

# EuroEyes

## EuroEyes Delivers Strong Results in 2021, Net Profit Up 106.6%

### Lens Surgeries Drive Higher Revenue and Margin Growth

#### Full-Year Highlights

	Year Ended 31 December 2021	YoY Change
<b>Revenue</b>	HK\$632.9 million	+33.6%
<b>Gross Profit</b>	HK\$312.5 million	+46.0%
<b>Gross Profit Margin</b>	49.4%	+4.2ppts
<b>Operating Profit</b>	HK\$191.3 million	+72.2%
<b>Net Profit After Tax</b>	HK\$132.4 million	+106.6%
<b>Basic earnings per share</b>	HK\$40.673 cents	+104.0%
<b>Final Dividends</b>	HK\$0.09932	+232.4%

#### Revenue by Geographical Regions

	Germany	China	Denmark
<b>Revenue</b>	HK\$404.0 million	HK\$149.0 million	HK\$79.9 million
<b>YoY Change</b>	+32.6%	+37.8%	+31.1%

(24 March 2022, Hong Kong) **EuroEyes International Eye Clinic Limited** (“EuroEyes” or the “Company”, together with its subsidiaries, the “Group”, stock code: 1846), is a leading brand in the vision correction industry that combines German ophthalmology excellence and 26 years of experience with individualised customer care and is principally engaged in the provision of vision correction services in Germany, Denmark and the People’s Republic of China (“the PRC”). EuroEyes is pleased to announce its annual results for the year ended 31 December 2021 (the “Year”).

#### **Lens Surgeries Driving Higher Revenue and Margin Increase in 2021**

While the global COVID-19 situation remained volatile, EuroEyes entered a stage of rapid development, supported by strong anti-risk strategies, and delivered a great performance for the Year. The strategy of focusing on lens surgeries has continued to drive the Group’s revenue and margin increase and is laying a solid foundation for sustainable future growth.

In 2021, the Group’s revenue reached approximately HK\$632.9 million, up 33.6% YoY. Gross profit increased by 46.0% YoY to approximately HK\$312.5 million, and the gross profit margin was approximately 49.4%, representing a YoY increase of 4.2 percentage points (ppts). Adjusted gross

profit was approximately HK\$317.4 million, up 48.2% YoY, representing an adjusted gross profit margin of approximately 50.1% (2020: approximately 45.2%). Net profit after tax surged 106.6% YoY to approximately HK\$132.4 million. After adjustment for non-recurring items, the Group's adjusted net profit after tax grew by 94.4% YoY to approximately HK\$137.3 million, and the adjusted net profit margin was approximately 21.7%, representing a YoY increase of 6.8 ppts.

The Board of Directors has resolved to declare a final dividend of HK0.09932 per share for the year ended 31 December 2021 (2020 final: HK\$0.02988 per share). The payout ratio consequently increased from 15.0% to 25.0%.

In terms of geographic regions, revenue in Germany, China and Denmark was approximately HK\$404.0 million, HK\$149.0 million and HK\$79.9 million, respectively, representing a growth of approximately 32.6%, 37.8% and 31.1%, respectively, from the same period in 2020.

In terms of surgery types, lens exchange surgery and phakic lens (ICL) surgery remained the Group's primary sources of income, representing an aggregate of approximately 65.3% (2020: approximately 62.4%) of the total surgery revenue for the Year. Revenue generated from lens exchange surgery, including monofocal and trifocal lens exchange surgeries, surged 42.4% YoY to approximately HK\$323.8 million, accounting for approximately 51.2% of the total revenue, 3.2 ppts higher than in 2020. Meanwhile, revenue from phakic lens (ICL) surgery grew by 30.9% YoY to approximately HK\$89.4 million, accounting for approximately 14.1% of the total revenue.

