

# Annual Report

MeVis Medical Solutions AG

2022/2023



**MeVis**



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## FOREWORD BY THE EXECUTIVE BOARD

*Dear shareholders, dear customers and  
business partners, dear employees,*

Fiscal year 2022/2023 was a successful year for MeVis in terms of earnings. However, sales were down on the previous year due to delivery bottlenecks and delays in installation dates for some of our customers. This had a particular impact on our license business, which was down on the previous year. With costs rising as planned, earnings after tax also fell compared to the previous year.

The key financial figures in detail:

**Revenue** in the past financial year 2022/2023 amounted to € 17.3 million (compared to € 18.8 million in the financial year 2021/2022). Of the revenue, 26% (previous year: 28%) is attributable to the sale of licenses, 36% (previous year: 32%) to maintenance revenue and 38% (previous year: 38%) to other revenue, which includes services for and recharges to affiliated companies and the parent company.

The decline in sales compared to the previous year is mainly due to the decline in the license business, but also to the postponement of a development project, which we now expect to start in 2024. Other revenue, especially development services, fell slightly, while maintenance revenue continued to develop very positively.

The **results** are still satisfactory in view of the development of sales. **EBIT** (earnings before interest and taxes) of € 3.9 million was generated in 2022/2023, compared to € 7.9 million in 2021/2022. The EBIT margin fell accordingly to 23% compared to the previous year's figure of 42%.

As a result of the fiscal unity, only low **income taxes** of € 0.1 million were incurred in the past financial year, identical to the previous year.

This results in **earnings after taxes** of € 4.9 million (28% margin) for the 2022/2023 financial year, compared to € 7.8 million (41% margin) in 2021/2022. The profit of € 4,920 thousand will be transferred to Varex Imaging Deutschland AG on the basis of the control and profit transfer agreement.

Once again this year, the percentage distribution of revenue between the three areas of licenses, maintenance and development services was similar to the previous financial year, although the total revenue was lower. Sales with our customer Hologic fell by € 0.7 million; unfortunately, license income in particular declined. At 53.6%, digital mammography accounted for the largest share of MeVis' total revenue in the 2022/2023 financial year.

Development services decreased in the last financial year due to expiring projects with Varian Medical Systems. Development services with Varex Imaging Corporation remained stable. We are working together on human medical, veterinary and industrial software applications relating to both image acquisition and image post-processing.

Business with our lung cancer screening solutions developed slightly positively in 2022/2023. We continue to see increasing global demand for software solutions for lung cancer screening. The realization that early detection of lung cancer has a significant impact on the chances of cure through targeted therapy is becoming increasingly accepted. As a result of the greater demand, however, the providers of software solutions for lung cancer screening have naturally also multiplied. For us, this means greater competitive pressure, especially from providers in the Asian market. However, we remain confident that we are well positioned as a company to continue gaining market share.

Mammography diagnostics continues to be our key sales driver and one of the areas in which MeVis has developed strong unique selling points compared to other manufacturers. With over 25 years of experience in the development of software for digital mammography, we will continue to increase our involvement in this segment.

As the demand for our software solutions continues to grow and the need for the further development of tomography and multimodal breast diagnostics increases, we will be launching both improved and new products in the market in the future.

The area of liver diagnostics and liver surgery solutions also developed very positively in the past financial year. Following the market launch of MeVis' own software application MeVis LiverSuite and its successful approval in the USA (FDA), we expect increased demand for our products, particularly in the US market, which is very important for us. MeVis' own service MeVis Distant Services is enjoying increasing demand, especially in hospitals that have less experience in the field of liver transplants.

For the 2023/2024 financial year, sales are now expected to increase slightly year-on-year to between € 18.0 million and € 18.5 million. In addition to the slight increase in sales with the customer Hologic, sales in the lung and liver area are also expected to increase slightly. We expect a slight decline in the area of development services. For earnings before interest and taxes (EBIT), we expect stability in the range of € 4.5 million to € 5.0 million. The forecast slight growth in sales and the simultaneous increase in personnel costs and other operating expenses are key drivers for the EBIT outlook.

I am very pleased to welcome our shareholders to this year's Annual General Meeting on March 19, 2024 at the Atlantic Hotel Universum in Bremen.

I would like to thank all employees in the company for their work, their ongoing commitment and their dedication to MeVis. I would also like to thank our business partners, customers and shareholders for their trust.



Marcus Kirchhoff  
CEO

# REPORT OF THE SUPERVISORY BOARD FOR THE 2022/2023 FINANCIAL YEAR

*Dear Shareholders,*

In fiscal year 2022/2023, the Supervisory Board of MeVis Medical Solutions AG continued its trusting and goal-oriented cooperation with the Executive Board. It advised and monitored the Executive Board in accordance with its duties under the law, the Articles of Association and the rules of procedure. The Executive Board provided the Supervisory Board with regular written and verbal reports on the business situation and development, the current earnings situation, potential risks, planning, investments and organizational measures. The Supervisory Board was involved in all important decisions and passed the resolutions required by law, the articles of association and the rules of procedure. The decisions of the Supervisory Board were based on the reports and proposed resolutions of the Executive Board, which were examined in detail. In the 2022/2023 financial year, the Chairwoman of the Supervisory Board was also in close contact with the Executive Board between Supervisory Board meetings and discussed strategy, planning and business development. She also informed herself about significant business transactions. She also informed the other Supervisory Board members outside of meetings and discussed current developments with them.

## **CHANGES TO THE SUPERVISORY BOARD AND THE EXECUTIVE BOARD**

There were no changes to the Supervisory Board in the 2022/2023 financial year. The Supervisory Board currently consists of Ms. Kimberley Honeysett (Chairwoman of the Supervisory Board), Mr. Shubham Maheshwari (Deputy Chairman of the Supervisory Board) and Mr. Sunny Sanyal. The company's Supervisory Board is also the Audit Committee. Mr. Maheshwari was elected Chairman of the Audit Committee.

There were also no changes to the Executive Board in the reporting year: Mr. Marcus Kirchhoff manages the company as sole member of the Executive Board.

## **SUMMARY OF THE MEETINGS OF THE SUPERVISORY BOARD**

In the 2022/2023 financial year, the Supervisory Board held four ordinary meetings - each attended by the Executive Board - which were held as video conferences between the offices in Bremen and Salt Lake City. Ms. Honeysett, Mr. Maheshwari and Mr. Sanyal attended all four meetings. In addition to the company's earnings, financial and asset situation, the main focus in the reporting year was on general market developments and the resulting opportunities and risks for the company. As in previous financial years, a particular focus was placed on the further expansion of existing customer relationships and the development of new ones, as well as the expansion/improvement of the product portfolio. In addition, there was much discussion about the business relationship and cooperation with the joint venture partner Siemens Healthcare GmbH, in order to minimize the negative consequences for the company of its wish to leave the joint venture.

As in the previous financial year, one particular challenge was the ongoing external influences on the company's overall economic development, which were difficult to predict. One focus here was on assessing the long-term consequences of the coronavirus pandemic, the economic impact of the Russia-Ukraine conflict on society and the associated supply bottlenecks, price increases, energy price hikes and concerns about rising inflation rates, subdued purchasing power and fears of recession.

The meeting on January 18, 2023 focused on the discussion of the annual financial statements, the report of the Supervisory Board for the 2021/2022 financial year and the results of the audit conducted by Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Hamburg. To this end, the Executive Board presented the annual financial statements and management report of MeVis Medical Solutions AG for the 2021/2022 financial year prepared in accordance with the provisions of the German Commercial Code (HGB). In addition to the Executive Board, the auditor responsible for the financial statements attended the meeting and reported to the Supervisory Board in detail on the key findings of the audit. Following the meeting, the annual financial statements were approved by the Supervisory Board by circular resolution on January 26, 2023 and thus adopted. In addition to the agenda

for the Annual General Meeting of MeVis Medical Solutions AG planned for March 21, 2023, including the necessary resolution proposals to the Annual General Meeting, the declaration on corporate governance and the remuneration report were also approved. The Executive Board also reported in detail on the current business situation of the company, including the net assets, financial position and results of operations and the risk report.

The meeting on March 21, 2023 took place after the Annual General Meeting. The Executive Board reported in detail on the current business situation of the company and on the business relationship and cooperation with the joint venture partner Siemens Healthcare GmbH.

At the meeting on July 19, 2023, the Supervisory Board dealt with the Executive Board's report on the company's business situation, including the net assets, financial position and results of operations for the first nine months. Business development in the areas of breast, lung and liver diagnostics was also discussed, as were potential strategic cooperation partnerships. Furthermore, with regard to the future cooperation with Siemens Healthcare GmbH, the joint venture MBC was examined in detail and options discussed.

At the meeting on September 20, 2023, the focus was on the Executive Board's report on current business developments, the company's situation and the discussion and approval of the business plan for the 2023/2024 financial year. Furthermore, the meeting dates for the 2023/2024 financial year were agreed and the financial calendar was presented.

## **CORPORATE GOVERNANCE**

The Executive Board and Supervisory Board support the initiative of the Government Commission on the German Corporate Governance Code, which summarizes the standards of good and responsible corporate governance, and jointly issue a regularly updated declaration of conformity in accordance with Section 161 AktG. A detailed presentation of corporate governance at MeVis, including information on Section 289f HGB, the Supervisory Board's objectives for its future composition and the most recent joint declaration of conformity issued by the Supervisory Board and the Executive Board on September 12, 2023, can be found in the corporate governance declaration in these annual financial statements or published on the company's website. The Supervisory Board has reviewed these disclosures and explanations, which it considers to be complete, and adopts them as its own.

Conflicts of interest of members of the Executive Board and Supervisory Board, which had to be disclosed to the Supervisory Board and about which the Annual General Meeting must be informed, did not arise in the 2022/2023 financial year either.

The members of the Supervisory Board take responsibility for the training and further education measures required for their tasks. They regularly inform themselves through internal and external sources about the current requirements for their activities and about significant developments, e.g. relevant changes in legislation and case law as well as changes in accounting and auditing. MeVis Medical Solutions AG provides them with appropriate support in this regard.

## **ANNUAL FINANCIAL STATEMENTS**

The annual financial statements and management report of MeVis Medical Solutions AG for fiscal year 2022/2023, prepared in accordance with the accounting provisions of the German Commercial Code (HGB), were audited by Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Hamburg, the auditors elected by the Annual General Meeting and appointed by the Supervisory Board, and issued with an unqualified audit opinion. The annual financial statements and the management report for the 2022/2023 financial year were submitted to the Supervisory Board by the Executive Board together with the corresponding audit report in good time and examined by the Supervisory Board. At the balance sheet meeting of the Supervisory Board on January 17, 2024, the annual financial statements in accordance with the German Commercial Code (HGB) and the management report for the 2022/2023 financial year were discussed in detail between the Supervisory Board and the Executive Board. The Supervisory Board had the opportunity to consult with the auditor, who attended the meeting. The Supervisory Board had no objections to the annual financial statements prepared by the Executive Board and approved them by circular resolution following the meeting on January 29, 2024. The annual financial statements in accordance with HGB are thus adopted.

## **THANKS TO**

The Supervisory Board would like to thank the Executive Board and all employees for the successful fiscal year 2022/2023 and the shareholders for the trust they have placed in MeVis Medical Solutions AG.

Bremen, January 29, 2024

For the Supervisory Board

Kimberley Honeysett



# CORPORATE GOVERNANCE STATEMENT

## (CORPORATE GOVERNANCE REPORT)

Corporate governance stands for responsible, transparent corporate management and control geared towards long-term value creation. The Executive Board and Supervisory Board report annually on the company's corporate governance. We have combined the declaration on corporate governance in accordance with Section 289f HGB as at 30.9.2023 with the corporate governance report. It immediately forms part of the management report and includes the declaration of compliance with the German Corporate Governance Code (GCGC), relevant information on corporate governance practices and a description of the working methods of the Executive Board and Supervisory Board and their composition, the targets set in accordance with Section 76 (4) and Section 111 (5) AktG and information on the achievement of the targets. The principles of corporate governance and the declaration on corporate governance are also made available on the company's website at [www.mevis.de/investor-relations/corporate-governance/](http://www.mevis.de/investor-relations/corporate-governance/).

### DECLARATION OF CONFORMITY IN ACCORDANCE WITH SECTION 161 AKTG

Since issuing the last declaration of conformity dated September 9, 2022 and for the period from September 9, 2023, the Executive Board and Supervisory Board declare in accordance with Section 161 AktG that MeVis Medical Solutions AG has complied and continues to comply with the recommendations of the German Corporate Governance Code in the version dated April 28, 2022 (GCGC) with the following exceptions

#### **C.1 sentence 6, C.6, C.9, C.10 sentence 2 Independence of the Supervisory Board members**

The company's Supervisory Board consists of three members. All seats on the Supervisory Board are occupied by persons who are employed by group companies of Varex Imaging Corporation. Varex Imaging Corporation holds the majority of shares in the company via Varex Imaging Deutschland AG. In addition, there is a control and profit transfer agreement between Varex Imaging Deutschland AG and the company. Accordingly, in deviation from C.1 sentence 6, C.6, C.9, C.10 sentence 2 GCGC, the Supervisory Board does not include any members who are independent of a controlling shareholder. From the company's perspective, the full composition of the Supervisory Board with members who are attributable to the majority shareholder is appropriate in view of the company's integration into the Varex Group.

#### **D.2, D.4, C.10 sentence 2 Committees of the Supervisory Board and cooperation with the auditor**

In deviation from D.2 sentence 1, the company's Supervisory Board largely dispenses with the formation of committees with specialist expertise. In deviation from D.4, no nomination committee has been formed. The Supervisory Board is of the opinion that the establishment of further committees in addition to the statutory Audit Committee is neither necessary nor expedient due to the specific circumstances of the company, in particular the size of the Supervisory Board (three members), which enables efficient work. Accordingly, in deviation from D.2 sentence 2, no further committee members outside the Audit Committee are named in the corporate governance statement. In deviation from C.10 sentence 2, the Chairman of the Audit Committee, who is employed by Varex Imaging Corporation, is not independent of a controlling shareholder.

#### **F.2 Transparency and external reporting**

MeVis Medical Solutions AG deviates from the recommendations regarding the publication deadlines for the annual financial report and the half-year financial report. The company considers the relevant statutory requirements to be sufficient.

#### **G.1, G.3, G.6 to G.11, G.13 sentence 1 Remuneration of the Executive Board**

G.1 and G.6 to G.11 contain recommendations on variable remuneration, which are deviated from as the company does not grant the Executive Board any variable remuneration. The remuneration of the Executive Board takes into account the integration of the company into the Varex Group and the dual mandate of the company's current sole Executive Board member at Varex Imaging Deutschland AG. As a member of the Executive Board of Varex Imaging Deutschland AG, Mr. Kirchhoff receives (exclusively) performance-related variable remuneration from Varex Imaging Deutschland AG, which is based on the performance of the Varex Group. As MeVis Medical Solutions AG is part of the Varex Group, this performance-related remuneration also promotes the business strategy and the sustainable and long-term development of the Company. However, in order to ensure

an optimal incentive structure to promote the business strategy as well as the sustainable and long-term development of the Company, the Supervisory Board considers it necessary to create a balanced remuneration structure with a sufficient proportion of fixed remuneration components as part of an overall consideration of the intragroup remuneration of the Company's sole Executive Board member. Against this background, the company's Supervisory Board has refrained from providing for any further performance-related remuneration to be granted by the company. Accordingly, the remuneration of the members of the Executive Board of MeVis Medical Solutions AG is limited to non-performance-related remuneration.

In deviation from G.3, the Supervisory Board refrains from using a suitable peer group of other companies to assess the customary nature of the specific total remuneration of the members of the Executive Board compared to other companies, as it is difficult to define a suitable peer group due to the integration of the company into the Varex Group.

In deviation from G.13 sentence 1, there is currently no provision for a severance payment cap in Executive Board contracts. In the opinion of the Supervisory Board, the existing provisions in the Executive Board contracts are appropriate. The agreement of a severance payment cap contradicts our basic understanding of the Executive Board contract, which is concluded for the duration of the appointment period and cannot be terminated in principle.

#### **G.17 Remuneration of the Supervisory Board**

In accordance with the resolution of the Annual General Meeting on June 7, 2016 and the corresponding amendment to the Articles of Association, the members of the Supervisory Board will not receive any remuneration from the company for financial years beginning after January 1, 2016. As a precautionary measure, it is pointed out that, contrary to Section G.17 GCGC, the chairmanship and deputy chairmanship of the Supervisory Board cannot be taken into account in the remuneration.

### **BODIES OF THE COMPANY**

The Executive Board, the Supervisory Board and the Annual General Meeting form the Company's executive bodies in accordance with the law and the Articles of Association. As a stock corporation, MeVis Medical Solutions AG has a dual management system characterized by a separation of personnel between the Executive Board as the management body and the Supervisory Board as the supervisory body.

### **THE EXECUTIVE BOARD AND ITS WORKING METHODS**

The Executive Board is responsible for managing the company with the aim of creating sustainable value. It manages the company in accordance with the statutory provisions, the articles of association and the rules of procedure for the Executive Board and works together with the other executive bodies in a spirit of trust. The Executive Board defines the corporate objectives and strategies and determines the corporate policy derived from these.

The Executive Board of MeVis Medical Solutions AG currently consists of one person, Mr. Marcus Kirchhoff. His contract was extended until March 2026 and there are currently no plans to expand the Executive Board. For this reason, the Supervisory Board has set the target for the proportion of women on the Executive Board at 0 % by December 31, 2025. When considering potential candidates for all future appointments to the Executive Board, the Supervisory Board will of course also consider qualified women.

Only those who have not yet reached the age of 65 should be members of the Executive Board. The age of the members of the Executive Board must therefore be taken into account accordingly when determining their term of office.

