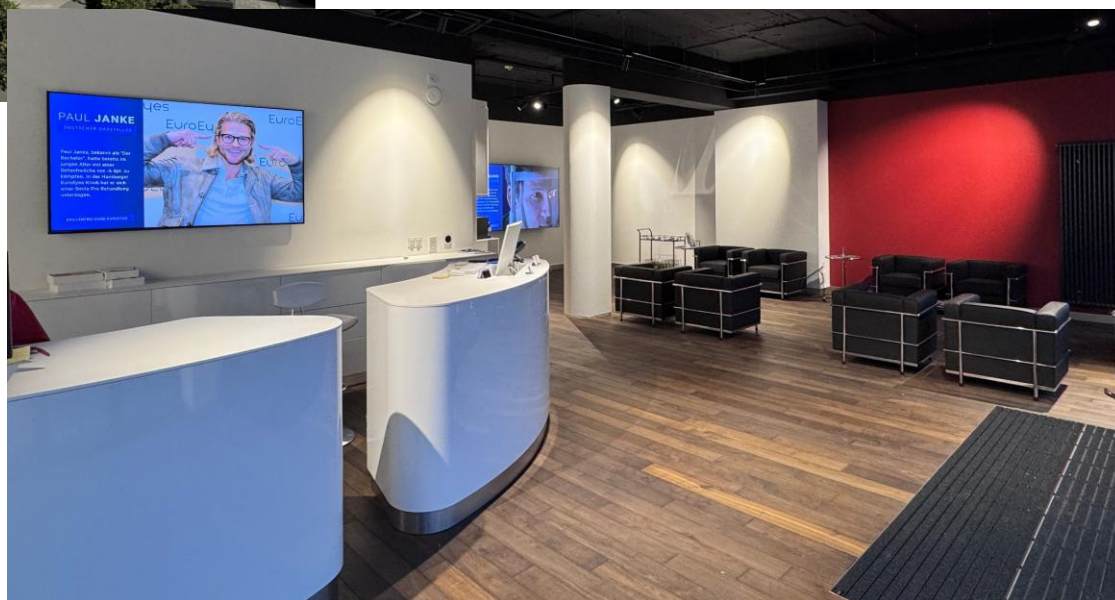
- Renowned medical team boasting 30 years of experience and extensive geographical reach
- Full spectrum of refractive surgeries utilizing cutting-edge technology with focus on presbyopia treatment
- Unique market positioning in presbyopia correction treatments, catering to the upscale consumer segment
- Growth in lens exchange compensate for the decline in myopia treatments
- Acquisition of FreeVis and additional revenue from Wiesbaden clinic secured revenue growth in Germany

# Germany: New clinics to fuel future growth



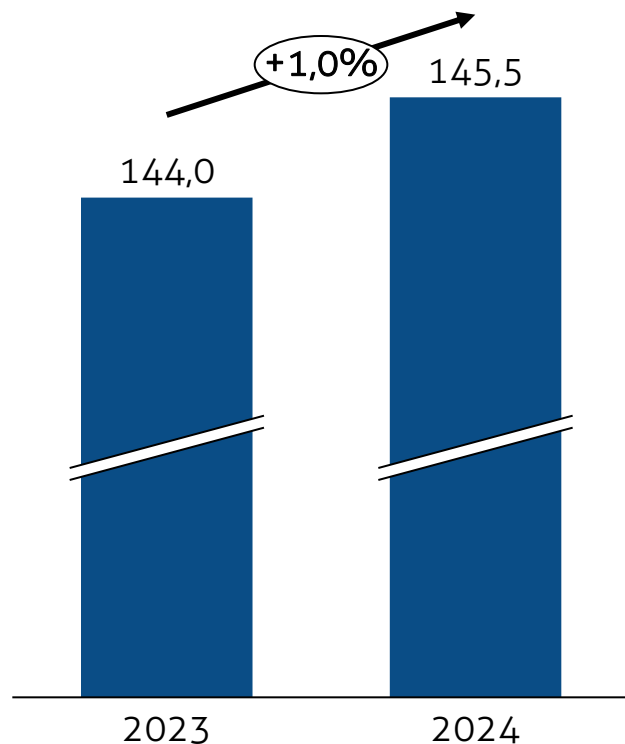
## Extended presence in Germany as new growth driver

- A new clinic in Wiesbaden opened in June
- A second new clinic in Kiel opened in December
- Both new clinics, Wiesbaden and Kiel, have reached a positive EBITDA just a few months after launch, confirming their robust performance during the initial ramp-up phase





# Greater China: Presbyopia treatment fueled stable growth



## Strong growth in lens exchange surgery despite macro headwinds

- The year 2024 has been a challenging year in China
- Consumer confidence has dropped to an all-time low, leading younger individuals to be more cautious about spending and postponing non-essential purchases
- However, the demand for presbyopia treatments has increased due to the aging population
- Revenue from performing lens exchange surgery grew 23% in the country yoy, compensating decline in myopia surgeries
- The performance of our new clinic in Hong Kong is currently below expectations, largely due to ongoing regulatory hurdles and delayed approvals. We are actively working on resolving these issues but anticipate a slower ramp-up compared to other markets.

# Greater China: Introducing advanced technology into the nation



Light Adjustable Lens™    Light Adjustable Lens +™

## Changing the Shape of Cataract Surgery

The Light Adjustable Lens™ (LAL/LAL+™) is the first and only lens that can be adjusted in the eye, after cataract surgery. Precise UV treatments adjust the shape of the Light Adjustable Lens, giving patients truly custom vision that is literally transformative.

Imagine what the Light Adjustable Lens could do for your practice

- About the LAL and LAL+
- Fixed vs Adjustable Lenses
- Redefining the Patient Journey
- Outcomes and Economics
- The

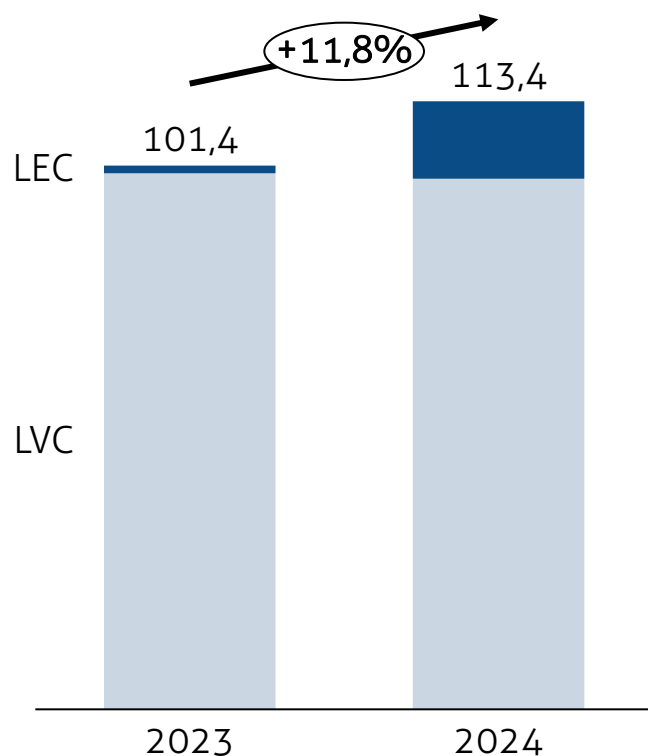
Light Adjustable Lens full indications for use and important safety information    Light Adjustable Lens

## Consistently taking the lead in adopting new technologies

- EuroEyes is one of the very few clinics in China to adopt the VISUMAX800 machine immediately after it was approved in the country
- The Group is one of the first two clinics in Hong Kong to offer Light Adjustable Lens for patients who are not fit for trifocal lens implantation
- The Group is recognized for having the latest technology, setting it apart from its competitors
- Patients can be confident that they will receive treatment using the most advanced technology at EuroEyes