### **Entering the UK Market Through Strategic Acquisition of London Vision Clinic**

EuroEyes has accelerated the implementation of its mergers and acquisitions strategy, and is focusing on seeking targets such as well-established, privately owned eye clinics in Europe. Through acquisitions, EuroEyes expects to add leading brands to its portfolio and engage the talents of reputable and highly skilled surgeons to extend its reach into new geographic regions, particularly emerging markets, with its comprehensive network of doctors.

EuroEyes announced the acquisition of the London Vision Clinic on 20 January 2022 for a completion consideration of £13,130,000. The maximum consideration shall be approximately £34,327,985, subject to the Consideration Adjustment and earn out terms. Under the earn out terms, the revenue and EBIT of the London Vision Clinic are expected to grow at a high speed.

Professor Dan Zoltan Reinstein, founder of the London Vision Clinic and a top-rated expert in laser surgery, will serve as a medical director on EuroEyes' international medical advisory board, which will deliver tremendous value to EuroEyes' expert team. Professor Reinstein pioneered and introduced PRESBYOND® Laser Blended Vision, a treatment designed for patients aged 40 years old and above who have developed presbyopia, which makes it the perfect addition to EuroEyes' trifocal lens exchange surgery.

EuroEyes believes that the acquisition of the London Vision Clinic will enable it to gain access to London's high-end refractive and presbyopia surgery markets and expand its business. By integrating the PRESBYOND® Laser Blended Vision treatment into EuroEyes' business, the Group is able to treat a larger group of patients who are suffering from early stage presbyopia.

### **Continuous Organic Growth with New Clinics in Europe and China**

Despite the COVID-19 pandemic, the Group successfully opened two new clinics in China during 2021 -- Chongqing clinic and Chengdu clinic, which further expanded the Group's presence into southwest China.

In 2022, EuroEyes has a full pipeline of new clinics/consultation centres in Europe and the PRC. The new flagship clinic in Copenhagen and the new clinic in Chengdu have commenced operation, respectively. In Germany, the Group plans to construct two new clinics in Wiesbaden and Kiel, and a new consultation centre in Baden-Baden. In the meantime, the Group is selecting locations for consultation centres in Beijing and Shanghai, respectively, which, once constructed, will be the Group's third clinic in Beijing and the second clinic in Shanghai. The Group is pushing ahead with its clinic expansion to new cities, and expects to accelerate the progress once the pandemic situation eases.

**Dr. Jørn Slot Jørgensen, the Founder, Chairman and CEO of EuroEyes** said, "2021 was a remarkable year for EuroEyes, and our business continues to show resilience. We have achieved strong growth against the backdrop of the global pandemic. Stepping into 2022, we remain confident in the fundamentals of our business and our strategy. EuroEyes will continue to focus on its organic growth and will actively seek opportunities to explore new markets with low refractive market penetration rates and great potential, such as Hong Kong and other metropolises outside London, UK, to expand its footprint worldwide, and will leverage its competitive advantages to continue driving growth."

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### **About EuroEyes International Eye Clinic Limited**

EuroEyes was established in 1993 and is one of the leading brands in the vision correction industry that combines German ophthalmology excellence and over 25 years of experience with individualised customer care. EuroEyes is one of the few eye clinic groups with a far-reaching geographical coverage, with operations in Germany, Denmark and the PRC. The Group's vision correction services include (i) refractive laser surgery (which includes ReLEx smile and Femto LASIK); (ii) phakic lens (ICL) surgery; (iii) lens exchange surgery (which includes the monofocal and trifocal lens exchange surgery) and (iv) others (which include PRK/LASEK and ICRS implantation).

**For Media Enquiries:**

**Strategic Financial Relations Limited**

Ms. Sophie Du	Tel: (852)2864 4815	Email: Sophie.Du@sprg.com.hk
Ms. Ivy Chan	Tel: (852)2864 4890	Email: Ivy.Chan@sprg.com.hk
Ms. Pinky Hui	Tel: (852)2114 2897	Email: Pinky.Hui@sprg.com.hk
Ms. Cherrie Man	Tel: (852)2864 4848	Email: Cherrie.Man@sprg.com.hk