The Executive Board is responsible for the management of the company. Important decisions made by the Executive Board are always recorded in minutes. Internal consultations between the Executive Board and middle management take place at least once a month. The Supervisory Board has issued rules of procedure for the Executive Board that summarize all procedural rules and transactions requiring approval in a catalog.

Long-term succession planning is carried out through regular discussions between the Executive Board and the Supervisory Board and by addressing the topic in the Supervisory Board. Contract terms and extension options

for current members of the Executive Board are discussed and possible successors are advised, should this be necessary.

## **THE SUPERVISORY BOARD AND ITS WORKING METHODS**

In accordance with the Articles of Association, the Supervisory Board consists of three members elected by the shareholders and meets at least twice every six months. The Executive Board generally attends the Supervisory Board meetings and reports in writing and verbally on the individual agenda items and answers questions from the Supervisory Board members. The Executive Board and Supervisory Board work closely together in the interests of the company. The Supervisory Board members also exchange information on certain topics outside of the official Supervisory Board meetings or pass resolutions by circular resolution. The Supervisory Board has drawn up its own rules of procedure and regularly reviews the efficiency of its activities as part of a self-assessment. A company-specific questionnaire serves as a basis for discussion, which covers the key aspects for a self-assessment, such as the procedure and organization of meetings, the scope of documents and information flows. The results of the questionnaire and suggestions for improvement are discussed openly.

The Supervisory Board currently consists of Ms. Kimberley Honeysett (Chairwoman of the Supervisory Board), Mr. Shubham Maheshwari (Deputy Chairman of the Supervisory Board) and Mr. Sunny Sanyal. The company's Supervisory Board is also the Audit Committee. Mr. Maheshwari was elected Chairman of the Audit Committee. The Audit Committee is responsible in particular for monitoring the following areas: The accounting process, the effectiveness of the internal control system, the effectiveness of the risk management system, the effectiveness of the internal audit system and compliance, the audit of the financial statements, in particular the selection and independence of the auditor, the quality of the audit and additional services provided by the auditor.

The members of the Supervisory Board take responsibility for the training and further education measures required for their tasks. They regularly inform themselves through internal and external sources about the current requirements for their activities and about significant developments, e.g. relevant changes in legislation and case law as well as changes in accounting and auditing. MeVis Medical Solutions AG provides them with appropriate support in this regard.

In its annual report, the Supervisory Board summarizes its activities in the previous financial year.

## **COMPETENCE PROFILE OF THE SUPERVISORY BOARD AND SPECIFIC OBJECTIVES FOR ITS COMPOSITION**

The Supervisory Board of MeVis Medical Solutions AG has drawn up a profile of skills and expertise for the entire Board and has set specific targets for its composition:

The Supervisory Board of MeVis Medical Solutions AG must be composed in such a way that its members as a whole have the knowledge, skills or professional experience required to properly perform their duties. It should be noted that not every single member of the Supervisory Board must have all the necessary skills, but that the individual knowledge and skills of the individual members can complement each other. The Supervisory Board of MeVis Medical Solutions AG should be composed of individuals so that it as a whole provides a range of expertise to ensure comprehensive and effective advice and monitoring of the Executive Board with regard to the business activities of MeVis Medical Solutions AG. Each Supervisory Board member should be able to devote the time required to properly fulfill their Supervisory Board mandate.

In the opinion of the Supervisory Board, the main areas of expertise are

### **Industry know-how**

MeVis Medical Solutions AG is active in the field of software development in medical technology. The Supervisory Board should include an appropriate number of members who have a sufficient understanding of these areas due to their knowledge or professional experience.

### **Capital market know-how**

As a listed company, the Supervisory Board of MeVis Medical Solutions AG should include an appropriate number of members with knowledge of the capital market and capital market communications. In this way, the Supervisory Board should also be able to respond to the increased communication needs of the capital market.

**Corporate governance/management**

The Supervisory Board of MeVis Medical Solutions AG should include an appropriate number of members who have experience in the management and/or supervision of a medium-sized or large company. This includes knowledge of the basic principles of accounting, risk management, internal control mechanisms, compliance and regulatory and legal issues.

**Financial knowledge**

The Supervisory Board as a whole must have financial expertise, particularly in the areas of accounting, financial reporting and auditing. The Supervisory Board should include at least one member with expertise in the field of accounting and at least one other member with expertise in the field of auditing in accordance with Section 100 (5) AktG.

**Corporate Governance/Legal/Compliance**

Compliance with laws, internal guidelines and fair dealings with colleagues, business partners and competitors is a top priority for MeVis Medical Solutions AG. The Supervisory Board of MeVis Medical Solutions AG should include an appropriate number of members who have in-depth knowledge of corporate governance, compliance and compliance management systems and an understanding of relevant legal issues.

**Sustainability**

The Supervisory Board should have expertise in the area of corporate responsibility and sustainable action.

**GEO Know-how/Internationality**

MeVis Medical Solutions AG operates internationally. For this reason, the Supervisory Board should include an appropriate number of members who, due to their education and / or professional experience, have a special connection to international markets or have experience in the management of international companies / organizations.

**QUALIFICATION MATRIX**

Status of implementation of the skills profile in the form of a skills matrix:

Core competencies		K. Honeysett (Chair)	S. Maheshwari	S. Sanyal
Industry know-how	Medical Technology	✓	✓	✓
	Software Development			✓
	Capital Market	✓	✓	✓
Functional know-how	Corporate Governance/Management	✓	✓	✓
	Financial Knowledge		✓	✓
	M&A/Corporate Development	✓	✓	✓
	Corporate Governance/Compliance	✓	✓	✓
	Law/Legal Compliance	✓		
	Sustainability	✓	✓	✓
GEO know-how	USA & Canada	✓	✓	✓
	EMEIA	✓	✓	✓
	Asia	✓	✓	✓

## OBJECTIVES FOR THE COMPOSITION OF THE SUPERVISORY BOARD

The Supervisory Board has set the following targets:

- Supervisory Board members should not hold office for longer than the end of the Annual General Meeting following their 75th birthday.
- The Supervisory Board should be composed of at least 30% women and 30% men.
- A Supervisory Board member who is not a member of the Executive Board of a listed company should not hold more than a total of five Supervisory Board mandates in listed companies that are not part of the company's group.
- A Supervisory Board member who is also a member of the Executive Board of a listed company should not hold more than two Supervisory Board mandates in listed companies that are not part of the company's group.
- No more than two former members of the company's Executive Board may be members of the Supervisory Board.

In its current composition, the Supervisory Board considers the aforementioned objectives to be fulfilled. The diversity of the Supervisory Board is reflected in particular by the different professional backgrounds and areas of activity as well as the different horizons of experience of the individual members, who complement each other very well as a whole. The Supervisory Board currently consists of three members, including one woman. No personnel changes are currently planned or envisaged. The current composition therefore corresponds to the agreed profile of skills and expertise and the objectives for the composition of the Supervisory Board.

At this point, it should be noted that the Supervisory Board currently consists of three members who are employed by Varex Imaging Corporation. Varex Imaging Corporation holds the majority of shares in the company via Varex Imaging Deutschland AG. There is a control and profit transfer agreement between the Company, as the controlled company, and Varex Imaging Deutschland AG, as the controlling company. Accordingly, the Supervisory Board no longer has any independent members. From the company's perspective, the full composition of the Supervisory Board with members who are attributable to the majority shareholder is appropriate in view of the company's integration into the Varex Group.

## CORPORATE GOVERNANCE PRACTICES

The corporate governance of MeVis Medical Solutions AG, as a listed stock corporation, is primarily determined by the German Stock Corporation Act and the requirements of the German Corporate Governance Code in its current version.

Furthermore, as a manufacturer of software products in the medical field, the company is subject to, among other things the legal requirements of the German Medical Device Law Implementation Act (MPDG), Regulation (EU) 2017/745 of the European Parliament and of the Council on medical devices ("MDR"), the Canadian Medical Devices Regulation (SOR/98-282), the Australian Therapeutic Goods Act (TGA), Taiwanese Good Manufacturing Practice (GMP) and the US Code of Federal Regulations (21 CFR Part 820 - Quality System Regulation), as well as the requirements of the DIN EN ISO 13485 standard (Medical devices - Quality management systems - Requirements for regulatory purposes). Quality and quality management are essential components of corporate management. The QM system is designed to ensure the quality objectives as well as the quality requirements and expectations of customers in terms of safety and performance, handling, availability, cost-effectiveness and adherence to delivery dates.

The company's quality management system is certified by DNV MEDCERT GmbH, Hamburg, an EU notified body for medical devices (identification number 0482), for the development, production, final inspection and distribution of software for the diagnosis of medical image data and intervention support as well as for services for the evaluation of medical image data in accordance with EN ISO 13485:2016. In addition, the company's quality management system is certified in accordance with EN ISO 13485:2016 MDSAP Audit Model Edition 2 (for Australia, Canada, USA).

The corporate management of MeVis Medical Solutions AG is also characterized by a flat hierarchy with only one management level below the Executive Board, short decision-making paths and team-oriented cooperation.

When filling management positions, the Executive Board of MeVis Medical Solutions AG considers the qualifications of applicants to be the decisive criterion. Nevertheless, MeVis Medical Solutions AG pays attention to diversity and, in particular, the appropriate consideration of women when filling management positions. MeVis Medical Solutions AG welcomes efforts to increase the proportion of women in management positions and will continue to promote female employees in accordance with their qualifications and skills at all levels and areas of responsibility. Women currently account for 42 % of the total workforce at MeVis Medical Solutions AG. At the same time, 50 % of management positions at the level below the Executive Board are held by women. Accordingly, we had achieved our original goal of filling at least 30 % of management positions with women by the end of 2020. We aim to fill 50% of management positions with women in the future or by the end of 2025.

## **REMUNERATION OF THE COMMITTEES (REMUNERATION REPORT)**

Explanations and comments on the remuneration of the Executive Board and Supervisory Board are published in the remuneration report of MeVis Medical Solutions AG, Bremen, for the financial year from October 1, 2022 to September 30, 2023 on the company's website at <https://www.mevis.de/investor-relations/corporate-governance/verguetung> in accordance with Section 162 AktG.

The auditor's report pursuant to Section 162 AktG, the applicable remuneration system pursuant to Section 87a (1) and (2) sentence 1 AktG and the most recent remuneration resolution pursuant to Section 113 (3) AktG can also be viewed there.

## **TRANSPARENCY**

To ensure the greatest possible transparency, MeVis Medical Solutions AG regularly and promptly informs the capital market, shareholders and interested members of the public about the economic situation of the company and new facts and events of significance.

The annual financial report and half-year financial report are published within a period of four months for the annual financial statements and within a period of three months for the half-year report, in accordance with the timing requirements for issuers admitted to the General Standard of the regulated market.

Insider information concerning the company is published immediately in accordance with Art. 17 para. 1 of the Market Abuse Regulation (EU) No. 596/2014 (MAR). Shareholders and potential investors can find out about current events and new developments promptly on the Internet. All press releases and ad hoc announcements of MeVis Medical Solutions AG are published on the company's website. Significant and in some cases recurring events are published in the financial calendar on the company's website.

## **COMPLIANCE**

Compliance describes a company's adherence to legal, internal and contractual regulations. The entirety of the principles and measures for adhering to certain rules and thus avoiding breaches of the rules is referred to as a compliance management system.

For MeVis Medical Solutions AG, compliance with laws, internal guidelines and fair dealings with colleagues, business partners and competitors is an indispensable basis for successful business operations. It currently has a compliance management system that is appropriate to the size of the company and its risk situation.

The internally introduced compliance guideline is binding for all employees, provides them with guidance for responsible behavior in day-to-day business and is intended to protect against wrong decisions. The guideline is published on the company intranet, employees and managers are continuously informed and sensitized about compliance and can also seek advice from the compliance officer at any time.

In addition, MeVis Medical Solutions AG was also connected to the Varex Group's existing external whistleblower system. This gives employees the opportunity to report legal violations within the company in a protected manner.

## **ANNUAL GENERAL MEETING AND SHAREHOLDERS**

The Annual General Meeting of MeVis Medical Solutions AG is convened at least once a year. Each share entitles the holder to one vote at the Annual General Meeting. Every shareholder who registers in good time is entitled to participate in the Annual General Meeting or has the option of having their voting rights exercised by a bank, a shareholders' association, the proxies appointed by MeVis Medical Solutions AG and bound by instructions or another authorized representative.

The invitation to the Annual General Meeting and the reports and information required to pass resolutions are published in accordance with the provisions of the German Stock Corporation Act and made available on the company website.

## **RISK MANAGEMENT**

A responsible approach to risk is an important basis for good corporate governance at MeVis Medical Solutions AG. The Executive Board has installed an appropriate risk management and risk controlling system within the Company in order to identify, assess, monitor and manage the risks arising from its business activities at an early stage. The Executive Board regularly reports to the Supervisory Board on the current development of significant risks. The risk management system is continuously reviewed on the basis of current developments and adjusted if necessary. Further explanations and comments on risk management can be found in the risk report in the annual financial report.

## **ACCOUNTING AND AUDITING**

MeVis Medical Solutions AG prepares its statutory annual financial statements and management report and half-year financial report in accordance with the accounting provisions of the German Commercial Code. Quarterly reports or quarterly statements are no longer prepared and published.

The Supervisory Board commissioned the auditor appointed by the Annual General Meeting on March 21, 2023, Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Hamburg, to audit the annual financial statements for the 2022/2023 financial year. This ensures that no conflicts of interest impair the work of the auditor. The audit of the annual financial statements was conducted in accordance with German generally accepted standards for the audit of financial statements promulgated by the Institut für Wirtschaftsprüfer (IDW).

The audit of the annual financial statements for the 2021/2022 financial year was also carried out by Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Hamburg.

## **DIRECTORS' DEALINGS**

In accordance with Article 19 of the Market Abuse Regulation (EU) No. 596/2014 (MAR), the members of the Executive Board and Supervisory Board of the company and related parties are obliged to disclose transactions (directors' dealings) with financial market-traded shares and debt instruments of MeVis Medical Solutions AG or related financial instruments (e.g. derivatives) if the value of the transactions reaches or exceeds € 5,000 in a calendar year. The company publishes notifications in this regard on its website without delay. The company did not receive any notifications of directors' dealings in the reporting period. As of the balance sheet date, neither the member of the Executive Board nor the members of the Supervisory Board held shares in MeVis Medical Solutions AG.

## THE MEVIS SHARE

AS OF 30.09.2023	
ISIN / WKN / Ticker Symbol	DE000A0LBFE4 / A0LBFE / M3V
Industry classification	Software / Medical technology
signed Share capital	€ 1.820.000,00
Number of shares	1.820.000
Last price fixing on 29.09.2023	€ 28,40
Last price determination on 30.09.2022	€ 34,20
Highest/lowest price in 2022/2023	€ 37,20 / € 28,20
Market capitalization	€ 51,688 million
General Standard (Regulated Market)	Frankfurt and Xetra
Regulated unofficial market	Berlin, Düsseldorf, Munich, Stuttgart
Indices	CDAX, General All-Share, DAXsector All Software

### STOCK MARKET YEAR 2022/2023

The stock market year 2022 was characterized by geopolitical crises and a turning point in monetary policy. The consequences of the coronavirus pandemic and the Russia-Ukraine conflict, supply chain bottlenecks, rising energy and commodity prices drove up prices and inflation and led to a tighter central bank policy with historic key interest rate hikes to counteract the rate of inflation. Investors were not pleased and falling share prices were the result. After the economic consequences of the coronavirus pandemic subsided even further in mid-2023, the stock markets were primarily shaped by interest rate and inflation dynamics. And as inflation rates have recently fallen somewhat, the pressure on central banks to raise interest rates further has eased significantly. This in turn encouraged investors to invest more in equities and the German stock market even reached an all-time high. Only the conflict in the Middle East and the possible involvement of oil-supplying countries in the conflict slowed the upswing on the stock markets somewhat.

In the 2022/2023 financial year, the German stock market rose by around 26 % as measured by the DAX benchmark index, closing at 15247 points at the end of September 2023, compared to 12114 points at the end of September 2022. The SDax rose by 22 % and the TecDAX by 13 % over the course of the financial year.

### PERFORMANCE OF THE MEVIS SHARE





At the beginning of the financial year, the share was quoted at € 34.20 and closed at € 28.40 in Xetra trading at the end of September. In the course of the 2022/2023 financial year, the share price reached a high of € 37.20 and a low of € 28.20 in Xetra trading. In the first half of the financial year, the MeVis Medical Solutions AG share performed quite positively and remained stable around an average price level of € 35, but fell sharply in the second half. The value of the MeVis share at the end of the 2022/2023 financial year was a considerable 17 % lower than the closing price at the end of the 2021/2022 financial year. Taking into account 1,820,000 shares in circulation, the market capitalization was approximately € 51.7 million.

The Annual General Meeting in the 2022/2023 financial year was held in March 2023 as an in-person meeting for the first time again, taking into account the general hygiene requirements resulting from the coronavirus pandemic. Face-to-face interaction with shareholders is very important to us and we would like to thank all shareholders for their trust. The Annual General Meeting planned for the 2023/2024 financial year is also expected to take place as an in-person meeting.

### SHAREHOLDER STRUCTURE

As of the balance sheet date, 73.66 % of the total share capital of MeVis Medical Solutions AG was held by Varex Imaging Deutschland AG, an indirect subsidiary of Varex Imaging Corporation, Salt Lake City, Utah, USA. According to the shareholder notifications received by us, another institutional shareholder is HANSAINVEST Hanseatische Investment-GmbH, which holds approx. 12.57 % of the total share capital of MeVis Medical Solutions AG. This means that around 13.77 % of the shares are in free float.