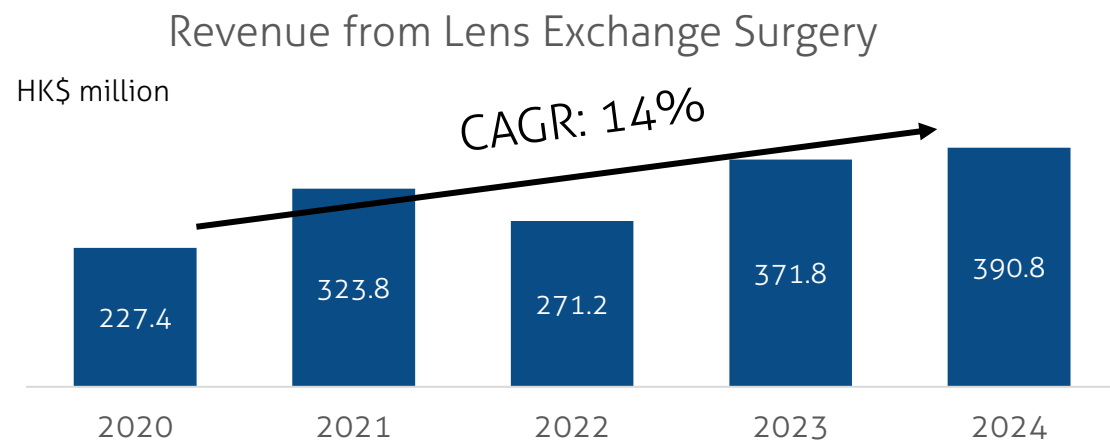
## UK: Double-digit growth supported by new flagship clinic



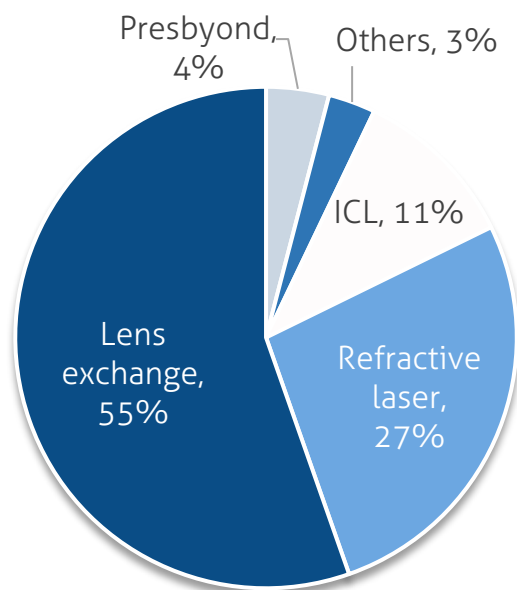
### Shifted focus from myopia to presbyopia treatment

- The new flagship clinic LEC capitalizes on the trend towards intraocular procedures
- LEC increased surgery numbers in Q1/25 by nearly 60% and reached a positive EBITDA in February
- This reflects a strong and accelerating growth trajectory in our UK operations, underlining the success of recent structural and marketing initiatives.
- London Vision Clinic (LVC) has seen a marked operational improvement following a major restructuring of our operating model and staff-related cost base in 2024
- While laser vision correction (LVC) continues to reflect global volume trends, our push to implement lens-based surgical procedures within the LVC structure is beginning to gain traction, and early indicators are promising.

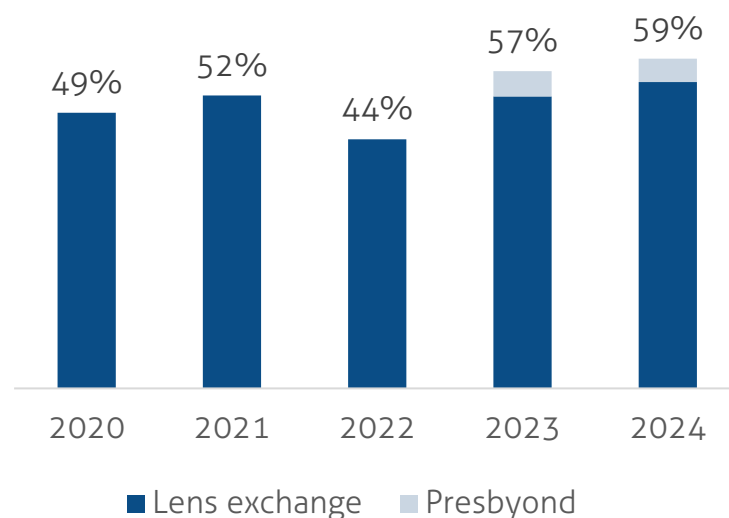
# Aging population spurs robust demand for presbyopia treatments



Revenue by Surgery Type



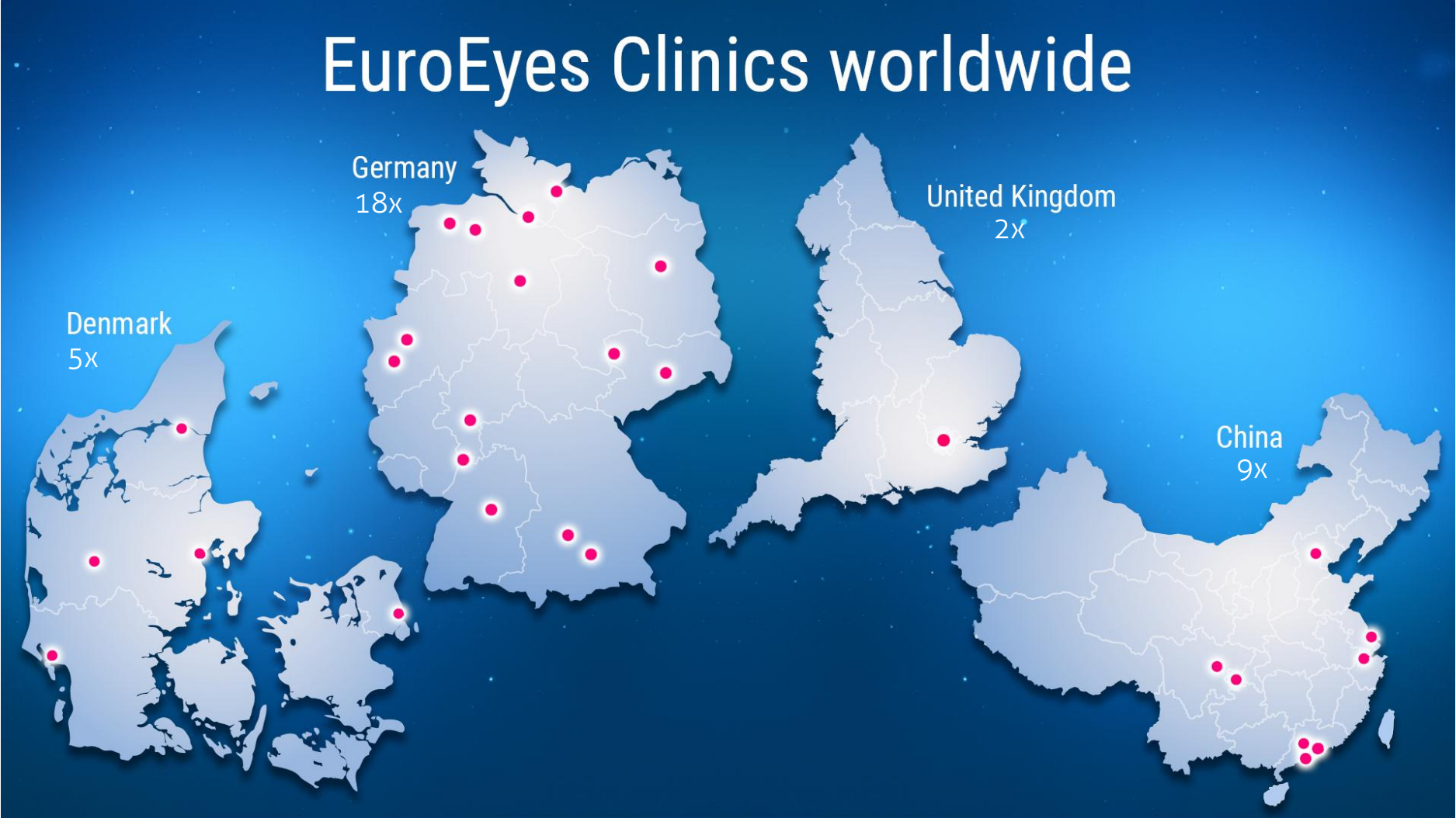
Revenue Contribution from Presbyopia Treatments