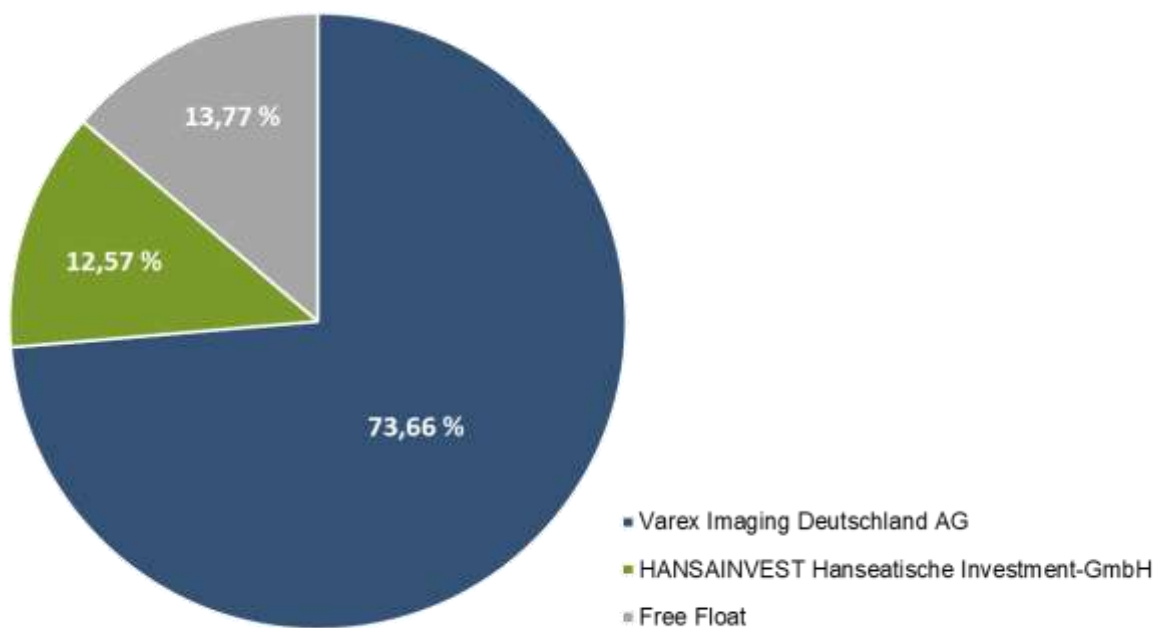


Fig.: Shareholder structure as at September 30, 2023  
(The information corresponds to the shareholder notifications we received)

### COMPENSATION PAYMENT

The domination and profit and loss transfer agreement between Varex Imaging Deutschland AG and MMS AG obliges Varex Imaging Deutschland AG to pay the outside shareholders a recurring cash payment ("compensation payment") for each full financial year for the duration of this agreement. This amounts to € 1.13 (gross) or € 0.95 (net) per share for each full financial year.

# MANAGEMENT REPORT FOR THE 2022/2023 FINANCIAL YEAR

## PRELIMINARY REMARK

This report covers the reporting period from October 1, 2022 to September 30, 2023. The prior-year figures shown below relate to the 2021/2022 financial year from October 1, 2021 to September 30, 2022.

## FOUNDATIONS OF THE COMPANY

### ORGANIZATION

MeVis Medical Solutions AG (hereinafter also referred to as "MMS AG", "MeVis" or the "Company") was founded in 1997 and commenced operations in 1998. 73.66 % of the share capital of MMS AG is currently held by Varex Imaging Deutschland AG, Willich. There is a control and profit and loss transfer agreement between Varex Imaging Deutschland AG as the controlling company and MeVis Medical Solutions AG as the controlled company. Through Varex Imaging Deutschland AG, MMS AG thus belongs to the Varex Group under the management of Varex Imaging Corporation, Salt Lake City, Utah, USA.

As at the balance sheet date, MMS AG held 51 % of the shares in MeVis BreastCare GmbH & Co. KG, Bremen, (hereinafter also referred to as "MBC KG") as part of a joint venture with Siemens Healthcare GmbH, Munich. At the end of October 1, 2023, Varex Imaging Deutschland AG acquired all shares held by Siemens Healthcare GmbH, Munich, and 2 % of the shares held by MMS AG in the joint venture. Since October 2, 2023, MMS AG has thus held 49 % of MeVis BreastCare GmbH & Co. KG, Bremen, as part of a joint venture with Varex Imaging Deutschland AG.

### BUSINESS ACTIVITIES

MeVis Medical Solutions AG develops innovative software for recording, analyzing and evaluating image data and markets it to manufacturers of medical devices, providers of medical IT platforms and, to a lesser extent, directly to clinical end customers.

The clinical focus is on image-based early detection and diagnosis of epidemiologically significant diseases, such as breast, lung, liver and neurological diseases. The software solutions support many of the imaging procedures used. These include not only X-ray-based radiography procedures such as computed tomography, mammography or digital tomosynthesis, but also magnetic resonance imaging, digital sonography and the simultaneous use of several procedures (multimodality). MeVis supplies technologies and software applications for global market leaders in the medical sector that meet these companies' requirements for technological leadership and help them to expand their position.

In addition to the sale of software licenses and associated maintenance contracts, MeVis also offers software programming services for medical technology companies as development services. These include project processing by software development teams consisting of software developers, product and project managers, application specialists and test engineers. The teams support external customers in the development of software modules or applications and in the integration of new functions and new technologies, such as algorithms based on artificial intelligence. Services are also provided to clinical end customers. These include three-dimensional technical visualizations ("MeVis Distant Services"), interactive online training to improve clinicians' diagnostic skills and Internet-based special applications in teleradiology ("MeVis Online Services").

While in the early years of MeVis the focus was on image-based early detection and diagnosis of breast cancer, today MeVis uses the clinical expertise it has acquired, its know-how in the field of breast cancer, its innovative software technologies and the partner network it has built up to successively develop its software solutions for new applications in other indications and diseases of other parts of the body. The main product areas are described in more detail below:

## Breast product range

The various MeVis software products for the diagnosis of breast cancer support the analysis and presentation of images from mammography screening and other imaging procedures for early and rapid diagnosis. Thanks to many years of experience in the field of software-supported analysis of imaging examinations and expertise in workflow, computer-aided diagnosis and system integration, the applications offer optimal conditions for detecting and treating breast cancer as early as possible. With the aim of meeting customer requirements, particularly in the area of display and reading speed, even with many patients and large amounts of data, MeVis offers programmable workflow functions using special keyboards, computer-aided diagnosis and an optional organization of duplicate findings in close connection with radiological information systems (RIS) and picture archiving and communication systems (PACS). In addition to digital mammography for both screening and diagnosis, other procedures such as 3D ultrasound, magnetic resonance imaging (MRI), computed tomography (CT) and tomosynthesis are optimally supported. In particular, the support of tomosynthesis as a three-dimensional further development of digital mammography has become increasingly important due to the market success of the relevant device manufacturers in recent years. In addition, the focus is also on the further development of mammography solutions through the use and integration of algorithms based on artificial intelligence for the automatic segmentation of suspicious and malignant structures.

## Lung product area

Software solutions from MeVis in the field of lungs detect anomalies - such as lung tumors or pulmonary embolisms - fully automatically in computed tomography images. Low-dose multi-slice computed tomography (low-dose CT) is the state of the art in three-dimensional medical X-ray imaging. Thanks to its high detail resolution, it now plays an important role in modern lung diagnostics. Within a few seconds, the smallest details of the entire lung can be imaged in three dimensions. However, the growing volume of data and the scarcity of well-trained radiologists is increasingly posing a challenge for the evaluation of image data and the preparation of reports. The Veolity lung product line, marketed under various brands, enables efficient and structured radiological reporting of these CT images in everyday clinical practice. State-of-the-art image processing and pattern recognition algorithms for the computer-aided early detection and diagnosis of lung diseases enable the detailed segmentation of anatomical structures of the thorax, the fully automated computer-aided detection of lung round foci and other anomalies as well as their evaluation, quantification and follow-up, including the treatment of incidental findings. MeVis CAD technology based on artificial intelligence offers radiologists a supportive, independent and reproducible evaluation of image data and is used worldwide in the early detection, clinical diagnosis and treatment of lung diseases.

Based on this technology and years of expertise in the field of breast cancer screening, the lung cancer screening products have been further developed and launched on new markets. This is aimed specifically at the diagnosis of CT-based lung cancer screening for the early detection and follow-up of lesions. By closely linking the components, user-optimized workflow support, easy comparison with preliminary images, integration of CAD results, automatic and, above all, reproducible volumetric measurement of lesion parameters and structured reporting according to various standardized international reporting schemes, the software offers considerable advantages for radiologists - both in terms of the time required for reporting and to ensure high quality reading results, integration into the clinical infrastructure and other clinical components such as imaging modalities, digital image archives and patient management systems.

## Liver product range

With its MeVis Distant Services, MeVis creates technical visualizations, primarily of the liver, which are used in continuing education, for publications, presentations, research purposes and for preoperative liver surgery planning, including postoperative monitoring. Medical technology companies and specialists in radiology and surgery use MeVis Distant Services (MDS) to visualize their cases professionally and comprehensively. Instead of static 2D representations, they receive interactive 3D visualizations to use for presentations and publications in leading specialist journals and other media or to display in three dimensions using virtual reality and VR glasses from leading manufacturers. Based on decades of experience with our MeVis Distant Service, a stand-alone MeVis LiverSuite software application that can be used in the clinic was developed and approved in order to open up the European market. MeVis Liver Suite is an AI-based software application used by physicians and radiologists to create highly detailed visualizations and volumetric quantifications for treatment planning in liver

surgery, evaluation of surgical strategies and follow-up of the liver system. The innovative software technology and 3D medical visualization workflows are applicable to CT and MR imaging and facilitate the preparation of radiological data for use in surgery. In response to the daily challenges in surgical planning, this powerful AI software solution provides significant support to medical professionals in terms of workload reduction and quality improvement while maintaining full control over diagnostic processes.

### **Neuro product area**

MeVis software for neurological diseases is able to analyze complex neuroradiological data multimodally and thus provides the basis for safe and gentle imaging diagnostics of head diseases and surgical treatment planning. Functional magnetic resonance imaging (fMRI) and diffusion tensor imaging (DTI) can capture functional areas, such as motor or speech regions, and make connecting fiber tracts visible. By simultaneously displaying (fusing) such data with other anatomical images, the relationship to brain tumors can be depicted so that complex correlations become visible. The MeVis software solution thus helps the neurosurgeon to plan the optimal and gentlest approach to the tumor, allowing safe and reliable treatment of patients with neurological diseases. In addition, dynamic imaging can be used to measure the blood flow in the brain. The application calculates various key figures (rCBV, rCBF, TTP, etc.) and displays them in color maps, which support the diagnosis of primary cerebral circulatory disorders (stroke) and the assessment of the malignancy of tumors and follow-up checks.

### **MeVis Online Services**

With the MeVis Online Academy, MeVis offers interactive online training opportunities for faster and more accurate diagnoses both for clinical end customers directly and indirectly via medical technology companies. Web-based interactive and high-quality radiology case collections and video collections form the basis of the training courses. Specially adapted hanging protocols and interactive radiological viewing and diagnostic tools and learning success control modules complete the range of digital mammography, tomosynthesis, computed tomography (CT), magnetic resonance imaging (MRI), sonography, digital X-ray, fluoroscopy, intervention and radiotherapy. Medical professionals and medical students in training have access to a large number of clinical case collections from recognized experts, including associated solutions, anytime and anywhere. This provides tools for further education and continuous radiology training, including learning success monitoring. Innovative special applications for medical technology companies in the field of digital image acquisition as well as planning procedures for radiotherapy and additive manufacturing processes ("3D printing") and the associated software infrastructure for the global operation of cloud applications complete the product portfolio. The solution benefits greatly from the ongoing trend towards digitalization in conjunction with the strong increase in home office and teleworking models as well as a trend from in-person to online training. Online and remote services are in high demand even after the pandemic and we expect demand to remain stable in the future.

## **RESEARCH AND DEVELOPMENT**

The market for software products in the field of digital medical imaging is characterized by high quality requirements and sometimes short innovation cycles with increasing technical complexity. The user-friendliness of the software and options for easy integration into the clinical IT environment are of great importance. The products developed by the company require continuous and forward-looking adaptation to new medical and technological developments as well as to the continuous increase in the volume of data to be processed. The handling and analysis of data volumes and the limited availability of qualified medical personnel require increasing automation of processes and therefore represent a growing field of research.

The company has little research capacity of its own. The majority of the company's employees are deployed in the development of software applications. The company therefore commissions renowned research institutes, such as the DIAG (Diagnostic Image Analysis Group) Radboud University Medical Center, Nijmegen, to provide the necessary research services. This may involve the acquisition or licensing of existing research results or a contract to work on a new research topic.

The focus of research and development activities within the company in the reporting period was on the development of software applications to open up new areas of application, such as solutions for CT-based lung cancer screening and MR-based liver diagnostics, as well as the evaluation and development of algorithms based on

artificial intelligence for medical and industrial applications. In addition, a focus was placed on the further development of existing software products in order to remain competitive in business areas that are currently successful for the company and to secure maintenance revenue in the long term.

### Technology platforms

**MeVisLab** is MeVis' own research and development environment for the rapid and effective development of software prototypes and products. With this unique software development tool, methods and workflows can be tested very quickly, evaluated in a clinical environment, optimized promptly ("rapid prototyping") and distributed via various channels. The prototypes developed on the basis of MeVisLab can be brought forward in the value chain in a short time by linking them with software technologies for product development and transformed into market-ready products. This leads to a significant reduction in development and product launch times. This development method is used successfully in the development of various software products, including the further development of the Veolity product for the efficient diagnosis of lung CT studies, the liver imaging and visualization applications and services MeVis Distant Services and LiverSuite, the MeVis Online Academy training platform, special applications for Internet-based multidisciplinary collaboration, teleradiology ("MeVis Online Services"), radiation medicine, human and veterinary medicine and industrial image processing.

**MeVisAP**, a technology platform developed in-house, provides basic services such as integration into the clinical infrastructure, management of studies and worklists, automated processing of 2D, 3D and 4D image data and the creation of structured findings and visually appealing reports. Thanks to the client-server technology, users can work on their cases from any station, obtain advice from other experts and interrupt or resume their work at any time. Thanks to the modular concept, MeVis can quickly compile and link combinations of different clinical questions or imaging procedures according to customer requirements. On the one hand, MeVisAP serves as a complete diagnostic platform; on the other hand, sub-functions from existing systems (RIS, PACS, system platforms) can be integrated into it.

## ECONOMIC REPORT

### MACROECONOMIC AND SECTOR-SPECIFIC FRAMEWORK CONDITIONS

#### Overall economic situation<sup>1</sup>

The global economy faced major challenges at the start of 2022: The Russia-Ukraine war with its sanctions led to significant price increases, particularly in the energy sector, and trade restrictions. Corona lockdowns in China and especially in its seaports have exacerbated supply chain problems and also contributed to the inflationary price increase. The general price increases at almost all levels and significantly rising capital market interest rates dampened the real purchasing power of consumers. According to the International Monetary Fund (IMF), global gross domestic product grew by 3.5% in 2022 compared to the previous year. For its part, the USA recorded an increase in economic output of 2.1%, while the growth rate in the Eurozone was slightly better at 3.3%. At 1.8%, Germany was already below average, in contrast to the emerging markets, which still achieved impressive growth of 4.1%.

The IMF is forecasting global economic growth of just 3.0% for 2023. The USA will remain at the same level at 2.1% and growth of just 0.7% is expected in the Eurozone as a whole. The German economy is even expected to shrink by 0.5% this year. This would make Germany the only G7 country with a negative gross domestic product (GDP). The slowdown in the industrialized nations is much more pronounced than in poorer countries. The IMF maintained its previous forecast of 4.0% growth for the emerging economies in 2023. However, a full recovery of the global economy from the pandemic is currently still out of reach.

#### Industry development

The German medical technology sector grew only slightly in the 2023 financial year. According to the professional associations Spectaris and BVMed, based on data from the Federal Statistical Office, total sales in the German medical technology industry in the reporting period from January to August 2023 were nominally 8.5 percent higher than in the same period of the previous year. At the same time, producer prices rose by 6.8 percent<sup>2</sup>. Accordingly, the earnings situation of many medical technology companies is falling despite rising sales. According to Spectaris, the approximately 1,470 German medical technology manufacturers (companies with >20 employees) and their almost 160,000 employees generated a turnover of 38.4 billion euros in 2022.<sup>3</sup>

The long-term drivers of the medical technology market are intact. These include opportunities arising from the digitalization of all areas of healthcare and demographic trends, particularly in advanced economies, as well as high healthcare investments in many emerging markets. As a result, in its latest study on the development of the global medical technology market, the market research company Frost & Sullivan has further revised its forecast for the compound annual growth rate (CAGR) up to 2027 to an average of 5% growth per year.<sup>4</sup>

The industry segment of imaging processes including software, which dominates the MeVis product portfolio, will account for a relative share of 8.1 % of the global market or an absolute market size of around USD 42.4 billion in 2023. By region, the largest market shares in 2023 are attributable to North America (39.0 %), Asia and the Pacific (27.0 %) and Europe (26.0 %).<sup>5</sup>

The USA and Europe are the most important regional export markets for MeVis. The largest medical technology markets within Europe are Germany (25.8 %), France (14.3 %), the UK (10.4 %), Italy (9.0 %), the Netherlands (6.4 %), Spain (6.1 %) and Switzerland (3.6 %). In view of an export ratio of 67.1%, foreign business is very important for German medical technology. With a share of almost 19.9% in 2022 and absolute export growth of 10.4%, the USA is the most important destination for European medical technology exports. Demand from China

<sup>1</sup> <https://www.imf.org/en/Publications/WEO/Issues/2023/10/10/world-economic-outlook-october-2023>

<sup>2</sup> Press release "German medical technology industry increasingly under pressure in Germany", Spectaris industry association, Berlin, November 9, 2023

<sup>3</sup> SPECTARIS Yearbook 2023/2024, The German medical technology industry, Spectaris industry association, Berlin, November 2023

<sup>4</sup> Press release "German medical technology industry increasingly under pressure in Germany", Spectaris industry association, Berlin, November 9, 2023

<sup>5</sup> SPECTARIS Yearbook 2022/2023, The German medical technology industry, Spectaris industry association, Berlin, November 2022

stagnated due to the coronavirus lockdowns there. 37.4% of exports went to EU countries, 14.3% to the rest of Europe, 19.9% to North America and 18.0% to Asia. The figures show how important the medical technology industry is for Germany and the entire European economy. Compared to other European countries, Germany will continue to lead the field in 2022 with sales of € 47.3 billion. According to an analysis by the industry association Spectaris and EuroStat, as well as our own calculations, turnover in the medical technology sector amounted to € 13.5 billion in France, € 12.7 billion in Italy and € 4.1 billion in Denmark.<sup>6</sup>

The medical technology sector, and in particular the medical imaging sector, remains a very important market for MeVis Medical Solutions AG. A shift from the dominant US and European markets to Asia continues to be noticeable. The key drivers in the coming years will be the growing population, demographic trends, advances in medical technology, particularly in emerging markets, and increasing awareness of health issues. Increasing digitalization, the processing of available data volumes and the automation of diagnostics will also be significant drivers, both for new treatment methods and for new business potential.

The ever-increasing digitalization of social life is changing the requirements for modern and future-oriented healthcare and at the same time offers opportunities for a more efficient healthcare system. In the future, the networking and processing of health data will increasingly make it possible to design better diagnostic procedures and customized therapies that are largely based on artificial intelligence. The collection and analysis of medical data will therefore play an important role in future healthcare research and diagnostics. The use of algorithms for faster and more precise diagnostics will be a major focus in the coming years and will drive a change in digital medical technology.

To date, medical products based on artificial intelligence (AI) have proven themselves primarily in the field of imaging. They play a major role in diagnostics. The analysis of large amounts of data makes it possible to detect pathological changes in the image quickly and reliably. Doctors can use the AI information to make decisions regarding the further course of treatment.

As in previous years, cancer remains the second most common cause of death after cardiovascular diseases and is responsible for a total of 21.7% of all deaths in Germany.<sup>7</sup> Artificial intelligence (AI) is playing an increasingly important role in cancer diagnostics. Among other things, AI can support radiology specialists in the evaluation of mammography images and lung images for the early detection of breast cancer and lung cancer. The precision of detection of suspicious pathologies is even slightly higher than that of human experts. AI can also be used to determine the stage of cancer. When examining tissue samples and assessing how far the disease has already spread, clinical specialists can be assisted by learning algorithms. Diseases can potentially be localized and quantified earlier, faster, cheaper and more accurately. X-ray based imaging is the most commonly used form of diagnostic imaging and a rewarding application area to exploit the application potential of software supported by artificial intelligence. Algorithms can not only facilitate the time-consuming evaluation of images by searching for and highlighting abnormalities. They also help to keep radiation exposure to a minimum. Algorithms recognize the corresponding body part and provide the optimal image acquisition parameters and process it for optimal contrasting representation and perception of even the smallest structures by the human eye.

Looking at the situation at MeVis, we believe that medical imaging as a sub-segment of medical technology continues to be of great importance. Topics such as multimodal and functional imaging, diagnostic support, model-based therapy as well as new and optimized workflows, computer support, automation and artificial intelligence are the main drivers in radiology and oncology.

For MeVis, the application area of breast cancer diagnostics continues to be not only the largest sales segment, but also a prioritized segment in which we will continue to be active in the future. As in previous years, demand for three-dimensional digital tomosynthesis systems is continuing, particularly in Europe. The widespread use of this technology is leading to increased demand from major medical technology companies for the corresponding imaging devices and associated software.

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<sup>6</sup> The market for medical technologies, BVMed, Bundesverband Medizintechnologie e.V., November 2023, <https://www.bvmed.de/de/branche/standort-deutschland/branchenstudien>

<sup>7</sup> Cause of death statistics for Germany 2022, Federal Statistical Office, <https://www-genesis.destatis.de/genesis/online?se=quenz=tabelleErgebnis&selectionname=23211-0002#abreadcrumb>

In addition to the very important market segment of breast cancer diagnostics, the area of lung cancer diagnostics is also important for both women and men in order to detect lung cancer at an early stage and subsequently initiate the necessary therapy. Following the risk-benefit assessment of lung cancer screening, the introduction of corresponding screening programs based on low-dose CT scans has been emerging in the USA for several years. We believe that the demand for lung cancer screening solutions is positive worldwide; new national and regional program initiatives exist or are expected in Canada, the United Kingdom, South Korea, Taiwan, the United Arab Emirates, Egypt, China, Brazil, Australia, the Czech Republic, Italy, Switzerland, France, Poland and Germany, among others.

## BUSINESS PERFORMANCE

The company's operating business consists of the development and sale of software licenses, the associated maintenance business and software programming for medical technology companies (development services) as well as the provision of services for technical visualizations (distant services) and online training.

At around 87% of total sales, the software business, which includes products for the medical technology companies Hologic, Vital Images and Philips, once again accounted for the majority of the company's total sales in this reporting period.

## EARNINGS DEVELOPMENT

In the financial year, the company's revenue amounted to € 17,342 thousand (previous year: € 18,762 thousand). The sale of licenses accounted for 26% of sales (previous year: 28%), maintenance sales for 36% (previous year: 32%) and other sales for 38% (previous year: 40%), including services for and recharges to affiliated companies and the parent company.

The deterioration in sales compared to the previous year is mainly due to lower demand from the customer Philips. Apart from currency differences, maintenance revenue remained almost constant.

The deterioration in other sales compared to the previous year is due to a decline in sales in the area of development services, as fewer services were provided for the Varian Group.

Other operating income amounted to € 1,702 thousand in the past financial year (previous year: € 2,696 thousand). This mainly comprises income from exchange rate differences in the amount of € 1,263 thousand (previous year: € 2,517 thousand). It also includes income from the reversal of provisions in the amount of € 314 thousand (previous year: € 0 thousand).

The cost of materials decreased to € 445 thousand (previous year: € 747 thousand) and mainly consists of third-party services for the lung product area in the amount of € 161 thousand (previous year: € 280 thousand), loans from MBC KG employees for product development in the amount of € 29 thousand (previous year: € 180 thousand) and the cost of materials in the mammography product area in the amount of € 47 thousand (previous year: € 70 thousand). In addition, € 117 thousand (previous year: € 117 thousand) is attributable to rental expenses for office space that is sublet to MBC KG.

The company's personnel expenses amounted to € 9,894 thousand in the past financial year (previous year: € 9,422 thousand). In the reporting year, the average number of permanent employees at the company increased to 114 (previous year: 104). The number of temporary student employees increased to 3 as at September 30, 2023 (previous year: 1).

Other operating expenses amounted to € 4,714 thousand in the reporting period (previous year: € 3,494 thousand). In particular, they include expenses from exchange rate differences of € 2,273 thousand (previous year: € 1,285 thousand), rental expenses of € 518 thousand (previous year: € 552 thousand) and expenses for legal, consulting and auditing costs of € 442 thousand (previous year: € 444 thousand). T€ 444).

MBC KG has not resolved a distribution due to the loss generated in the 2020/2021 financial year; a resolution on the appropriation of the 2021/2022 annual result is pending.

Income from loans of financial assets amounted to € 1,071 thousand (previous year: € 178 thousand) and is mainly attributable to interest income from the loan granted to Varex Imaging Deutschland AG. The increase results from the adjustment of the interest rate at the beginning of the year. In addition, interest income of € 111



thousand (previous year: € 0 thousand) resulted from sight deposits at banks. Taking into account interest expenses of € 43 thousand (previous year: € 4 thousand), earnings before taxes (EBT) amounted to € 5,034 thousand (previous year: € 7,876 thousand).

Earnings before profit transfer, net interest income and income taxes (EBIT) fell by € 3,807 thousand to € 3,895 thousand, mainly due to lower revenue, lower other operating income and higher other operating expenses compared to the previous year. In the previous year's report, EBIT before adjustment of income from loans was used (previous year: € 7,880 thousand). Due to the increase in income from loans classified as financial assets, the calculation was changed in the 2022/2023 financial year to improve comparability. Income from loans of financial assets is now corrected as part of the EBIT calculation. Based on the new calculation method, EBIT would have amounted to € 7,702 thousand in the previous year.

The income taxes incurred in the financial year amounting to € 114 thousand (previous year: € 87 thousand) increased slightly compared to the previous year.

Taking into account the income tax charge of € 114 thousand (previous year: € 87 thousand), earnings before profit transfer amounted to € 4,920 thousand (previous year: € 7,789 thousand) for the past financial year.

## PROFIT TRANSFER

The profit of € 4,920 thousand is transferred to Varex Imaging Deutschland AG on the basis of the control and profit transfer agreement.

## INVESTMENTS

In the reporting period, investments in property, plant and equipment amounted to € 80 thousand (previous year: € 133 thousand) and mainly related to office and business equipment.

As in the previous year, no investments were made in intangible assets.

## NET ASSETS AND FINANCIAL POSITION

The balance sheet total decreased to € 28,054 thousand (previous year: € 31,201 thousand). Under assets, receivables and other assets decreased by € 1,466 thousand. Cash and cash equivalents decreased by € 1,577 thousand. Equity remained constant. Provisions decreased by € 324 thousand and liabilities decreased by € 2,973 thousand. Deferred income increased by € 150 thousand.

The equity ratio increased to 64% (previous year: 57%) due to the lower balance sheet total and constant equity, while the debt ratio fell accordingly to 36% (previous year: 43%).

A loan to the shareholder in the amount of € 16,225 thousand (previous year: € 16,225 thousand) remains a significant component of fixed assets.

Current assets decreased by € 3,043 thousand to € 11,326 thousand (previous year: € 14,369 thousand) as at the balance sheet date. Trade receivables fell by € 1,356 thousand, primarily due to the decline in sales. Receivables from affiliated companies decreased by € 114 thousand as a result of lower development services.

Due to the existing profit and loss transfer agreement, equity remains unchanged at € 17,826 thousand.

Provisions decreased by € 324 thousand to € 3,379 thousand compared to the previous year (previous year: € 3,704 thousand), primarily due to a decrease in pension provisions. Pension provisions fell by € 273 thousand to € 266 thousand, partly due to the increase in the discount rate. Tax provisions remained almost constant. Other provisions decreased to € 2,949 thousand, partly due to lower personnel provisions. Liabilities decreased by € 2,973 thousand to € 5,204 thousand (previous year: € 8,176 thousand), mainly due to lower liabilities to affiliated companies from the lower profit transfer as at the balance sheet date compared to the previous year. As in the previous year, there are no liabilities to banks. Deferred income increased by € 150 thousand to € 1,645 thousand due to higher customer prepayments for services to be rendered by the company in the future compared to the previous year.

The company is mainly financed from current cash flow. The company's cash and cash equivalents (cash on hand, bank balances) therefore decreased by € 1,577 thousand to € 7,744 thousand in the past financial year.

The positive cash flow from operating activities of € 5,854 thousand (previous year: € 4,857 thousand) is offset by payments to the shareholder due to the profit transfer of € 7,789 thousand (previous year: € 4,546 thousand). Cash flow from investing activities rose by € 931 thousand to € 990 thousand due to the increase in income from loans of financial assets.

Cash flow from operating activities increased to € 5,854 thousand (previous year: € 4,857 thousand) in the 2022/2023 financial year, taking into account cash and non-cash transactions. Exchange rate-related changes in cash and cash equivalents as a result of the development of the USD exchange rate had a negative impact of € 632 thousand.

Overall, the net assets, financial position and results of operations developed very satisfactorily.

## CONTROL SYSTEM

The key financial performance indicators used by the company are sales and the annual result before profit transfer, net interest income (including income from loans of financial assets) and income taxes (EBIT). A variance analysis with the respective target figures and previous year's figures is carried out regularly, including a corresponding assessment of the risk situation. This analysis, together with external market and competitive information, forms the basis for an ongoing review of the plan and continuous adjustment of the forecast.

## NON-FINANCIAL PERFORMANCE INDICATORS

MeVis' enterprise value is determined by both financial and non-financial factors. These relate, for example, to sustainable corporate governance, the company's relationships with its customers and employees, its ability to innovate, quality management, environmental and social aspects.

The company's goals can only be achieved if MeVis can retain competent and committed employees as an attractive and responsible employer and develop innovative and high-quality products and solutions that will continue to meet customer requirements in the future.

MeVis does not carry out a quantitative/financial assessment of the non-financial indicators; they are not used for internal management purposes. A separate sustainability statement or a separate sustainability report is not prepared due to the size of the company.

### Solid customer relationships

MeVis owes its market position to many years of successful collaboration with major international medical technology companies. As part of the so-called OEM sales model (OEM: Original Equipment Manufacturer), the software solutions are sold under the respective brand name of the medical technology companies, which are usually also the manufacturers of the imaging devices. In recent years, software development support from OEMs has also become increasingly important. For many years, the company's most important customers have included Hologic, Philips, Vital Images (a subsidiary of Canon) and Varian Medical Systems. In addition, there are intensive customer relationships with Siemens Healthcare GmbH, firstly through the joint venture MeVis BreastCare, which existed until the balance sheet date, and secondly through MeVis Medical Solutions AG directly. MeVis has also provided development services for Varex Imaging Corporation in recent fiscal years. These are software solutions for human medical, veterinary and industrial X-ray applications. These good customer relationships are the basis for MeVis' success.

### Innovative ability

Innovations and new technologies are of key importance for the strategic development of MeVis Medical Solutions AG. The market for software products in the field of digital medical imaging is characterized by high quality requirements and sometimes short innovation cycles with increasing technical complexity. The software solutions developed by the company therefore require continuous and forward-looking adaptation to new medical and technological developments as well as to the continuous increase in data volumes to be processed (deep learning and use of artificial intelligence). In addition to internal research and development capacities, MeVis has an extensive network of clinics and research centers, which enables us to identify new impulses and trends in the market.

MeVis uses its own research and development environment, MeVisLab, for the rapid development of prototypes tailored to the application. This allows newly developed methods and workflows to be tested, evaluated and optimized in the clinical environment ("rapid prototyping") in order to transform product developments into market-ready products in a short space of time. This leads to a significant shortening of development and innovation cycles.

## Employees

In the financial year, MeVis Medical Solutions AG employed an average of 114 permanent employees (previous year: 104) as well as 3 student testers on a temporary basis (previous year: 1). This corresponds to a total of 101 full-time equivalents (previous year: 95). In the past financial year, the majority of employees received a voluntary bonus payment in addition to their fixed remuneration. Furthermore, all full-time employees received a tax and duty-free inflation adjustment payment of € 3,000.00 in the past financial year (part-time employees on a pro rata basis).

The employees of MeVis Medical Solutions AG are the foundation of the company's success. Their know-how, commitment and experience ensure the quality of the products and the continuous optimization of processes and services. Flat hierarchies, great creative freedom and a high degree of personal responsibility are an expression of the open corporate culture. MeVis attaches great importance to a pleasant working atmosphere and respectful interaction with one another. A code of conduct, which applies to all employees, governs dealings with each other, business partners and service providers. Financial recognition of individual performance is just as important to MeVis as offering flexible working time models for a good work-life balance. We also offer health-promoting measures such as health days, company fitness and financial support for health massages, as well as various other benefits such as free fruit, tea and coffee. Special attention is paid to target group and needs-oriented training and further education measures. In consultation with our employees, we offer internal and external training courses on a wide range of topics. We want to support our employees in meeting their current and future tasks in the best possible way.

## OVERALL STATEMENT

Fiscal year 2022/2023 was a successful year for MeVis in terms of key financial figures, although we were unable to achieve the originally targeted sales and EBIT targets. The EBIT forecast made in the previous year's management report was achieved. Due to supply difficulties and material bottlenecks, some of our customers were unable to achieve their own sales targets, which also had an impact on MeVis' earnings.

In the original forecast, we assumed stable sales of between € 18.0 million and € 18.5 million based on our customers' business assessments; however, sales fell to € 17.3 million in the 2022/2023 financial year and are therefore within the range of our forecast, which was adjusted in July 2023 (between € 17.0 million and € 17.5 million). The year-on-year decline in sales is mainly due to the fact that sales from the licensing business fell due to lower than planned demand from the customer Philips. Sales from development services also fell due to lower demand. In addition, sales with the major customer Hologic fell as planned.

A similar picture emerges for EBIT: a decline to between € 4.5 million and € 5.0 million was forecast for this key performance indicator for the 2022/2023 financial year in the previous year's management report. This forecast was revised again in July 2023 to between € 3.5 million and € 4.0 million. EBIT actually fell to € 3.9 million and is therefore within the range defined in the previous year. In addition to the fall in sales revenue, this is primarily due to the negative impact of exchange rate effects. This was offset by higher income from loans.

For 2024 and also in the medium and long term, the future prospects remain promising due to the change in cooperation with MeVis initiated by our customers, especially in the area of mammography.

## EXPLANATORY REPORT OF THE EXECUTIVE BOARD ON THE DISCLOSURES PURSUANT TO SECTION 289a SENTENCE 1 HGB

In the following, the Executive Board makes the disclosures required by Section 289a sentence 1 HGB and explains them in accordance with Section 176 (1) sentence 1 AktG.