Demand for presbyopia treatment remained resilient despite the economic downturn

- While demand for myopia treatment dampened due to low consumer confidence, presbyopia demand was less affected in macroeconomic headwinds
- As a leading company in presbyopia treatment, the Group is ready to take advantage of this trend
- EuroEyes received recognition from Zeiss for performing the highest number of trifocal lens exchange surgeries in 2024, marking the 9<sup>th</sup> consecutive year of this achievement
- With nearly 60% of its revenue generated from presbyopia treatments, the Group is in a stronger position during times of economic uncertainty

# Expanded clinic network\*

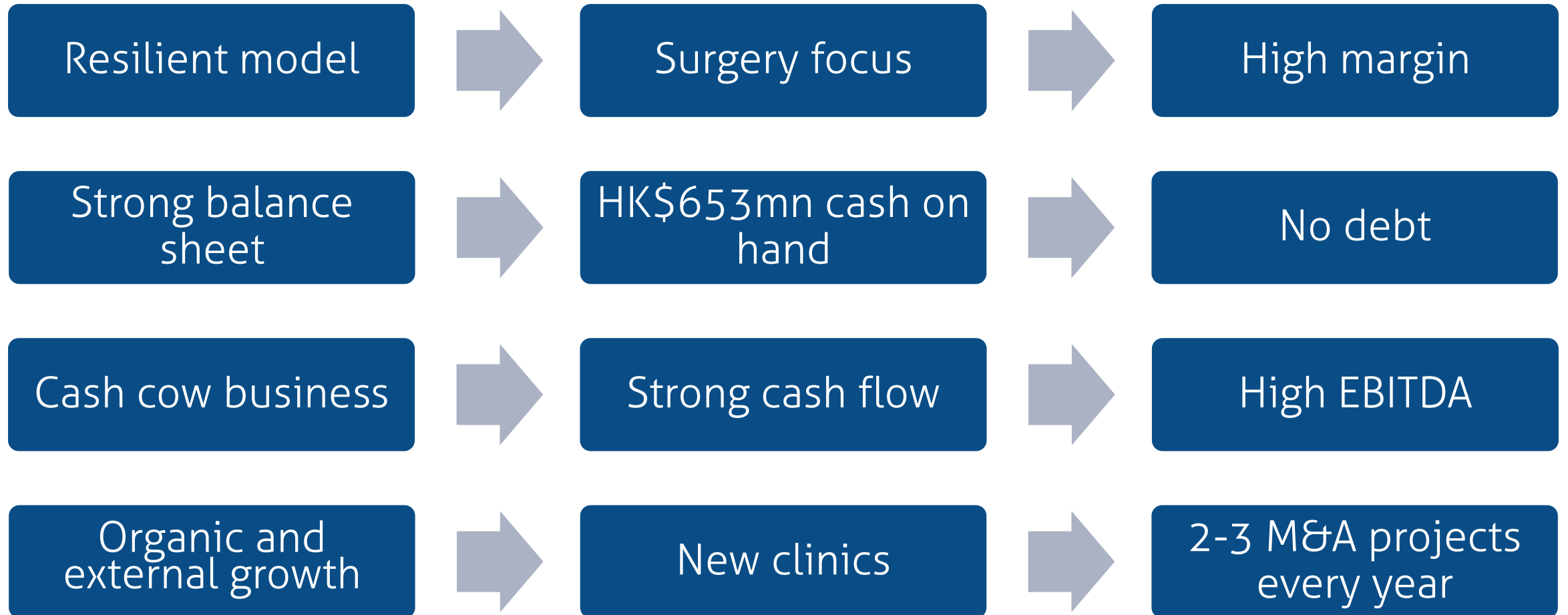


Total # of clinics: 34

\*as of April 1, 2025

# EuroEyes is a hidden gem

## Resilient business model fuels future growth



# EuroEyes

## FY2024 Financial Overview

# Highlights of the year

## Record High Revenue

HK\$715.7mn

↗ 0.2% YoY

## Adjusted EBITDA<sup>1</sup>

HK\$240.5mn

↗ 16.8% YoY

33.6% Adjusted  
EBITDA<sup>1</sup> Margin

## Adjusted Net Profit<sup>1,2</sup>

HK\$100.3mn

↘ 29.2% YoY

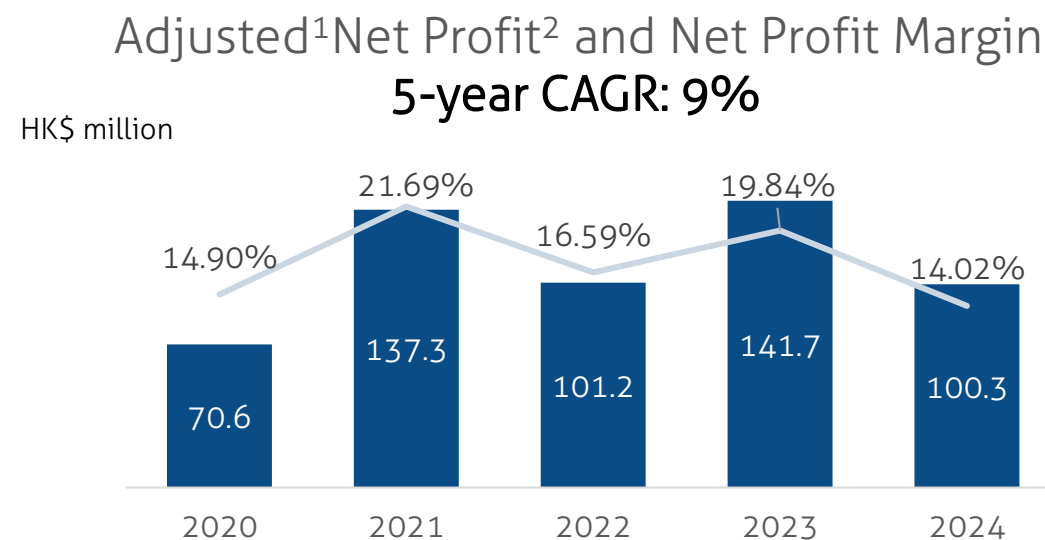
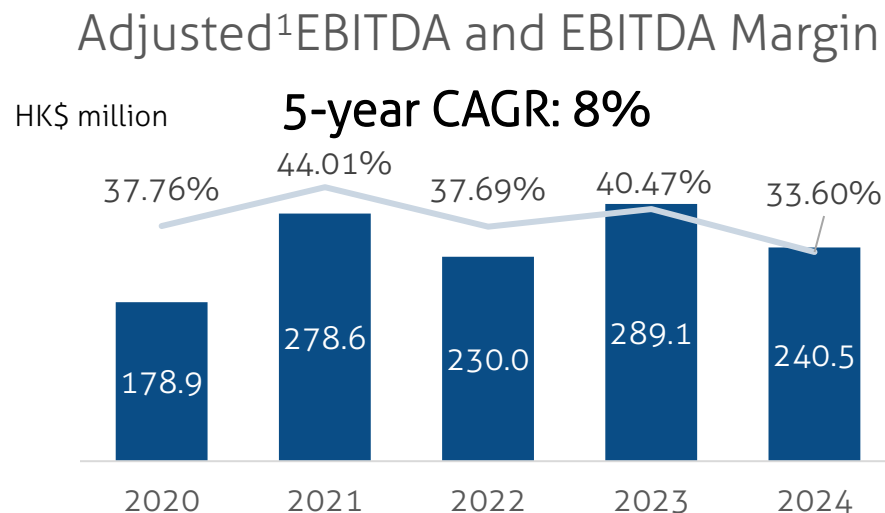
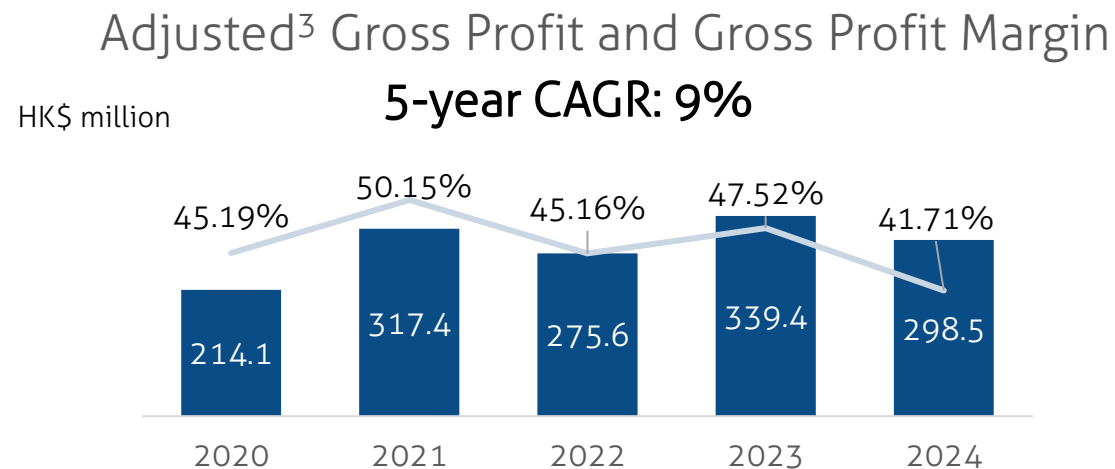