### **Composition of subscribed capital (Section 289a sentence 1 no. 1 HGB)**

The subscribed capital of MeVis Medical Solutions AG amounted to € 1,820 k as of the balance sheet date and consisted of 1,820,000 no-par value registered shares with voting rights. Each registered share grants one vote. Shareholders exercise their rights and voting rights at the Annual General Meeting in accordance with the statutory provisions and the Articles of Association.

### **Restrictions relating to voting rights or the transfer of shares (Section 289a sentence 1 no. 2 HGB)**

The Executive Board has no information on any restrictions on the exercise of voting rights or restrictions on the transferability of shares that go beyond the statutory provisions of capital market law.

### **Direct or indirect shareholdings in the capital that exceed 10% of the voting rights (Section 289a sentence 1 no. 3 HGB)**

To the company's knowledge, there were the following direct or indirect shareholdings in the capital that exceeded 10% of the voting rights on the balance sheet date:

- Varex Imaging Deutschland AG, Willich, directly holds 73.66 % of the total share capital of MeVis Medical Solutions AG.
- Varex Imaging Investments BV, Dinxperlo, Netherlands, indirectly holds 73.66 % of the total share capital of MeVis Medical Solutions AG via Varex Imaging Deutschland AG.
- Varex Imaging International Holdings BV, Dinxperlo, Netherlands, indirectly holds 73.66 % of the total share capital of MeVis Medical Solutions AG via Varex Imaging Investments BV and Varex Imaging Deutschland AG.
- Varex Imaging Corporation, Salt Lake City, USA, indirectly holds 73.66 % of the total share capital of MeVis Medical Solutions AG via Varex Imaging International Holdings BV, Varex Imaging Investments BV and Varex Imaging Deutschland AG.
- HANSAINVEST Hanseatische Investment-GmbH, Hamburg, Germany, directly holds more than 10 % but less than 25 % of the total share capital of MeVis Medical Solutions AG (12.57 % of the voting rights according to the voting rights notification dated November 2, 2021).

No other direct or indirect shareholdings in the capital that reached or exceeded 10% at the end of the financial year have been reported or are known.

### **Holders of shares with special rights conferring powers of control (Section 289a sentence 1 no. 4 HGB)**

There are no shares with special rights conferring powers of control. Accordingly, there are no holders of such shares.

### **Type of voting right control if employees hold an interest in the capital and do not exercise their control rights directly (Section 289a sentence 1 no. 5 HGB)**

Employees who hold an interest in the capital of MeVis Medical Solutions AG exercise their voting control rights directly.

### **Appointment and dismissal of members of the Executive Board and amendment of the Articles of Association (Section 289a sentence 1 no. 6 HGB)**

The appointment and dismissal of members of the Executive Board is governed by Sections 84, 85 AktG and Section 6 of the Articles of Association of MeVis Medical Solutions AG in the version dated March 21, 2023.

In accordance with Section 6 (1) sentence 1 of the Articles of Association, the Executive Board consists of one or more members. The number of members of the Executive Board is determined by the Supervisory Board. The Executive Board currently consists of one member.

The Supervisory Board is responsible for appointing and dismissing members of the Executive Board in accordance with Section 84 para. 1 sentence 1, para. 3 AktG and Section 6 para. 2 sentence 1 of the Articles of Association. Reappointment or extension of the term of office is permitted under the statutory provisions.

Amendments to the Articles of Association are governed by Sections 133, 179 et seq. AktG apply to amendments to the Articles of Association. In accordance with Section 119 para. 1 no. 6 AktG, the Annual General Meeting decides on amendments to the Articles of Association. Resolutions of the Annual General Meeting to amend the Articles of Association require a majority of at least three quarters of the share capital represented when the resolution is passed in accordance with Section 179 (2) AktG, unless the Articles of Association stipulate a different capital majority - but only a higher one for amendments to the purpose of the company. According to Section 14 (2) of the Articles of Association, resolutions of the Annual General Meeting require a majority of the votes cast (simple majority of votes), unless mandatory statutory provisions require a larger majority or stipulate further requirements. If the law prescribes a capital majority, a simple majority of the share capital represented at the vote is sufficient, unless a larger majority is prescribed by law. The Supervisory Board is authorized in accordance with Section 9 (5) of the Articles of Association to adopt amendments to the Articles of Association that only affect the wording.

### **Authorization of the Executive Board to issue or buy back shares (Section 289a sentence 1 no. 7 HGB)**

*Authorized capital (Article 5 (5) of the Articles of Association)*

Based on the resolution of the Annual General Meeting on 24 June 2020, the Executive Board is authorized, with the approval of the Supervisory Board, to increase the company's share capital by up to € 910 thousand by issuing new no-par value registered shares against cash or non-cash contributions on one or more occasions in the period up to 23 June 2025. The shareholders must generally be granted a subscription right; the statutory subscription right can also be granted in such a way that the new shares are taken over by one or more banks or equivalent companies in accordance with Section 186 (5) sentence 1 AktG with the obligation to offer them to the shareholders of MeVis Medical Solutions AG for subscription. However, the Executive Board is authorized, with the approval of the Supervisory Board, to exclude shareholders' subscription rights in certain cases. The Executive Board is also authorized, with the approval of the Supervisory Board, to determine the further content of the share rights and the other details of the capital increase and its implementation.

The Executive Board has not yet made use of this authorization to issue new shares.

*Conditional capital (Section 5 (6) of the Articles of Association)*

The company's share capital is conditionally increased by up to € 130 thousand by issuing up to 130,000 no-par value registered shares. The conditional capital increase will only be implemented to the extent that the share options granted on the basis of the authorization of the Annual General Meeting on 22 August/28 September 2007 until 31 December 2011 are exercised, or to the extent that the share options granted on the basis of the authorization of the Annual General Meeting on 15 June 2011 until 31 December 2015 are exercised.

*Share buyback*

There are no Annual General Meeting resolutions based on Section 71 para. 1 no. 6-8 AktG authorizing the repurchase of treasury shares.

### **Material agreements that are subject to the condition of a change of control following a takeover bid (section 289a sentence 1 no. 8 HGB)**

MeVis Medical Solutions AG has concluded the key agreements listed below, which contain provisions for the event of a change of control, for example as a result of a takeover bid:

- As of the balance sheet date, Siemens Healthcare GmbH, as 49 % shareholder of MeVis BreastCare GmbH & Co. KG, was entitled to demand the transfer of MeVis Medical Solutions AG's limited partner's share in MeVis BreastCare GmbH & Co. KG and its share in MeVis BreastCare Verwaltungsgesellschaft mbH to

itself at a reasonable price if a third party - directly or indirectly - acquires a controlling influence within the meaning of Section 17 AktG over MeVis Medical Solutions AG and is in competition with Siemens Healthcare GmbH. Since October 2, 2023, Siemens Healthcare GmbH is no longer a shareholder of MeVis BreastCare GmbH & Co. KG and therefore this agreement no longer exists.

- Philips DS North America LLC (formerly Invivo Corporation) as licensee of MeVis Medical Solutions AG has the right to terminate the existing license agreement between it and MeVis Medical Solutions AG in the event of a change in the existing controlling relationship within MeVis Medical Solutions AG, insofar as the then controlling party does not recognize the obligation under the license agreement.
- In the event of a change of control, the Executive Board member has the right to resign from the Executive Board once with two months' notice to the end of the month and to terminate his employment contract with effect from the same date. Such a change of control occurs when a third party or several third parties acting in concert acquire more than 50% of the voting rights or shares in the company through the acquisition of shares or in any other way.

**Compensation agreements concluded by the company with the members of the Executive Board or with employees in the event of a takeover bid (Section 289a sentence 1 no. 9 HGB)**

There are no compensation agreements with members of the Executive Board or employees in the event of a takeover bid.

## CORPORATE GOVERNANCE DECLARATION (SECTION 289f HGB)

The current corporate governance declaration has been made available on the MeVis Medical Solutions AG corporate website at the following link [www.mevis.de/investor-relations/corporate-governance/](http://www.mevis.de/investor-relations/corporate-governance/).

## OPPORTUNITY AND RISK REPORT

In the opinion of the Executive Board of MMS AG, the market for medical imaging technology, especially in the digital mammography segment, which is very relevant for the Company, is increasingly characterized by market saturation. It can also be observed that the market environment in which the company operates will become even more competitive in the future due to up-and-coming start-up companies. Large providers of medical platforms, medical technology companies and research-related start-ups, which are mainly active in the medical artificial intelligence segment, are becoming very serious competitors in the market segment in which MeVis operates. Increasing efforts are still required to maintain and expand the technological lead that the Executive Board believes exists. MMS AG's current activities are therefore based on the conviction that global demand, particularly for medical imaging technology and diagnostic support, will remain fundamentally stable, but that the competitive situation will become more pronounced and price pressure will increase. In addition to diagnostic imaging, intervention and therapy planning, the optimization of the entire clinical workflow through artificial intelligence and the optimization of medical reporting will play an increasingly important role.

MeVis assumes that its customers will be able to maintain or expand the outstanding position of their products on the global market in the field of computer-aided imaging. MeVis can make a decisive contribution to this with its software solutions. Accordingly, against the backdrop of increasing competition, MeVis will continue to intensify its efforts to maintain its strong relationships with these customers and to broaden its customer base, particularly in the Development Services and Other Diagnostics segments. MeVis believes that the market for dedicated software applications for the diagnosis of mammography and tomosynthesis images, which is relevant for the Digital Mammography segment, will decline slightly in the medium and long term, as the above-mentioned providers of medical platforms are increasingly expanding their range of functions and offering a more user-friendly overall system through seamless integration, which serves to optimize the workflow. The topic of reporting will play a key role here. In addition, competition for MeVis' most important customer Hologic from other modality manufacturers, particularly in the USA, continues to increase. However, macroeconomic factors and health policy debates, such as the importance of early detection programs for lung cancer, continue to play an important and decisive role in MeVis' business environment. The Executive Board therefore cannot rule out the possibility that such external factors may have a negative impact on the market environment and thus on the company's sales and sales volume expectations for the 2023/2024 financial year and beyond.

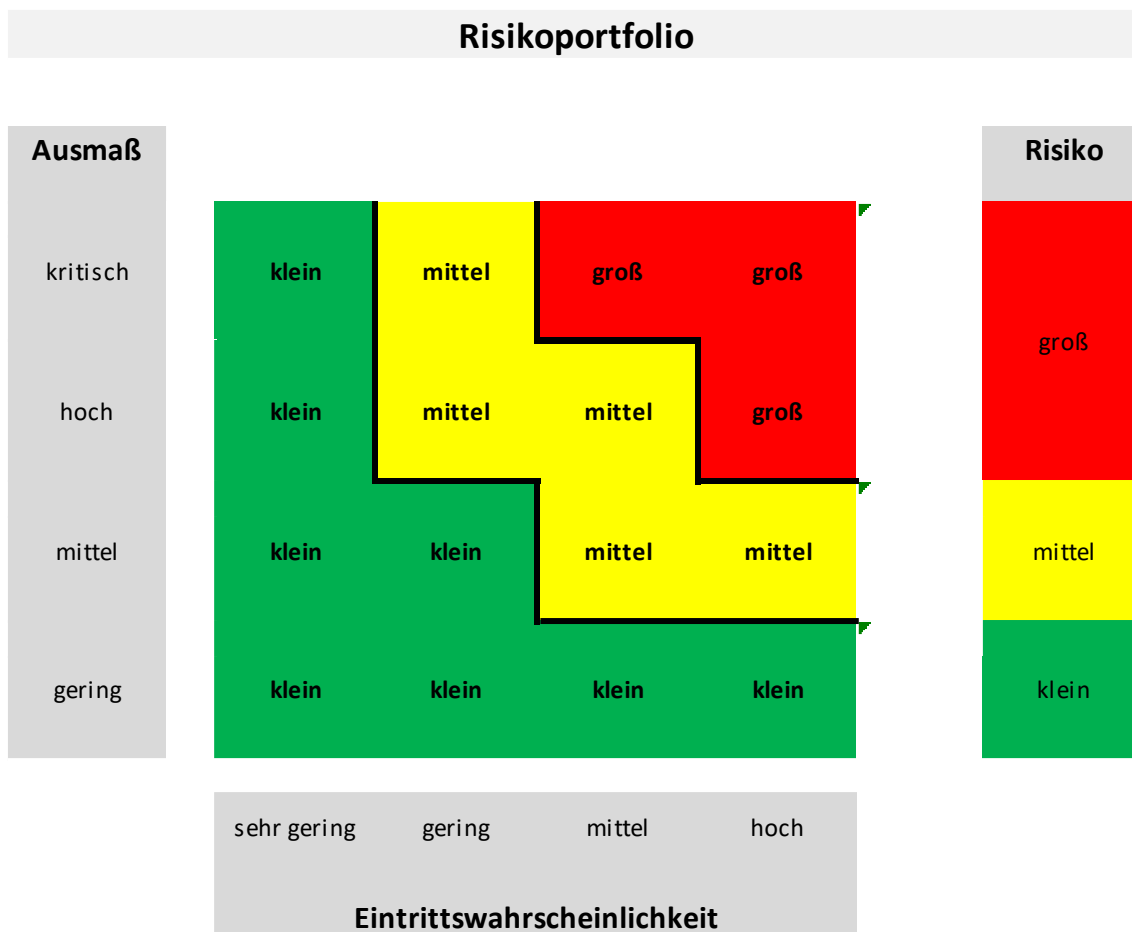
On the other hand, the Executive Board of MMS AG continues to hope for a broad introduction of lung screening, particularly in the context of preventive examinations, in which the company would participate to an above-average extent thanks to its leading role based on the sales of these products to date.

MMS AG has implemented a risk strategy that defines measures and procedures as well as tasks and responsibilities in the risk management system. Regular meetings of the extended Executive Board continue to be a key instrument for the early identification of asset risks and changes in the economic development of the business segments or other risks that could jeopardize the Company. The company's risk management system is based on coordinating the processes for monitoring, early detection and management of all business risks in accordance with the German Corporate Sector Transparency and Control Act. This makes it possible to identify at an early stage and minimize the potential negative impact of any dangerous developments, in particular risky transactions, accounting inaccuracies and breaches of statutory regulations that could have a significant impact on the company's net assets, financial position and results of operations.

The core element of MMS AG's risk management is a monitoring system that ensures that existing risks are recorded, analyzed and evaluated and that risk-related information is passed on to the responsible decision-makers in a systematic and timely manner. Risks are quantified in monetary terms throughout. Risks are divided into four categories according to the extent of damage: low (less than € 2.5 million), medium (€ 2.5 million to less than € 5.0 million), high (€ 5.0 million to less than € 10.0 million) and critical (€ 10.0 million or more). A net assessment is made. The probability of occurrence is assessed taking into account the measures currently taken to limit the damage. Risks are divided into four categories according to the probability of occurrence: very low (0% to 5%), low (6% to 15%), medium (16% to 25%) and high (26% to 100%). The risks are assessed based on their probability of occurrence and their potential impact on earnings and classified as "low" (up to € 1 million), "medium" (up to € 2.5 million) or "high" (> € 2.5 million). There are no risks that have been assessed as "major"



according to this classification. Separate reference is made to risks that we currently classify as potentially "medium".



The risk management system records and regularly updates risk scenarios from business activities and general conditions.

**OPPORTUNITIES AND RISKS IN CONNECTION WITH BUSINESS ACTIVITIES**

- a) Risks from dependence on major customers and opportunities from acquiring additional major customers

The company generates a significant proportion of its sales with a small number of major industrial customers. These key accounts are therefore of considerable importance for the business development of MMS AG. In some cases, fixed-term contracts with a term of several years have been concluded with these major customers. Should it not be possible to maintain the existing positive business relationships with these important customers, or should these major customers decide not to continue these relationships for other reasons or become insolvent, this would have a direct negative impact on the Company's net assets, financial position and results of operations. For this reason, MMS AG is endeavoring to expand the number of business relationships in such a way that the existing risk is minimized without eroding the quality or profitability of individual areas.

If MeVis succeeds in acquiring one or more additional major customers and concluding contracts with them for the license sale of existing or new software products, this will create opportunities to generate additional

revenue contributions. This would also reduce the risks associated with dependence on individual medical technology companies due to a broader distribution of sales among more customers.

b) Risks from the expiry of the SecurView™ contract with Hologic

The contract with the medical technology company Hologic for the distribution of the SecurView™ product, which runs until December 31, 2021, was extended by three years in January 2022 and is now set to expire on December 31, 2024. Due to the very large installed base of SecurView™ in the market, a demand for maintenance services and new licenses is also expected from January 1, 2024, so that a contract extension beyond December 31, 2024 is to be expected. Due to the importance of this business for MeVis, a possible contract amendment or non-renewal of the contract could have a significant negative impact on the net assets, financial position and results of operations. Risks in connection with the dependence on the customer relationship with Hologic are classified as "medium".

c) Opportunities and risks depending on customer success

Even if the relationships with MMS AG's major customers continue to be positive or they remain solvent, there are opportunities and risks in connection with the success of these customers, as the Company is fundamentally dependent on the successful marketing of its products by its major customers due to the existing contractual arrangements. The same applies in principle to indirect marketing by sales partners. If customer products cannot be marketed successfully or if customers are unable to obtain the necessary approvals for their products, this would have a negative impact on demand for MMS AG's products and its investment. On the other hand, successful sales by medical technology companies could have a positive effect on MeVis' license business.

d) Risks in connection with product development

MeVis has been investing heavily in new technologies and products for many years. Despite extensive market studies, there is a risk that this will not be commercially successful and that resources will be used for projects for which only low future revenues can be generated. In addition, it could become increasingly difficult to identify products that appear commercially attractive.