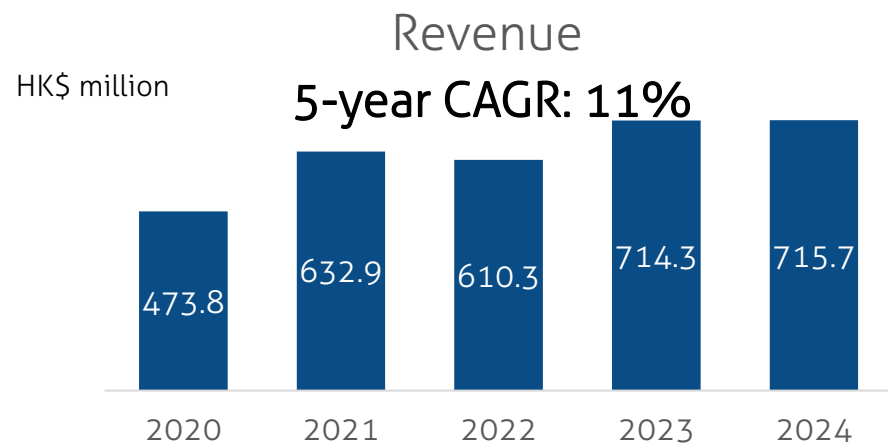
14.0% Adjusted  
Net Profit<sup>1,2</sup> Margin

<sup>1</sup>Adjusted EBITDA and Adjusted net profit after tax for the period is derived from 1) adding pre-operating expenses for new clinics, 2) foreign exchange (gain)/ loss in relation to the proceeds from the global offering, 3) share-based compensation expenses, 4) acquisition-related costs, and 5) (gain)/loss on fair value change of contingent consideration payable

<sup>2</sup>Net profit refers to profit for the year



# Resilient performance amid weakening consumer confidence

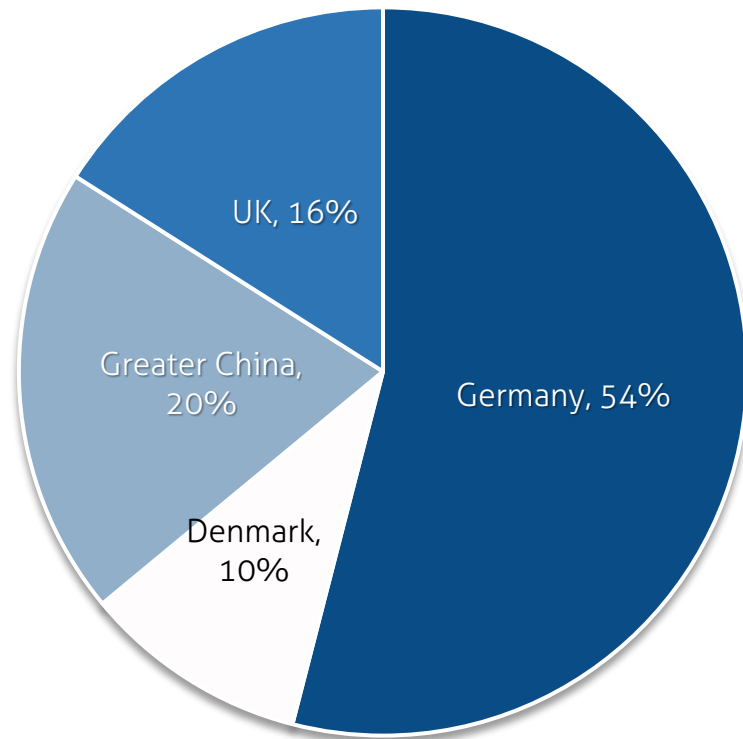


<sup>1</sup> Adjusted EBITDA and Adjusted net profit after tax is derived from 1) adding pre-operating expenses for new clinics, 2) foreign exchange (gain)/ loss in relation to the proceeds from the global offering, 3) share-based compensation expenses, 4) acquisition-related costs, 5) (gain)/loss on fair value change through profit and loss, 6) goodwill impairment, and 7) Foreign exchange (gain)/loss in relation to the proceeds from global offering

<sup>2</sup> Net profit refers to profit for the year; <sup>3</sup> Adjusted gross profit is derived from adding share-based compensation expenses and pre-operating expenses