Despite extensive market studies, the development of new products and basic technologies is generally associated with a significant risk, especially when working with new customers. While MeVis attempts to reduce the sales risk in the development of products, e.g. by involving major customers in the development costs, there is still a financial risk in the necessary preliminary development of technologies.

e) Product liability risks

Despite continuous quality assurance, it cannot be ruled out that MeVis' products may have defects. In such cases, MeVis may be exposed to warranty claims from contractual partners or product liability claims. In addition, warranty and product liability disputes could lead to a loss of confidence in the market and damage MeVis' reputation.

f) Risks in connection with the use of brands

It is possible that other third-party trademarks, names or companies exist that are similar to the designations used or registered as trademarks by MMS AG or its affiliates and that protect identical or similar services and goods. In this respect, it cannot be ruled out that a collision may occur with regard to third-party trademarks or designations (such as names, company names, etc.), which may result in MeVis no longer being permitted to use the designation in question or the trademark in question. In such a case, there would also be a risk that MMS AG or MBC KG would have to pay damages to the rights holders.

g) Risks in connection with the use of patents and utility models

MMS AG and MBC KG hold a number of German, European and US patents and patent applications. A German utility model is also protected for MBC KG. It cannot be ruled out that third parties may infringe the industrial property rights of the company or its subsidiaries. Nor can it be ruled out that MeVis may infringe third-party patents or utility models. As MeVis is part of an American group, there is an increased risk that MeVis will be sued in the USA for patent infringements and that considerable legal costs will be incurred in

defending against these lawsuits, regardless of their substance. In addition, customer contracts may provide for claims for compensation from patent infringements against MMS AG. This requires an external lawsuit and a claim for possible costs under the customer contract. If it is established during a legal dispute that the claim for compensation is inadmissible, MMS AG reserves the right to demand compensation from the customer for the costs incurred. At the present time, we assess the risk of a potential patent infringement claim as a medium risk. As at September 30, 2023, there is a provision of EUR 613 thousand (USD 650 thousand) in this regard.

h) Opportunities and risks from exchange rate fluctuations

MMS AG and its subsidiaries offer their services internationally and therefore also outside the euro zone, particularly on the US market. The sales of MMS AG and its subsidiaries are generally invoiced in the currency in which the respective customer is headquartered. To date, the majority of MMS AG's services have therefore been invoiced in US dollars, while the majority of the company's expenses are payable in euros. This gives rise to opportunities and risks from exchange rate fluctuations, particularly in the case of medium and long-term customer contracts, which can have a positive or negative impact on the company's earnings situation. In addition, a significant portion of liquidity and all loans to affiliated companies are denominated in US dollars, which also gives rise to opportunities and risks.

i) Risks in connection with financial instruments

The main financial instruments held by MMS AG are a loan to Varex Imaging Deutschland AG and cash and cash equivalents. Cash and cash equivalents are used to finance business activities and investments. The company also has various other financial instruments, such as receivables and liabilities, which result directly from business activities. No significant default or liquidity risks are identified. For further information on exchange rate risks, please refer to our comments on the opportunities and risks arising from exchange rate fluctuations.

j) Liquidity risks

A change in the business and market environment of MMS AG and its subsidiaries could result in the companies not being able to meet their financial obligations from their operating business. Such an erosion of the liquidity situation could arise if one of the aforementioned risks occurs, e.g. in connection with existing major customers, or if incoming payments are significantly delayed. Liquidity protection and debtor management are therefore just as much an integral part of ongoing liquidity management at MMS AG and its subsidiaries as financial due diligence on new customers. As of the balance sheet date, MMS AG had € 7.7 million in cash and cash equivalents (previous year: € 9.3 million). The company assumes that this level of liquidity is sufficient to meet its short and medium-term payment obligations. Further liquidity requirements could arise in subsequent years if the planned revenues are not achieved and MMS AG is unable to reduce its costs accordingly. There are no credit lines with banks as of the balance sheet date. The liquidity risks are significantly reduced by the obligation of Varex Imaging Deutschland AG, as set out in the domination and profit and loss transfer agreement and secured by letters of comfort from the American parent company, Varex Imaging Corporation, to assume any losses.

## MARKET-RELATED RISKS

a) Risks arising from the need for continuous product optimization

In a competitive environment, MeVis is dependent on constantly developing the products it offers in order to adapt them to market developments, taking into account the respective regional requirements, and to be able to offer them in line with the latest technological developments in diagnosis, therapy and intervention methods. It cannot be ruled out that technical progress in these areas will lead to future developments that may overtake the software developed by MeVis. If MeVis is unable to further develop the software products offered in line with the rapid and dynamic technical progress in the respective areas of application or to supplement them in a meaningful way, this could have a negative impact on incoming orders and thus on the net assets, financial position and results of operations of MMS AG.

**b) Risks from the further development of PACS systems**

The company develops highly specialized software for diagnostics in the field of breast, lung and liver diagnostics. If the functional scope of established PACS systems were to develop significantly in the direction of the software applications offered by MeVis, this could have a negative impact on the market for dedicated software applications. The market for dedicated software applications in highly specialized niches is of crucial importance to MeVis.

**c) Risks arising from the increasing importance of fully integrated software applications for clinical end customers**

If clinical end customers attach greater importance in future to the seamless integration of the software applications used into the hospital's existing IT landscape, this would lead to a shift in the markets from individual providers of dedicated applications such as MeVis to fully integrated PACS solutions, with negative effects on MeVis' net assets, financial position and results of operations.

**RISKS IN CONNECTION WITH RESEARCH AND DEVELOPMENT**

Risks arising from the availability of qualified managers and employees

The internal or external availability of a sufficiently large number of qualified employees required to maintain and expand the business is subject to risk given the current situation in the relevant segment of the labor market. In particular, individual experts with the specialized knowledge required for business operations in specific areas such as software development for medical technology applications are of great importance to MeVis. This is particularly the case in view of the fact that such highly qualified and specialized employees are hard to find on the open labour market. Despite internal succession plans, knowledge sharing and incentive systems, the loss of even one of these individuals could have a negative impact on the business activities and the net assets, financial position and results of operations of MMS AG, depending on their function.

**RISKS IN CONNECTION WITH IT**

For a specialized software company like MeVis, the intellectual property of the software solutions developed is at risk from industrial espionage in connection with the theft of source codes or important development documents. In the context of dedicated hacker attacks or cyber security attacks, the theft or transfer of internal company data to competitors could cause considerable damage to the company or destroy it completely. For this reason, MeVis has introduced various control mechanisms, control systems and guidelines to minimize the risk. In addition, awareness campaigns have been carried out to train and sensitize employees in the use of media such as e-mail, the Internet and the associated security in order to reduce the overall risk of a loss event.

**RISKS IN CONNECTION WITH PANDEMICS AND WARS**

Risks from pandemics, natural disasters or wars can never be completely ruled out. The coronavirus pandemic, the war in Ukraine and other geopolitical tensions around the world are current examples of this. Their effects and the measures taken by the government also impacted the economy to some extent in the 2022/2023 financial year.

We have still not experienced any significant negative impact on our sales performance. However, we are aware that general purchasing and investment behavior is also being strongly influenced by rising inflation and the future outlook. The assessment of the current crisis situation, mainly due to the effects of the Russian war in Ukraine, is also influencing the company's forecast for the new financial year. Our risk assessment includes not only rising energy prices, logistics problems, a lack of resources and the increased inflation rate, but also the associated reluctance to invest on the part of medical technology companies and hospitals. Risks in connection with pandemics and wars are classified as "medium".

In view of the existing domination and profit and loss transfer agreement and the associated obligation of Varex Imaging Deutschland AG to assume losses as well as the letter of comfort issued by Varex Imaging Corporation, the Executive Board does not see any risks to the continued existence of MMS AG as a going concern.

## ACCOUNTING AND AUDITING

MeVis Medical Solutions AG prepares its statutory annual financial statements and management report in accordance with the accounting provisions of the German Commercial Code and the supplementary provisions of the German Stock Corporation Act.

The financial statements are prepared by the Executive Board and audited by the Supervisory Board. The Supervisory Board commissioned the auditor appointed by the Annual General Meeting on March 21, 2023, Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Hamburg, to audit the annual financial statements and the management report for the 2022/2023 financial year. This ensures that no conflicts of interest impair the work of the auditor. The audit of the annual financial statements was conducted in accordance with the new German generally accepted standards for the audit of financial statements promulgated by the Institut für Wirtschaftsprüfer (IDW).

The audit of the annual financial statements for the 2021/2022 financial year was also carried out by Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Hamburg.

## ACCOUNTING-RELATED RISK MANAGEMENT SYSTEM AND INTERNAL CONTROL SYSTEM

In general, the risk management system and the internal control system also include the accounting-related processes as well as all risks and controls with regard to accounting. This refers to all parts of the risk management system and internal control system that can materially influence the annual financial statements of MMS AG.

The aim of the risk management system with regard to the accounting processes is to identify and assess risks that could prevent the financial statements from complying with regulations. Identified risks must be assessed with regard to their impact on the annual financial statements and management report. The objective of the internal control system in this context is to implement appropriate controls to provide reasonable assurance that the annual financial statements and management report are prepared in accordance with regulations despite the risks identified.

The company has an internal control and risk management system with regard to the accounting process, in which suitable structures and processes are defined and implemented in the organization. Timely and correct recording of all transactions in the accounts is guaranteed. Legal standards and accounting regulations are complied with and changes to laws and accounting standards are continuously analyzed, recorded and implemented with regard to their relevance and impact on the annual financial statements and the management report. The employees involved receive regular training in this area.

Key elements of risk management and control in accounting are the clear assignment of responsibilities and controls in the preparation of financial statements, transparent guidelines for accounting and the preparation of financial statements and appropriate access regulations in the IT systems relevant to the financial statements. The dual control principle and the separation of functions are also important control principles in the MeVis accounting process. The risks identified and the corresponding measures taken are updated at appropriate intervals and reported to management. The effectiveness of internal controls with regard to accounting is assessed at least once a year, primarily as part of the process of preparing the financial statements.

## NON-AUDITABLE PART OF THE MANAGEMENT REPORT

In accordance with the recommendations of the GCGC 2022, the Executive Board examined the appropriateness and effectiveness of the risk management system and the internal control system in detail and found no significant objections.

## Environmental and social issues

As a German provider of medical products, we are aware of our social responsibility. Our specially developed software applications focus on the image-based early detection and diagnosis of oncological diseases. The software applications support many of the imaging procedures used, which usually play a decisive role in the early detection and treatment of cancer.

We continuously drive innovation and invest in our processes in order to offer our customers affordable, high-quality products. We want to proactively respond to our customers' requirements, not only in terms of efficiency, but also in terms of environmental sustainability. For this reason, we strive to maintain close partnerships with our customers and work together to find ways to meet the needs of the future.

Part of our corporate strategy is also the careful use and utilization of resources (people, materials and energy). As a non-manufacturing company, our focus here is on the training and further education of employees in order to attract them to the company in the long term and to provide a pleasant, sustainable working environment in a sustainable building with no emissions of its own.

We also try to meet this requirement profile and our social responsibility by making donations to charitable organizations, particularly in the field of medical research or the fight against cancer.

## Quality management and regulatory affairs

High-quality processes, including comprehensive expertise in international approval processes, are a necessary prerequisite for achieving the strategic goals of MeVis and are therefore of very high value. Quality and quality management are both a regulatory requirement and a key product feature.

A quality management system in accordance with EN ISO 13485 is installed at MeVis. MeVis is certified in accordance with EN ISO 13485:2016 (including MDSAP Audit Model Edition 2 for the areas of development, production, final inspection and distribution of software for the diagnosis of medical image data and intervention support as well as for services for the evaluation of medical image data in Australia, Canada and the USA). These and other certifications and approvals enable the company to develop products that meet the requirements of the European Medical Device Regulation 2017/745 "MDR", FDA 510(k) (USA), CMDCAS (Canada), TGA (Australia) and GMP/QSD (Taiwan) and to bring these products to approval. The company is registered in the United Kingdom (UK) with the Medicines & Healthcare products Regulatory Agency (MHRA) and in Switzerland with Swissmedic and is therefore authorized to place medical devices on both the UK and Swiss markets.

This ensures that the software components supplied by MeVis meet the applicable normative and legal requirements. The approval process for customers' medical devices can thus be significantly accelerated and market access achieved more quickly.

## FORECAST REPORT

After achieving sales of € 17.3 million in the 2022/2023 financial year, sales are expected to grow slightly in the range of € 18.0 million to € 18.5 million in the 2023/2024 financial year. In addition to the slight increase in sales with the customer Hologic, only a slight increase in sales is expected in the lung and liver area. We expect a decline in the area of development services. For earnings before interest and taxes (EBIT), we expect an increase from € 3.9 million in the 2022/2023 financial year to between € 4.5 million and € 5.0 million in the 2023/2024 financial year. The forecast slight increase in sales and the disproportionately low rise in personnel costs are the main drivers for the positive EBIT outlook. Possible effects of the war in Ukraine and the general economic situation played a role in the budget preparation. It is very difficult to assess possible effects. On the one hand, we know that service providers (e.g. hospitals) are making fewer resources available for investments due to other current priorities, but on the other hand, we have not seen any significant decline in our business in the last 12 months as a result of the war in Ukraine and have not made any specific reductions to our budget in this respect.

As in the previous reporting period, the Executive Board will regularly review its expectations over the course of the 2023/2024 financial year on the basis of current business developments.

Bremen, January 17, 2024

A handwritten signature in black ink, appearing to read "Marcus Kirchoff". The signature is written in a cursive style with a large, stylized initial 'M'.

Marcus Kirchoff

Sole director

## MeVis Medical Solutions AG, Bremen

## BALANCE SHEET

as at September 30, 2023 (prev. year: as at September 30, 2022)

<b>ASSETS (IN €)</b>	<b>30.09.2023</b>	<b>30.09.2022</b>
<b>A. Fixed assets</b>		
<b>I. Intangible assets</b>		
Purchased concessions, industrial property rights and similar rights and assets as well as licenses to such rights and assets	0.00	155.28
<b>II. Property, plant and equipment</b>		
Operating and office equipment	146,057.36	162,024.14
<b>III. Financial assets</b>		
1. Shares in affiliated companies	312,042.00	312,042.00
2. Loans to affiliated companies	16,225,211.69	16,225,211.69
	<u>16,537,253.69</u>	<u>16,537,253.69</u>
	<u>16,683,311.05</u>	<u>16,699,433.11</u>
<b>B. Current assets</b>		
<b>I. Receivables and other assets</b>		
1. Trade receivables	2,651,876.35	4,007,563.19
2. Receivables from affiliated companies	616,184.59	730,066.84
3. Other assets	313,640.37	310,461.67
	<u>3,581,701.31</u>	<u>5,048,091.70</u>
<b>II. Cash on hand, bank balances</b>	<u>7,743,883.96</u>	<u>9,320,474.94</u>
	<u>11,325,585.27</u>	<u>14,368,566.64</u>
<b>C. Prepaid expenses and deferred charges</b>	<u>45,050.22</u>	<u>133,439.67</u>
	<u>28,053,946.54</u>	<u>31,201,439.42</u>



<b>LIABILITIES (IN €)</b>	<b>30.09.2023</b>	<b>30.09.2022</b>
<b>A. Equity capital</b>		
<b>I. Subscribed capital</b>	1,820,000.00	1,820,000.00
<b>II. Capital reserve</b>	11,461,332.48	11,461,332.48
<b>III. Retained earnings</b>		
1. Legal reserve	5,000.00	5,000.00
2. Other retained earnings	4,539,688.30	4,539,688.30
	<u>4,544,688.30</u>	<u>4,544,688.30</u>
	<u>17,826,020.78</u>	<u>17,826,020.78</u>
<b>B. Provisions</b>		
1. Provisions for pensions and similar obligations	265,626.00	538,582.55
2. Tax provisions	165,134.47	169,538.59
3. Other provisions	2,948,630.92	2,995,597.10
	<u>3,379,391.39</u>	<u>3,703,718.24</u>
<b>C. Liabilities</b>		
1. Advance payments received on orders	14,512.81	21,890.14
2. Liabilities from deliveries and services	76,739.81	192,564.08
3. Liabilities to affiliated companies The company	4,920,981.90	7,789,047.86
4. Other liabilities - thereof from taxes € 149,211.52 (previous year: € 128,459.97)- -of which in the context of social security € 36,221.73 (previous year: € 32,741.78)-	191,312.34	172,831.21
	<u>5,203,546.86</u>	<u>8,176,333.29</u>
<b>D. Prepaid expenses and deferred charges</b>	<u>1,644,987.51</u>	<u>1,495,367.11</u>
	<u>28,053,946.54</u>	<u>31,201,439.42</u>

## MeVis Medical Solutions AG, Bremen

## PROFIT AND LOSS ACCOUNT

for the period from October 1, 2022 to September 30, 2023 (prev. year: October 1, 2021 to September 30, 2022)

FIGURES IN €	2022/2023	2021/2022
1. Sales revenue	17,341,949.83	18,761,530.71
2. Other operating income	1,701,872.29	2,696,116.90
--of which from currency translation		
€ 1,263,064.78 (previous year		
€ 2,517,092.27)--		
3. Cost of materials		
a) Expenses for purchased goods	46,936.26	70,263.13
b) Expenses for purchased services	398,309.25	676,300.97
	445,245.51	746,564.10
4. Personnel expenses		
a) Wages and salaries	8,346,929.42	7,979,877.21
b) Social security contributions and ex-		
penses for pensions and other em-		
ployee benefits	1,547,051.24	1,441,753.90
--of which for pensions		
€ 56,276.07 (previous year		
€ 80,651.15)--	9,893,980.66	9,421,631.11
5. Amortization of intangible assets and de-		
preciation of property, plant and equip-	95,838.13	93,051.82
6. Other operating expenses	4,713,873.58	3,494,317.53
--of which from currency translation		
€ 2,273,090.04 (previous year		
€ 1,284,834.47)--		
7. Income from loans of financial assets	1,071,027.32	177,924.81
--thereof from affiliated companies		
€ 1,071,027.32 (previous year:		
€ 177,924.81)		
8. Other interest and similar income	110,638.30	0.00
9. Interest and similar expenses	42,823.00	3,852.00
--of which from compounding		
€ 40,962.00 (previous year € 3,852.00)--		
10. Taxes on income and earnings	114,180.83	87,108.00
11. Earnings after taxes	4,919,546.03	7,789,047.86
12. Profit transferred on the basis of a profit	4,919,546.03	7,789,047.86
transfer agreement		
13. Net income for the year	0.00	0.00