# A diversified geographical coverage

Revenue by Regions



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## A diversified portfolio

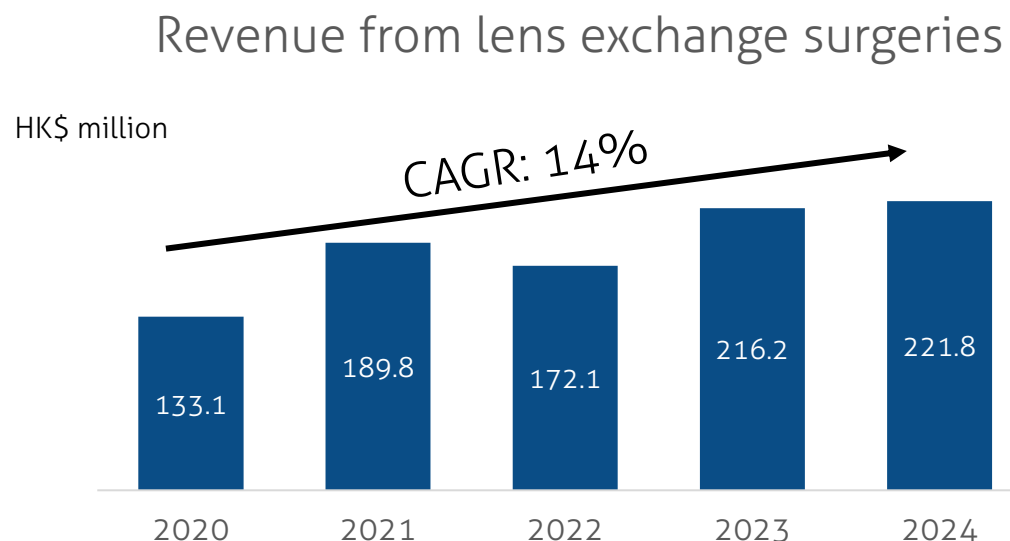
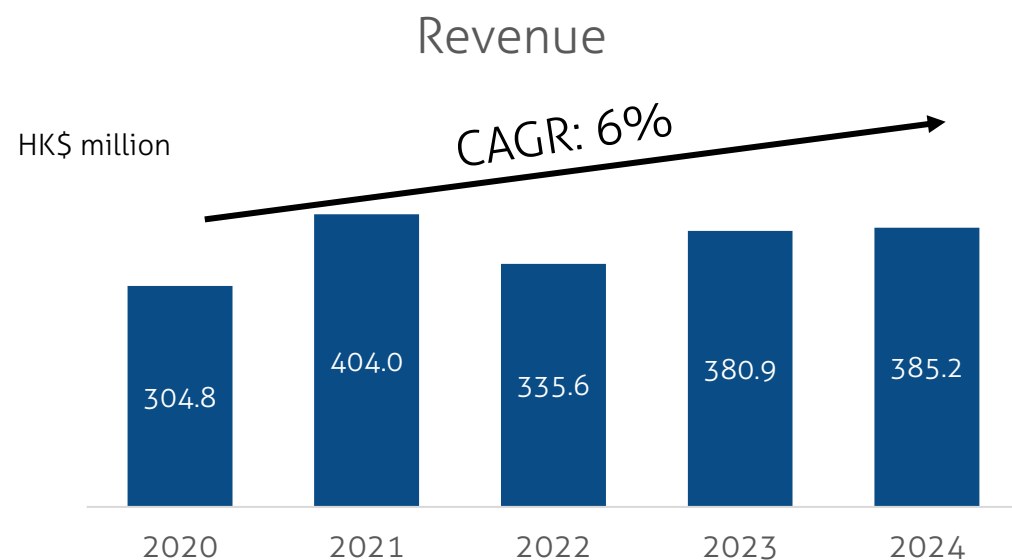
With operations extending from Asia to Europe, risks specific to each market can be mitigated

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Even with this natural hedge, we were barely able to set another revenue record, demonstrating the strong tailwinds we face globally

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# Germany: intraocular surgery supported revenue growth



Revenue grew 1% YoY despite broader economic downturn

Intraocular surgery became growth drivers

- Revenue from lens exchange surgery rose 3% YoY
- Revenue from ICL surgery rose 4% YoY
- Growth in intraocular surgery offset decline in laser surgery

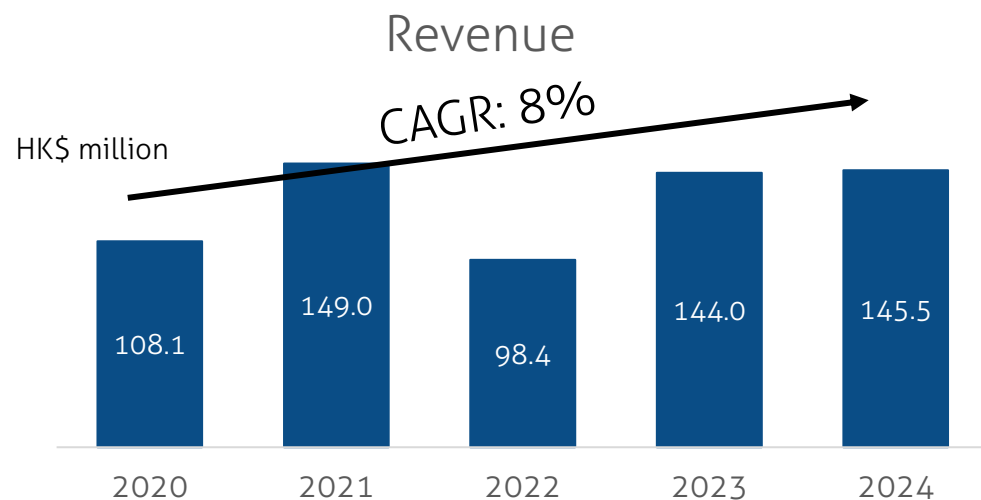
Maintained highly profitable with strong margin

- EBITDA margin in Germany reached 41%
- Germany's operation attained the highest EBITDA margin in the industry

Network extension in Germany

- Strong performance of acquired FreeVis Mannheim
- Promising start of two new clinics opened in Wiesbaden and Kiel
- Both new clinics quickly reached EBITDA breakeven

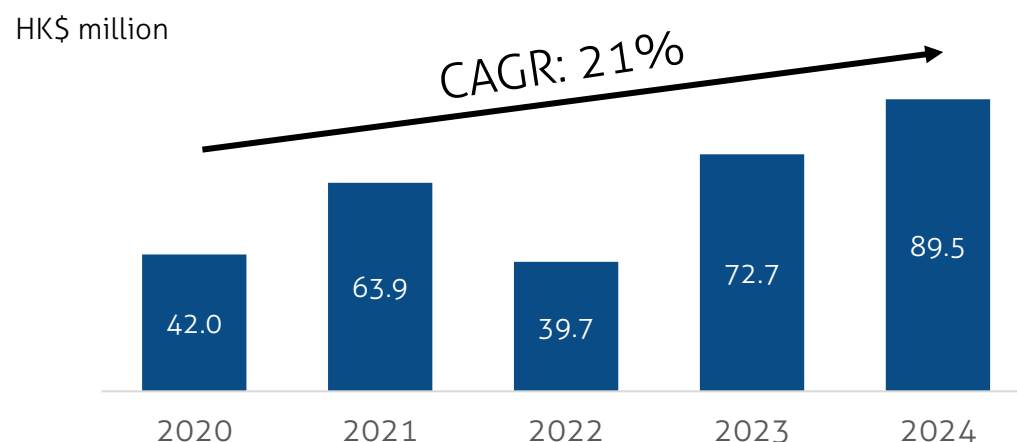
# Greater China: Lens exchange surgery supercharged revenue growth