## MeVis Medical Solutions AG, Bremen

## CASH FLOW STATEMENT

for the period from October 1, 2022 to September 30, 2023 (prev. year: October 1, 2021 to September 30, 2022)

FIGURES IN €	2022/2023	2021/2022
<b>Annual result before profit transfer</b>	<b>4,919,546.03</b>	<b>7,789,047.86</b>
+ Depreciation of fixed assets	95,838.13	93,051.82
+/- Increase/decrease in provisions	-321,783.73	767,102.56
+/- Other non-cash expenses/income	720,038.94	-1,362,404.01
Increase/decrease in trade receivables and other assets not attributable to investing or financing activities	1,578,364.87	-1,908,962.48
-/+ Decrease/increase in trade payables and other liabilities not attributable to investing or financing activities	46,335.80	-265,523.62
+/- Net interest income	-1,179,804.62	-170,220.81
+ Income tax expense	114,180.83	87,108.00
- Income tax payments	-118,584.95	-171,722.44
<b>= Cash flow from operating activities</b>	<b>5,854,131.30</b>	<b>4,857,476.88</b>
- Payments for investments in property, plant and equipment	-79,716.07	-133,100.03
+ Interest received	1,069,691.14	191,763.63
<b>= Cash flow from investing activities</b>	<b>989,975.07</b>	<b>58,663.60</b>
- Payment to shareholders (profit transfer previous year)	-7,789,047.86	-4,545,681.16
<b>= Cash flow from financing activities</b>	<b>-7,789,047.86</b>	<b>-4,545,681.16</b>
<b>Cash-effective change in cash and cash equivalents</b>	<b>-944,941.49</b>	<b>370,459.32</b>
+/- Exchange rate-related changes in cash and cash equivalents	-631,649.49	1,328,975.45
<b>Cash and cash equivalents at the beginning of the period</b>	<b>9,320,474.94</b>	<b>7,621,040.17</b>
<b>= Cash and cash equivalents at the end of the period</b>	<b>7,743,883.96</b>	<b>9,320,474.94</b>

## STATEMENT OF CHANGES IN EQUITY

for the period from October 1, 2022 to September 30, 2023 (prev. year: October 1, 2021 to September 30, 2022)

FIGURES IN €	Reserves					Total
	Subscribed Capital	Capital reserve	Retained earnings	Retained earnings	Net income for the year	
	Ordinary shares	In accordance with Section 272 (2) No. 1 - 3 HGB	Legal reserve	Other retained earnings		
<b>Status 01.10.2021/ 30.09.2022</b>	<b>1,820,000.00</b>	<b>11,461,332.48</b>	<b>5,000.00</b>	<b>4,539.688.30</b>	<b>0.00</b>	<b>17,826,020.78</b>
<b>Status 01.10.2022/ 30.09.2023</b>	<b>1,820,000.00</b>	<b>11,461,332.48</b>	<b>5,000.00</b>	<b>4,539.688.30</b>	<b>0.00</b>	<b>17,826,020.78</b>

# MeVis Medical Solutions AG, Bremen

## NOTES FOR THE FINANCIAL YEAR 2022/ 2023

### ACCOUNTING AND VALUATION PRINCIPLES

MeVis Medical Solutions AG has its registered office at Caroline-Herschel-Str. 1 in 28359 Bremen and is entered in the commercial register at Bremen Local Court (HRB 23791 HB).

The annual financial statements have been prepared in accordance with the provisions of the German Commercial Code applicable to corporations and in compliance with the German Stock Corporation Act. The total cost method was chosen for the income statement. The annual financial statements were prepared on a going concern basis.

The company is a large corporation within the meaning of Section 267 (3) sentence 2 HGB.

The fiscal year of MeVis Medical Solutions AG comprises the reporting period from October 1 of each year to September 30 of the following year. These annual financial statements cover the reporting period from October 1, 2022 to September 30, 2023.

**Purchased intangible fixed assets** are recognized at cost less scheduled straight-line amortization. If necessary, impairment losses are recognized. Software for commercial and technical applications is amortized over a useful life of three years. The amortization of acquired rights of use for software intended for marketing is based on a useful life of five years.

**Property, plant and equipment** is valued at cost less scheduled depreciation. Depreciation is calculated using the straight-line method, taking into account the normal useful life of the asset. If necessary, impairment losses are recognized.

Scheduled straight-line depreciation is based on the following estimated useful lives of the assets:

	<b>Useful life in years</b>
EDP devices	3
Operating equipment	3 - 10
Tenant fixtures	5 - 10

Low-value assets and standard software with acquisition costs between € 250.00 and € 800.00 are depreciated within the year of acquisition.

**Shares in affiliated companies** are valued at acquisition cost. If they are permanently impaired, they are written down to the lower fair value. This is determined using the discounted cash flow method on the basis of the respective corporate planning. The planned surplus income is derived using a capitalization interest rate derived from the return on a risk-adequate alternative investment. If the reasons for depreciation no longer exist, this is taken into account by means of a write-up.

**Loans** are generally recognized at nominal value.

**Receivables and other assets** are recognized at nominal value less appropriate individual value adjustments.

**Cash and cash equivalents** are recognized at nominal value.

Payments made before the balance sheet date are recognized as **prepaid expenses** if they represent expenses for a specific period after this date.

**Pension provisions** are recognized at the present value of the defined benefit obligation. Reinsurance policies taken out to secure the claims of pension beneficiaries are recognized at their fair value. The fair value of the reinsurance corresponds to the actuarial reserve proven by the insurer (asset value of € 63 thousand). This

value also corresponds to the acquisition costs amortized in accordance with the lower of cost or market principle. In accordance with Section 246 (2) sentence 2 HGB, the pension obligations are offset against the asset value of the reinsurance policy.

**Tax provisions and other provisions** are recognized at the amount required to meet the underlying obligations according to prudent business judgment. They include all recognizable risks and contingent liabilities.

The **liabilities** correspond to the agreed payment obligations and are recognized at the settlement amount.

The **advance payments received** are measured at nominal value.

Payments received before the balance sheet date are recognized as **deferred income** if they represent income for a specific period after this date.

Receivables and liabilities in **foreign currencies with a remaining term of up to one year are translated at the** exchange rate on the transaction date and at the mean spot exchange rate on the balance sheet date. If the remaining term to maturity is more than one year, the translation is carried out at the exchange rate on the date of the transaction. In the event of exchange rate changes up to the balance sheet date, valuation is generally carried out at the mean spot exchange rate on the balance sheet date, taking into account the lower of cost or market principle on the assets side and the higher of cost or market principle on the liabilities side.

## NOTES TO THE BALANCE SHEET

### Fixed assets

A presentation of the development of fixed asset items based on total acquisition costs (statement of changes in fixed assets) is shown in the appendix to the notes.

### Shares in affiliated companies

MeVis Medical Solutions AG (hereinafter also referred to as "MMS AG" or the "Company") holds shares in the following companies:

FIGURES in € thousand	Share of capital	Amount of equity	Annual result
1. MeVis BreastCare Verwaltungsgesellschaft mbH, Bremen, Germany	51.0 %	34	2
2. MeVis BreastCare GmbH & Co KG, Bremen, Germany (MBC KG)	51.0 %	2.063	-759

The information provided in the table relates to September 30, 2023 and the financial year ending on financial year 2022/2023 ending on September 30, 2023.

### Receivables and other assets

Of the receivables and other assets, other assets amounting to € 250 thousand (previous year: € 250 thousand) have a remaining term of more than one year. As in the previous year, the remaining receivables and other assets have a remaining term of up to one year.

Receivables from affiliated companies relate in the amount of € 69 thousand (previous year: € 102 thousand) to trade with MBC KG and in the amount of € 547 thousand (previous year: € 628 thousand) to trade with Varex Imaging Deutschland AG, Willich, and Varex Imaging Corporation, Salt Lake City, USA.

Other assets amounted to € 314 thousand as at the balance sheet date (previous year: € 310 thousand). These relate to a rental deposit in the amount of € 250 thousand and receivables from a funding project in the amount of € 64 thousand.

### Prepaid expenses and deferred charges

Prepaid expenses mainly include a payment for software licenses that can be called up in the future.

### Taxes

Due to the income tax consolidation between Varex Imaging Deutschland AG and MMS AG, which has been in place since October 1, 2017, MMS AG no longer incurs any income taxes. The income taxes incurred in the reporting year result in the amount of € 87 k from the taxation of the compensation payment made by Varex Imaging Deutschland AG to the outside shareholders at MMS AG in accordance with Section 16 KStG and in the amount of € 29 k from capital gains taxes from income from the investment of time deposits.

Deferred taxes arise from temporary valuation differences between the commercial balance sheet and the tax balance sheet, which lead to charges or credits when they are offset in later years. Deferred tax assets also arise from tax loss carryforwards that can be recognized. Due to the fiscal unity for income tax purposes, deferred taxes are only to be taken into account at the parent company, Varex Imaging Deutschland AG, in accordance with the formal approach required under commercial law.

## Equity

### a) Share capital

The share capital of MMS AG amounts to € 1,820 thousand (2021/2022: € 1,820 thousand). It consists of 1,820,000 (2021/2022: 1,820,000) no-par value registered shares, which are fully paid up. The notional value of each no-par value share is € 1.

### b) Capital reserve

The capital reserve amounts to € 11,461 thousand (previous year: € 11,461 thousand) and results from the issue proceeds originally received as part of the company's IPO that exceed the increase in share capital, insofar as they were not used to offset the net accumulated loss for 2013, as well as from the sale of treasury shares in 2015.

### c) Retained earnings

In accordance with Section 150 AktG, a legal reserve of € 5 thousand was formed in 2006. As the sum of the legal reserve and the capital reserve in accordance with Section 272 para. 2 no. 1-3 HGB exceeds 10% of the share capital, no further additions are to be made.

### d) Authorized capital

In accordance with the resolution of the Annual General Meeting on June 24, 2020, the Executive Board is authorized, with the approval of the Supervisory Board, to increase the company's share capital by up to € 910 thousand by issuing new no-par value registered shares on one or more occasions in return for cash or non-cash contributions in the period up to June 23, 2025. The shareholders must generally be granted a subscription right; the statutory subscription right can also be granted in such a way that the new shares are taken over by one or more banks or equivalent companies in accordance with Section 186 (5) sentence 1 AktG with the obligation to offer them to the shareholders of MeVis Medical Solutions AG for subscription. However, the Executive Board is authorized, with the approval of the Supervisory Board, to exclude shareholders' subscription rights in certain cases.

### e) Notifications according to WpHG

Based on the notifications received by MMS AG in accordance with Sections 21 et seq. WpHG (now Section 33 (1) WpHG), the following reportable shareholdings and voting rights in MMS AG had arisen by the time the annual financial statements were prepared:

- 1) On January 5, 2017, Varex Imaging Deutschland AG, Willich, Germany, informed us pursuant to Section 21 (1) WpHG (now Section 33 (1) WpHG) that on December 31, 2016 it had received an unlimited power of attorney from VMS Deutschland Holdings GmbH to exercise the voting rights in MeVis Medical Solutions AG, Bremen, Germany, without being bound by instructions. On this date, 73.66% (corresponding to 1,340,498 voting rights) were attributed to it in accordance with Section 22 (1) WpHG (now Section 34 (1) WpHG).

On January 5, 2017, Varex Imaging Investments BV, Dinxperlo, Netherlands, informed us pursuant to Section 21 (1) WpHG (now Section 33 (1) WpHG) that its subsidiary, Varex Imaging Deutschland AG, Willich, Germany, had received an unlimited power of attorney from VMS Deutschland Holdings GmbH on

December 31, 2016 to exercise the voting rights in MeVis Medical Solutions AG, Bremen, Germany, without being bound by instructions. On this date, 73.66 % (corresponding to 1,340,498 voting rights) were attributed to it in accordance with Section 22 (1) WpHG (now Section 34 (1) WpHG).

On January 5, 2017, Varex Imaging International Holdings BV, Dinxperlo, Netherlands, informed us pursuant to Section 21 (1) WpHG (now Section 33 (1) WpHG) that on December 31, 2016 its sub-subsidiary, Varex Imaging Deutschland AG, Willich, Germany, received from VMS Deutschland Holdings GmbH an unlimited power of attorney to exercise the voting rights in MeVis Medical Solutions AG, Bremen, Germany, without being bound by instructions. On this date, 73.66 % (corresponding to 1,340,498 voting rights) were attributed to it in accordance with Section 22 (1) WpHG (now Section 34 (1) WpHG).

On January 5, 2017, Varex Imaging Corporation, Wilmington, Delaware, USA, informed us pursuant to Section 21 (1) WpHG (now Section 33 (1) WpHG) that on December 31, 2016 its great-grandchild company, Varex Imaging Deutschland AG, Willich, Germany, received a power of attorney from VMS Deutschland Holdings GmbH to exercise the voting rights in MeVis Medical Solutions AG, Bremen, Germany, without being bound by instructions and for an unlimited period of time. On this date, 73.66 % (corresponding to 1,340,498 voting rights) were attributed to it in accordance with Section 22 (1) WpHG (now Section 34 (1) WpHG).

Complete chain of subsidiaries starting with the ultimate controlling company: Varex Imaging Corporation, Varex Imaging International Holdings BV, Varex Imaging Investments BV, Varex Imaging Deutschland AG.

- 2) On March 2, 2021, Hauck & Aufhäuser Fund Services S.A., Munsbach, Luxembourg (prior to 2018: Openheim Asset Management Services S.à.r.l., Luxembourg, Luxembourg) notified us pursuant to Section 33 (1) WpHG that its share of the voting rights in MeVis Medical Solutions AG, Bremen, Germany, fell below the threshold of 3% of the voting rights on February 25, 2021 and amounted to 2.74% (corresponding to 49,800 voting rights) on this date.
- 3) On November 2, 2021, HANSAINVEST Hanseatische Investment-GmbH, Hamburg, Germany, informed us pursuant to Section 33 (1) WpHG that its share of the voting rights in MeVis Medical Solutions AG, Bremen, Germany, exceeded the threshold of 10% of the voting rights on November 1, 2021 and amounted to 12.57% on that date (corresponding to 228,726 voting rights).

## Provisions

### a) Pension obligations

The settlement amount of the pension provisions (€ 675 thousand; previous year: € 973 thousand) is initially calculated in accordance with the benefit obligations from pension commitments based on biometric probabilities using the Heubeck 2018 G mortality tables and the projected unit credit method. The contractually agreed interest rate of 4% is taken into account when determining the present value of the entitlement earned. The calculation of the provision for pensions was based on an average fluctuation of 1.5% p.a. (previous year: 1.5% p.a.). The respective interest rate published by the Deutsche Bundesbank for a remaining term of 15 years is used for discounting. Pension provisions were discounted at an average market interest rate of the last ten years (1.81%; previous year: 1.77%) in accordance with Section 253 (2) sentence 1 HGB (new version) as at the balance sheet date. The average market interest rate for the last seven years is 1.66% (previous year: 1.40%). The difference in accordance with section 253 para. 6 sentence 1 HGB amounts to € 14 thousand (previous year: € 90 thousand). The difference is the difference between the pension provisions valued at the 10-year average interest rate on the balance sheet date and the pension provisions valued at the 7-year average interest rate on the balance sheet date. The amount of the difference is generally subject to a distribution restriction. The difference is not subject to a payout restriction and is therefore included in the profit transfer to Varex.

In accordance with the provisions of Section 246 (2) sentence 2 HGB, the pension provisions were offset against the fair value of the reinsurance policy (€ 410 thousand; previous year: € 433 thousand).



b) Tax provisions

The tax provisions amount to € 165 k (prev. year: € 170 k). The tax provisions are based on the tax returns and tax calculations of MMS AG for the years 2021 to 2023.

c) Other provisions

Other provisions amounted to € 2,948 thousand (previous year: € 2,996 thousand). Of these, € 733 thousand (previous year: € 664 thousand) are mainly attributable to outstanding invoices, € 613 thousand (previous year: € 512 thousand) for the defense against a patent lawsuit, € 644 thousand (previous year: € 992 thousand) for bonus provisions, € 395 thousand (previous year: € 385 thousand) for provisions for the 13th salary, € 252 thousand (previous year: € 268 thousand) for vacation and overtime provisions and € 235 thousand (previous year: € 175 thousand) for warranty provisions.

Other provisions include a provision for partial retirement obligations. The settlement amount of the partial retirement obligation (€ 80 thousand) is initially calculated on the basis of biometric probabilities. In accordance with the provisions of Section 246 (2) sentence 2 HGB, the pension obligations were offset against the fair value of the reinsurance policy (€ 63 thousand).

### Liabilities

In the reporting period, trade payables decreased by € 116 thousand and amounted to € 77 thousand as at the reporting date. As in the previous year, there were no liabilities to affiliated companies relating to current offsetting. The liabilities to affiliated companies of € 4,921 thousand (previous year: € 7,789 thousand) relate to the profit transfer based on the existing control and profit transfer agreement with Varex Imaging Deutschland AG.