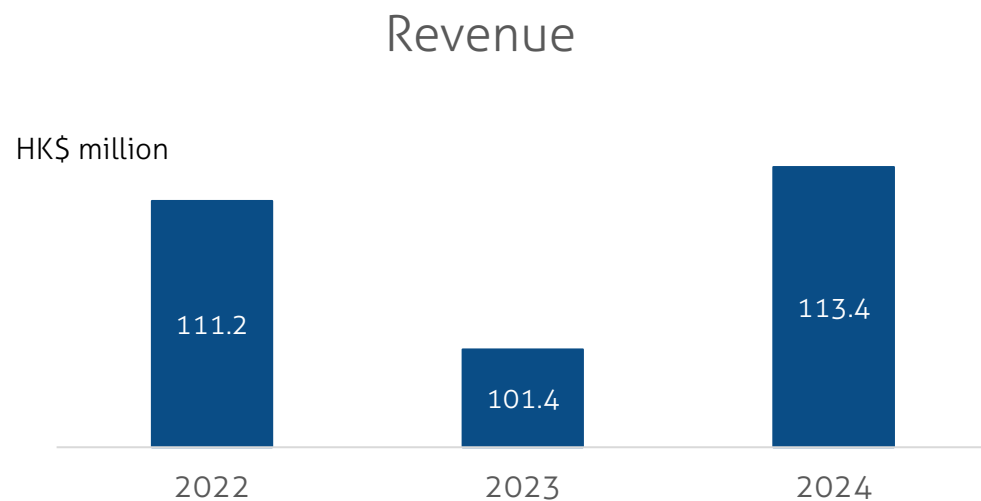
Revenue grew 1% YoY amidst economic downturn and intense competition

- Lens exchange surgery grew 23% YoY, offsetting revenue decline from myopia procedures
- This type of surgery represented 62% of the country's total revenue, an increase from 51% in 2023.
- The company has solidified its position as the market leader in lens exchange surgery, reducing the adverse effects of strong competition.
- The demand for lens exchange surgery remained relatively stable despite the country's economic uncertainties.

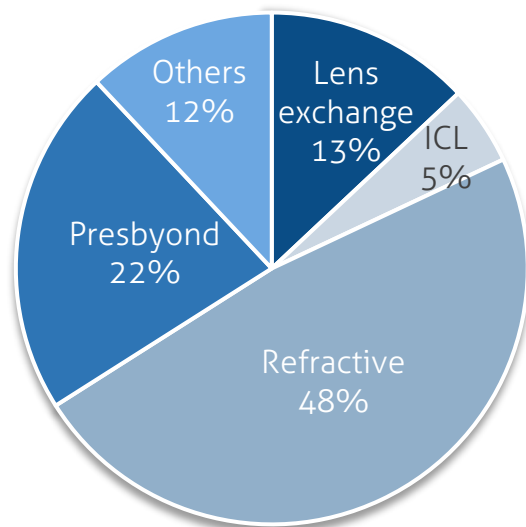
## Revenue from lens exchange surgeries



# UK: Rebound from 2023 fueled by ramp-up of LEC



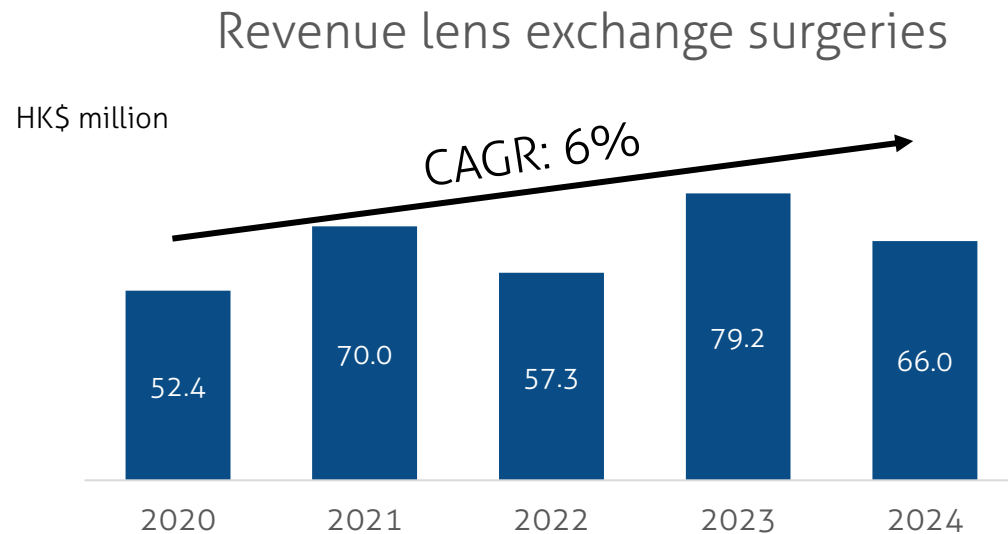
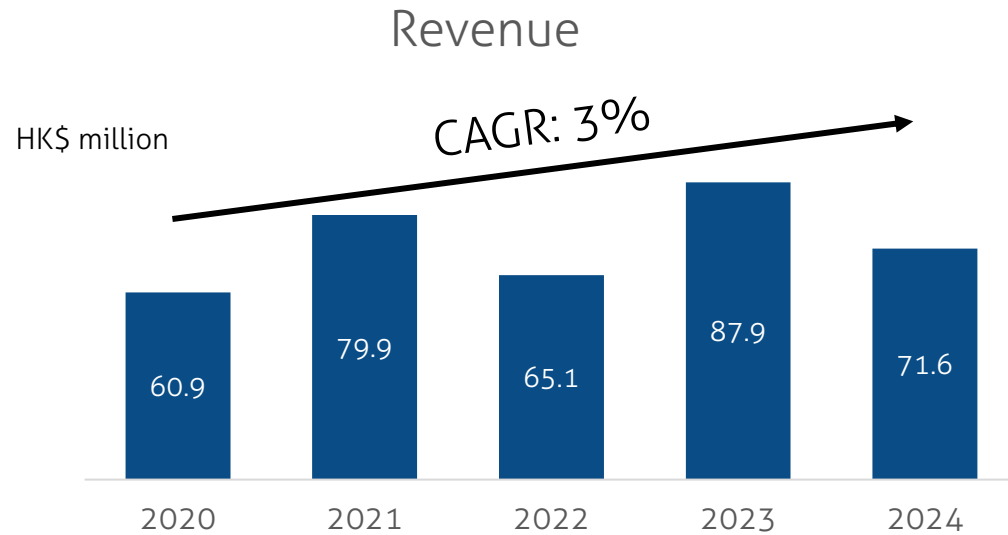
Revenue by Surgery Type



Quick recover from 2023 thanks to new clinic and new emphasis

- Revenue grew 12% YoY, driven by the launch of a new flagship clinic specializing in lens exchange surgery.
- LEC reached EBITDA breakeven in February this year
- LVC expanded its service to include lens exchange surgery
- Revenue from this type of surgery grew 272% YoY, contributing 13% of the country's total revenue, up from 4% in 2023
- LVC engaged a new marketing agency and launched new social media campaigns to support revenue growth
- Staff reduction and other cost control plan further help to foster growth of LVC financial KPI's

# Denmark: Revenue decline narrowed in 2H2024 due to actions taken promptly



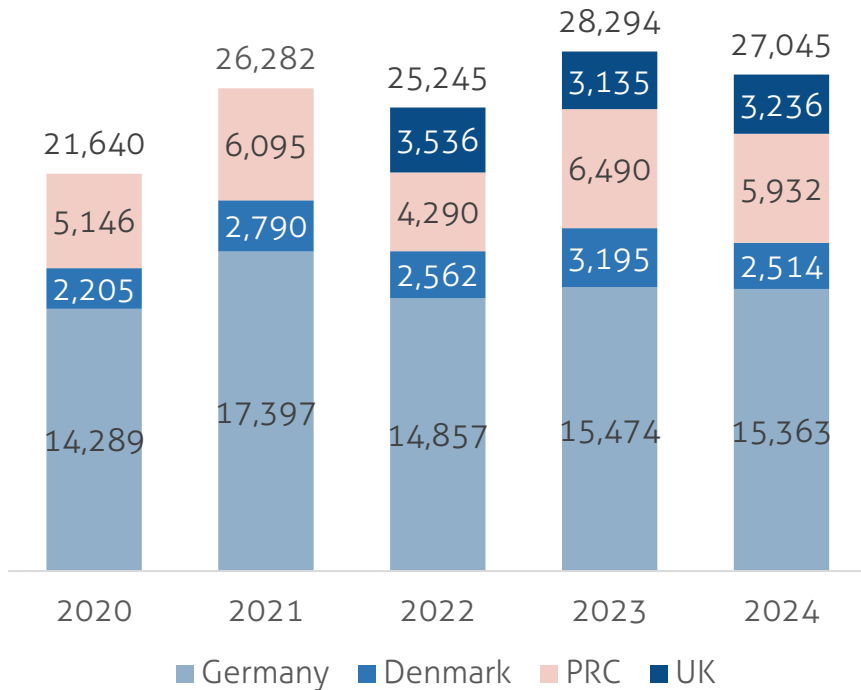
Swift actions taken in the country to stabilize its downturn

- The Group's operations in Denmark faced some challenges due to clinic closures for renovations, decreased consumer confidence, and rising competition
- In response to the growing competition from nearby countries, the Group implemented proactive measures
- The Aarhus clinic reopened in the 2H2024
- As a result of the new marketing and pricing strategies, the revenue decline was reduced to 18% YoY, an improvement from the 21% decline reported in the Interim Results

# Revenue continued to surge despite lower surgery volume

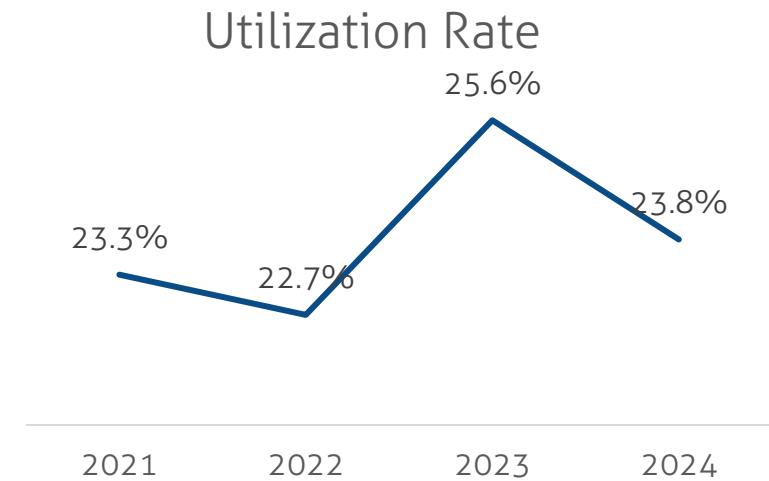
Number of Surgery

**27,045**



Like-for-Like<sup>1</sup> Capacity Utilization Rate<sup>2</sup>

**23.8%**

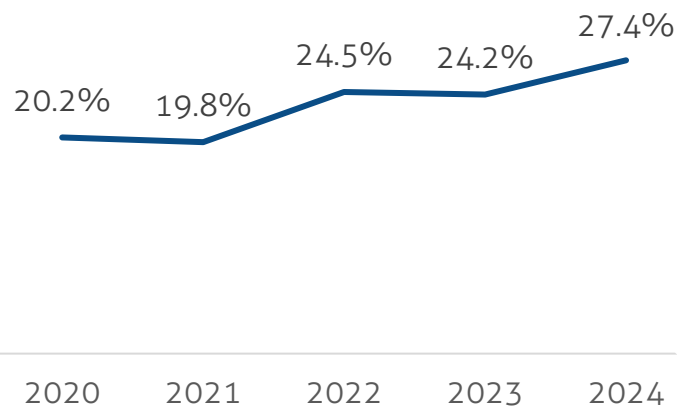


<sup>1</sup>Like-for-like excludes clinics opened less than 1 year in any specific year

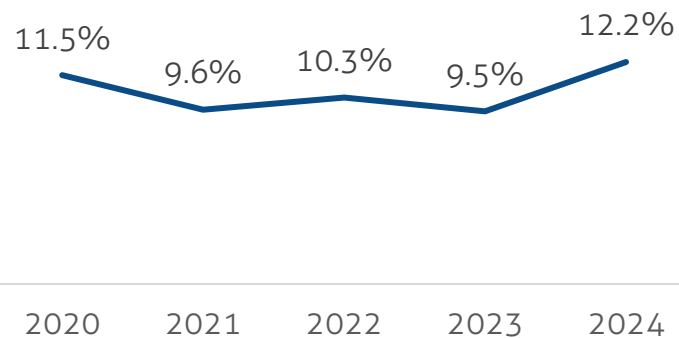
<sup>2</sup>EuroEyes capacity utilization rate measures the proportion of potential surgery appointments that is actually occupied by surgeries

# Cost Ratios Remain Low

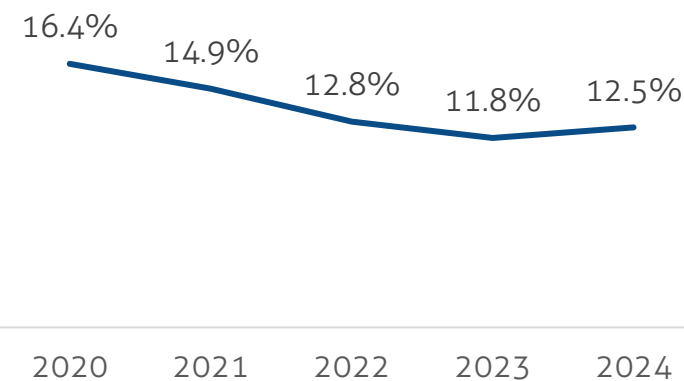
## Salaries & Doctor's Fees



## Depreciation

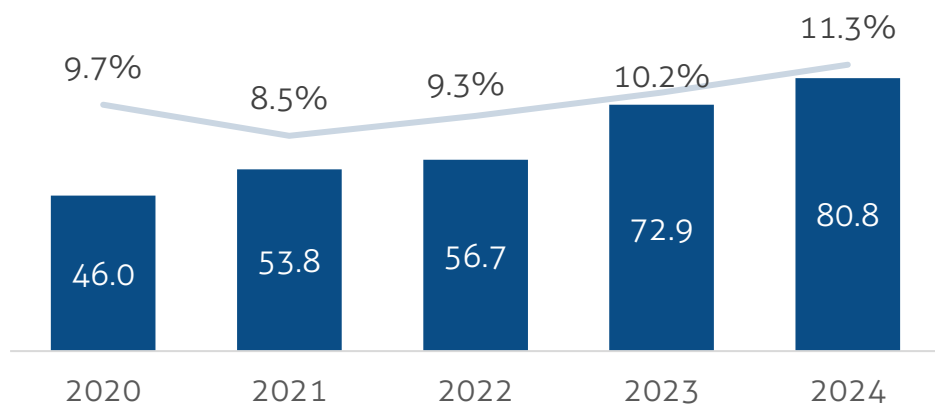


## Raw Materials and Consumables



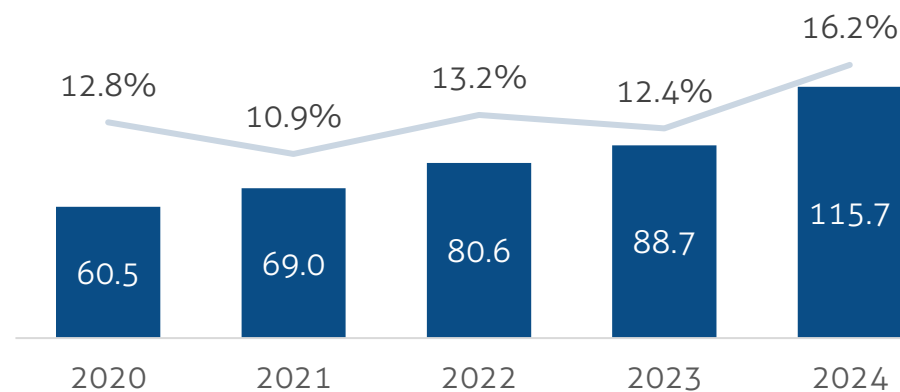
## Sales Expense

HK\$ million



## Administrative Expenses Ratio

HK\$ million

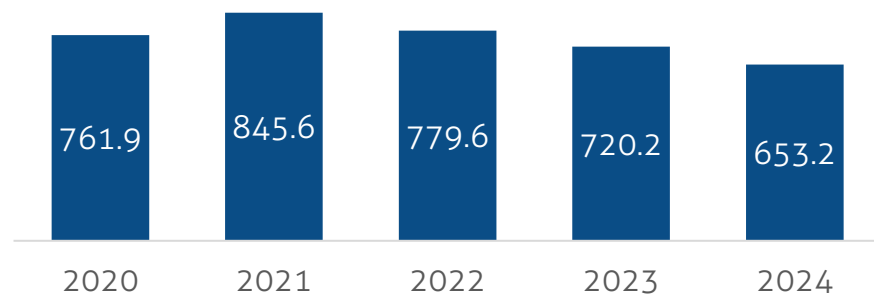




# Strong Balance Sheet and Healthy Cash Flow

## Cash and Cash Equivalents

HK\$ million

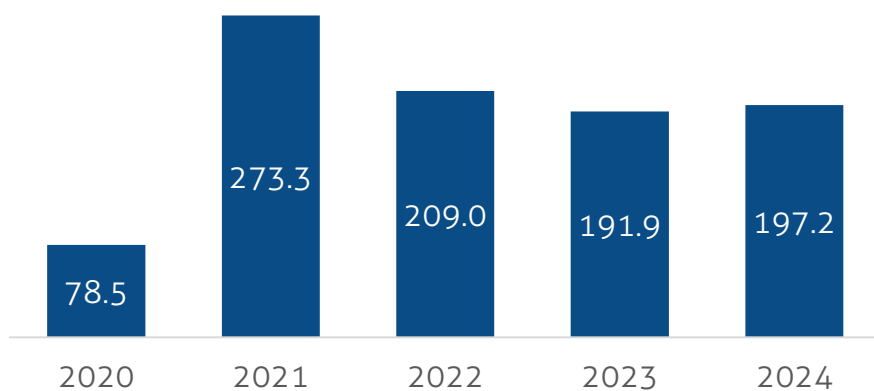


### Sufficient cash on hand / no debt

- Strong cash position to facilitate future M&A deals
- Healthy cash position in economic downturn as capital reserve
- Spent HK\$52.1 million in repurchasing our shares from the open market

## Operating Cash Flow

HK\$ million



### Stable operating cash flow

- Operating cash flow amounted to nearly HK\$200 million

# EuroEyes

## Outlook and Future Strategies

# Future Strategies: Three key pillars to drive growth

## Organic Growth Pillar #1: Enhance market leadership in presbyopia treatments

- Boosting the revenue contribution from presbyopia treatments
- Differentiating EuroEyes from its rivals and improving its position during tough time
- Germany increased prices on lens surgery by 7 % in 2025 with decrease in numbers of surgery
- LVC showed significant improvement in EBITDA after the implementations of lens surgery and lowering revenue/staff cost rate
- China's marketing strategies will be managed independently and tailored to local conditions, boosting growth

## Organic Growth Pillar #2: New clinics entering maturity phase.

- 3 new clinics launched in 2023 and 2024 have reached EBITDA breakeven
- Focusing on further increase existing clinics' utilization rate
- Shortening breakeven time for new clinics with intensive social media campaigns
- Setting up satellite centres near existing clinics with large patient flow to further improve efficiency

## External Growth Pillar: Mergers & acquisitions to bring significant upside.

- M&A activities in 2025 will boost revenue significantly
- Accelerating the process of mergers and acquisitions
- Focusing on privately-owned eye clinics in Europe
- Pursuing strategic acquisitions in the Americas

## Organic outlook from FY2025 to FY2028

The Group is confident that the current challenges are only temporary, and it will soon resume its growth path



# M&A to Bring Significant Upsides to Organic Growth



Around HK\$500mn out of the Group's cash on hand will be used for M&A



We will speed up the M&A process



We are targeting renowned surgeons' private practices



We are targeting Europe and would consider strategic acquisition in the Americas

# Key Takeaways

## Resilient Business Model

### **Presbyopia expert**

Surgery focus

Champion in presbyopia treatment

Less affected by macro headwinds

Word-of-Mouth marketing

## Global Presence

### **Natural hedge**

Clinic network spanning from Europe to Asia

Regional risks mitigated

## Strong Growth Expected

### **Accelerated Growth in 2025+**

Increased profitability once young clinics enter mature phase

EBITDA margin for mature clinics can reach over 40%

EBITDA growth at high-tens in the next three years

Net profit growth at low-twenties in the next three years

Cash rich to support M&A



*Thank You For Your Attention!*

# Key Financial Data

For the 12 months ended 31 December HK\$'000	2023	2024	YoY change (%)
Revenue	714,289	<b>715,682</b>	0.2%
Cost of sales	(378,768)	<b>(429,089)</b>	13.3%
Gross profit	335,521	<b>286,593</b>	-14.6%
Operating expense	(142,007)	<b>(170,814)</b>	20.3%
Operating profit	193,514	<b>115,779</b>	-40.2%
Finance cost	(2,904)	<b>10,687</b>	N/A
Profit before income tax	190,610	<b>126,466</b>	-33.7%
Income tax expense	(57,356)	<b>(42,107)</b>	-26.6%
Profit for the Period	133,254	<b>84,359</b>	-36.7%
Profit attributable to			
Owners of the Company	131,242	<b>82,285</b>	-37.3%
Owners of the Company (non-IFRS)	139,705	<b>98,260</b>	-29.7%
Non controlling interests	2,012	<b>2,074</b>	3.1%
EBITDA	280,864	<b>227,993</b>	-18.8%
EBITDA (non-IFRS)	289,089	<b>240,470</b>	-16.8%

	2023	2024
Gross profit margin	46.97%	<b>40.04%</b>
Operating profit margin	27.09%	<b>16.18%</b>
Net profit for the Period margin	18.37%	<b>11.50%</b>
Non-IFRS net profit for the Period margin	19.56%	<b>13.73%</b>
EBITDA margin	39.32%	<b>31.86%</b>
Non-IFRS EBITDA margin	40.47%	<b>33.60%</b>



# Non-IFRS Adjustments

For the 12 months ended 31 December	2023	2024
HK\$'000		
<b>Reported gross profit</b>	335,521	286,593
Add:		
Share-based compensation expenses	436	419
Pre-operating expenses	3,455	11,494
<b>Non-IFRS gross profit</b>	339,412	298,506
<b>Reported profit attributable to owners of the Company</b>	131,242	82,285
Add:		
Pre-operating expenses	20,820	18,612
Share-based compensation expenses	2,228	1,560
Acquisition-related costs	976	4,250
Goodwill impairment	-	11,000
Fair value gain through profit or loss	(14,330)	(20,618)
Foreign exchange loss/(gain) in relation to the proceeds from global offering	(1,231)	1,171
<b>Non-IFRS profit attributable to owners of the Company</b>	139,705	98,260
<b>Reported EBITDA</b>	280,864	227,993
Add:		
Pre-operating expenses	20,820	18,612
Share-based compensation expenses	2,228	1,560
Acquisition-related costs	976	4,250
Goodwill impairment	-	11,231
Fair value gain through profit or loss	(15,799)	(22,945)
<b>Non-IFRS EBITDA</b>	289,089	240,470