As in the previous year, all liabilities have a term of up to one year as at September 30, 2023.

### Accruals and deferred income

This item includes deferred revenue components from multiple-element arrangements that have already been paid but not yet realized. In addition, payments received from maintenance contracts are deferred if the corresponding maintenance service has not yet been performed.

## NOTES TO THE INCOME STATEMENT

### Sales revenue

Sales are broken down by revenue type as follows:

FIGURES IN K€	2022/2023	2021/2022
Revenue from maintenance	6,204	5,945
Proceeds from the sale of licenses	4,469	5,213
Other	6,669	7,604
	<b>17,342</b>	<b>18,762</b>

In the 2022/2023 financial year, the company generated the majority of its revenue in the USA (€ 13,042 thousand; previous year: € 14,442 thousand) with its customers Hologic, Varian, Varex, Vital Images and Philips. This relates to income from the sale of licenses as well as income from maintenance and other services. Accordingly, sales of € 4,300 thousand (previous year: € 4,320 thousand) were generated in Europe.

Other sales include income from the charging on of personnel expenses, rent and ancillary costs in the amount of € 1,446 thousand (previous year: € 1,247 thousand).

Some of the sales revenues are subject to estimates, as the final invoicing of the services actually rendered only takes place annually and not on the balance sheet date.

### Other operating income

Other operating income amounted to € 1,702 thousand in the financial year (previous year: € 2,696 thousand). Of this, € 1,263 thousand (previous year: € 2,517 thousand) is mainly attributable to exchange rate differences. The exchange rate differences are due to the fact that the majority of services are invoiced in US dollars and liquidity is also held in US dollars. Due to the fact that the company belongs to the Varex Imaging Group and in line with its corporate policy, no hedging transactions are concluded. Other operating income includes prior-period income of € 314 thousand from the reversal of a provision.

### Personnel expenses

Personnel expenses amounted to € 9,894 thousand in 2022/2023 (previous year: € 9,422 thousand). The average number of employees in the reporting year was 114 (previous year: 104 employees). Of these, 3 (previous year: 1) were temporary staff. The average figures do not include the Executive Board. There were no industrial employees and one managerial employee in the current financial year (previous year: industrial: 0, managerial: 1).

### Other operating expenses

Other operating expenses amounted to € 4,714 thousand in the reporting period (previous year: € 3,494 thousand). In particular, they include expenses from exchange rate differences of € 2,273 thousand (previous year: € 1,285 thousand), rental expenses of € 518 thousand (previous year: € 552 thousand) and expenses for legal, consulting and auditing costs of € 442 thousand (previous year: € 444 thousand).

### Income from loans of financial assets

The income from loans of the company's financial assets amounted to € 1,071 thousand in 2022/2023 (previous year: € 178 thousand) and, as in the previous year, relates exclusively to interest income from a fixed-interest loan to Varex Imaging Deutschland AG.

### Interest expense

The interest expense in 2022/2023 amounts to € 43 thousand (previous year: € 4 thousand) and is fully attributable to the net expense from the compounding of pension provisions in the amount of € 43 thousand (previous year: € 18 thousand) after offsetting against income from plan assets in the amount of € 0 thousand (previous year: € 14 thousand).

## NOTES TO THE CASH FLOW STATEMENT

Cash and cash equivalents are identical to the item "Cash on hand, bank balances". The cash flow statement was prepared in accordance with the principles of DRS 21.

## OTHER INFORMATION

### Other financial obligations and contingent liabilities

The company's other financial obligations amounted to € 2,739 thousand as at September 30, 2023 (previous year: € 3,269 thousand). Of this amount, € 2,570 thousand (previous year: € 3,141 thousand) is attributable to rental agreements and € 169 thousand (previous year: € 128 thousand) to leases. Of the other financial obligations, € 656 thousand are due within one year and € 2,083 thousand within a period of between one and five years. There were no other financial obligations due in more than five years as at the reporting date.

The rental agreements relate exclusively to rental agreements with limited terms for office space. The leases relate to motor vehicles and photocopying stations.

All of MMS AG's existing leases in the 2022/2023 financial year are operating leases for cars and photocopying stations. The economic ownership and thus the utilization risk of the leased assets lies with the respective lessor.

In Section 3 of MBC KG's articles of association, MMS AG has undertaken to immediately grant the affiliated company a loan of up to €820 thousand at standard bank conditions if its capital requirements exceed its contributions. In view of MBC KG's economic situation, however, we do not expect MBC KG to be reliant on additional loans in the short term to maintain its liquidity.

MMS AG is partially contractually obliged to indemnify and hold its customers harmless from costs incurred by customers in connection with disputes, lawsuits and penalties relating to the infringement of copyrights, patents or other property rights of third parties arising from the use and distribution of MeVis products. There is currently the possibility of claims being asserted by one of our customers. A provision of € 613 thousand has been recognized for this risk.

### Relationships with related parties

The company conducts transactions with related parties, which are explained below. These are part of ordinary business activities and are treated as transactions with third parties.

Related parties include the companies MBC KG and MBC GmbH, which are jointly managed with Siemens, Varex Imaging Deutschland AG and, via these, the affiliated companies of the Varex Group as well as the Executive Board and Supervisory Board and their close relatives.

The following receivables, liabilities, expenses and income of the company relate to related parties:

FIGURES IN THOUSANDS OF €	2022/2023
<b>Parent company</b>	
Receivables (from loans granted)	16,225
Receivables (from services)	0
Liabilities (from profit transfer agreement)	4,920
Income (mainly services and interest income)	2,041
Expenses (from profit transfer agreement)	4,920
<b>Other affiliated companies</b>	
Receivables (from services)	616
Income (mainly services)	2,894

## Information on the executive bodies of the company

Overview of the composition of the full-time Executive Board and Supervisory Board of MMS AG:

EXECUTIVE BOARD		
Marcus Kirchhoff Chairman Dassendorf	as of 1.3.2012	<ul style="list-style-type: none"> <li>Member of the shareholder delegation of MeVis BreastCare GmbH &amp; Co. KG</li> <li>Member of the Executive Board of Varex Imaging Deutschland AG (since Jan. 20, 2017)</li> </ul>
SUPERVISORY BOARD		
Kimberley E. Honeysett Chairwoman Sandy, Utah, USA	as of 8.3.2017	<ul style="list-style-type: none"> <li>Senior Vice President, Chief Legal Officer, General Counsel and Corporate Secretary at Varex Imaging Corporation</li> <li>Member of the Supervisory Board of Varex Imaging Deutschland AG (Oct. 20, 2016 to May 31, 2018 and since Oct. 11, 2019)</li> <li>Member of the Board of Directors of Varex Imaging International AG, Switzerland (since Nov. 25, 2016)</li> </ul>
Shubham Maheshwari Vice Chairman Sandy, Utah, USA	from 24.3.2021	<ul style="list-style-type: none"> <li>Chief Finance Officer at Varex Imaging Corporation</li> <li>Member of the Supervisory Board of Varex Imaging Deutschland AG (since March 24, 2021)</li> <li>Member of the Board of Directors of Varex Imaging International AG, Switzerland (since Feb. 19, 2021)</li> </ul>
Sunny Sanyal (Deputy Chairman until March 24, 2021), Sandy, Utah, USA	from 24.9.2020	<ul style="list-style-type: none"> <li>Chief Executive Officer at Varex Imaging Corporation</li> <li>Member of the Supervisory Board of Varex Imaging Deutschland AG (since Sept. 27, 2020)</li> <li>Non-executive Board member of the Medical Imaging Technology Alliance (MITA)</li> </ul>

### Remuneration of the Executive Board

The Executive Board of MeVis Medical Solutions AG currently consists of one person, Mr. Marcus Kirchhoff, who manages the company as sole member of the Executive Board. His contract was extended in November 2020 until March 2026.

The total remuneration of the company's Executive Board for the 2022/2023 financial year amounts to € 327 thousand (previous year: € 316 thousand) and includes fixed remuneration components including fringe benefits such as health insurance allowances, accident insurance and the assessment of car use.

The company does not pay a variable, performance-related remuneration component.

### Remuneration of the Supervisory Board

The total remuneration of the members of the Supervisory Board for the 2022/2023 financial year amounts to € 0 thousand (previous year: € 0 thousand).

The company has not granted any advances or loans to members or former members of the Supervisory Board. Financial loss liability insurance was taken out at the company's expense for the benefit of the members of the Executive Board and Supervisory Board.

### Auditor's fees

Figures in € thousand	01.10.2022- 30.09.2023
Final examinations	190
Other confirmation services	0
Tax advice	0
Other services	0
<b>Total</b>	<b>190</b>

### German Corporate Governance Code

The Executive Board and Supervisory Board of MeVis Medical Solutions AG support the initiative of the Government Commission on the German Corporate Governance Code and issue annual joint declarations of conformity in accordance with Section 161 AktG. Since the last declaration of conformity dated September 9, 2022 and for the period from September 9, 2023, the Executive Board and Supervisory Board declare in accordance with Section 161 AktG that MeVis Medical Solutions AG has complied and is complying with the recommendations of the German Corporate Governance Code in the version dated April 28, 2022 (GCGC) with the exceptions stated and justified in the declarations, as well as which recommendations have not been or will not be applied. The current declaration of conformity is dated September 9, 2023 and is available to shareholders as a PDF on the company's website (<https://www.mevis.de/investor-relations/corporate-governance/entsprechenserklaerung>).

### Profit transfer/compensation payments

The profit of € 4,920 thousand is transferred to Varex Imaging Deutschland AG on the basis of the control and profit transfer agreement.

In the domination and profit and loss transfer agreement, Varex Imaging Deutschland AG has undertaken to pay the outside shareholders a recurring cash payment ("compensation payment") for each full financial year for the duration of this agreement. This amounts to EUR 1.13 (gross) per share for each full financial year.

### Group affiliation

Through Varex Imaging Deutschland AG, Willich, MMS AG is part of the Varex Imaging Group under the management of Varex Imaging Corporation, Salt Lake City, USA. The latter prepares the consolidated financial statements for the largest and smallest group of companies and MMS AG is included in these. The consolidated financial statements are filed with the U.S. Securities and Exchange Commission (SEC) and are available at the headquarters of the parent company.

As MMS AG only has subsidiaries that do not have to be included in consolidated financial statements in accordance with Section 296 (2) HGB, it is exempt from the obligation to prepare consolidated financial statements in accordance with Section 290 (5) HGB.

### Events after the balance sheet date

As at the balance sheet date, MMS AG held 51 % of the shares in MeVis BreastCare GmbH & Co. KG, Bremen, as part of a joint venture with Siemens Healthcare GmbH, Munich. At the end of October 1, 2023, Varex Imaging Deutschland AG, Willich, acquired all shares held by Siemens Healthcare GmbH, Munich, as well as 2 % of the shares held by MMS AG in the joint venture. Since October 2, 2023, MMS AG has therefore held 49 % of MeVis BreastCare GmbH & Co. KG, Bremen, as part of a joint venture with Varex Imaging Deutschland AG, Willich.

Bremen, January 17, 2024

A handwritten signature in black ink, appearing to read 'Marcus Kirchoff', written in a cursive style.

Marcus Kirchoff  
Sole Director

## DEVELOPMENT OF FIXED ASSETS

(Statement of changes in fixed assets - appendix to the notes)

for the period from October 1, 2022 to September 30, 2023

FIGURES IN €	Acquisition costs			30.09.2023
	1.10.2022	Additions	Disposals	
<b>I. Intangible assets</b>				
Purchased concessions, industrial property rights and similar rights and assets as well as licenses to such rights and assets	1,329,859.48	0.00	0.00	1,329,859.48
<b>II. Property, plant and equipment</b>				
Operating and office equipment	1,911,634.65	79,716.07	0.00	1,991,350.72
<b>III. Financial assets</b>				
1. Shares in affiliated companies	312,042.00	0.00	0.00	312,042.00
2. Loans to affiliated companies	16,225,211.69	0.00	0.00	16,225,211.69
	16,537,253.69	0.00	0.00	16,537,253.69
	<b>19,778,747.82</b>	<b>79,716.07</b>	<b>0.00</b>	<b>19,858,463.89</b>

Accumulated amortization			Carrying amounts		
<u>1.10.2022</u>	<u>Additions</u>	<u>Disposals</u>	<u>30.09.2023</u>	<u>30.09.2023</u>	<u>30.09.2022</u>
1.329.704.20	155.28	0.00	1,329,859.48	0.00	155.28
1.749.610.51	95,682.85	0.00	1,845,293.36	146,057.36	162,024.14
0.00	0.00	0.00	0.00	312,042.00	312,042.00
0.00	0.00	0.00	0.00	16,225,211.69	16,225,211.69
0.00	0.00	0.00	0.00	16,537,253.69	16,537,253.69
<b><u>3.079.314.71</u></b>	<b><u>95,838.13</u></b>	<b><u>0.00</u></b>	<b><u>3,175,152.84</u></b>	<b><u>16,683,311.05</u></b>	<b><u>16,699,433.11</u></b>



## ASSURANCE OF THE LEGAL REPRESENTATIVES (BALANCE SHEET OATH)

"To the best of my knowledge, and in accordance with the applicable reporting principles, the annual financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company, and the management report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal opportunities and risks associated with the expected development of the Company."

Bremen, January 17, 2024

MeVis Medical Solutions AG

A handwritten signature in black ink, appearing to read "Marcus Kirchoff". The signature is written in a cursive style with a large, stylized 'K'.

Marcus Kirchoff

Sole director

The auditor's report reproduced below also includes a "Report on the audit of the electronic reproduction of the financial statements and the management report prepared for publication purposes in accordance with Section 317 (3b) HGB" ("ESEF Report"). The subject matter underlying the ESEF Report (ESEF documents to be audited) is not attached. The audited ESEF documents can be viewed or retrieved from the Federal Gazette.

## INDEPENDENT AUDITOR'S REPORT OF THE INDEPENDENT AUDITOR

To the MeVis Medical Solutions AG, Bremen

### REPORT ON THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS AND THE MANAGEMENT REPORT

#### Audit assessments

We have audited the annual financial statements of MeVis Medical Solutions AG, Bremen, which comprise the balance sheet as at September 30, 2023, and the income statement, statement of cash flows and statement of changes in equity for the financial year from October 1, 2022 to September 30, 2023, and notes to the financial statements, including the recognition and measurement policies presented therein. In addition, we have audited the management report of MeVis Medical Solutions AG, Bremen, for the financial year from October 1, 2022 to September 30, 2023. In accordance with the German legal requirements, we have not audited the content of the corporate governance statement referred to in the "Corporate Governance Statement (Section 289f HGB)" section of the management report or the legal representatives' statement on the appropriateness and effectiveness of the overall internal control system and the risk management system contained in the "Non-audited part of the management report" section of the management report.

In our opinion, based on the findings of our audit

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to business corporations and give a true and fair view of the assets, liabilities and financial position of the company as at September 30, 2023 and of its financial performance for the financial year from October 1, 2022 to September 30, 2023 in compliance with German Legally Required Accounting Principles, and
- the accompanying management report as a whole provides a suitable view of the Company's position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the management report does not cover the content of the corporate governance statement referred to above or the opinion of the legal representatives on the appropriateness and effectiveness of the overall internal control system and the risk management system.

Pursuant to § 322 Abs. 3 Satz 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the management report.

#### Basis for the audit opinions

We conducted our audit of the annual financial statements and of the management report in accordance with § 317 HGB and the EU Audit Regulation (No 537/2014, referred to subsequently as "EU Audit Regula-

tion") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Management Report" section of our auditor's report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the annual financial statements and on the management report.

### **Key audit matters in the audit of the annual financial statements**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual financial statements for the financial year from October 1, 2022 to September 30, 2023. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In the following, we present what we consider to be a key audit matter with the recognition of unbilled revenue with the main customer.

We have structured our presentation of this key audit matter as follows:

- a. Description of the facts (including reference to related disclosures in the annual financial statements)
- b. Auditing procedure

### **Recognition of unbilled revenue with the main customer**

- a. The revenue of EUR 17,342 thousand reported in the company's annual financial statements mainly relates to revenue from the sale of licenses, revenue from maintenance and other revenue. The main customer Hologic Inc., Marlborough, Massachusetts/USA, accounts for revenue of EUR 9,268 thousand (equivalent to 53%), of which EUR 5,198 thousand (equivalent to 56%) is attributable to revenue from maintenance contracts, EUR 2,988 thousand to revenue from the sale of licenses and EUR 1,081 thousand to other revenue. Income prior to the balance sheet date resulted in deferred income of EUR 1,645 thousand, which mainly resulted from agreed advance payments from Hologic Inc. The maintenance contracts are usually concluded as part of the sale of new licenses, but also in the form of contracts to extend the maintenance period, each with a term of twelve months. License revenues result primarily from the sale of new licenses. In addition, the company receives revenue from license upgrades for licenses already sold. On the basis of a plan drawn up by Hologic Inc. and agreed between Hologic Inc. and the company regarding the expected number of new renewals of maintenance contracts and license upgrades to be concluded, Hologic Inc. makes monthly payments on account over a period of twelve months. Based on this, the legal representatives prepare a sales plan for Hologic Inc. The final invoice is issued annually for the period from May 1 of a year to April 30 of the following year in arrears. On the part of the company, the amounts received in advance are recognized as deferred income and released to income over the term of the contract. Revenue totalling EUR 645 thousand was recognized for the months of May to September 2023, which had not been finally settled as at the reporting date and is based on the original revenue planning of the legal representatives for the entire planning period from

May 2023 to April 2024. As revenue recognition is subject to considerable uncertainty due to the estimates and assumptions made by the executive directors on which the planning is based, this matter was of particular significance in the context of our audit.

The company's disclosures on revenue recognition are contained in the "Notes to the income statement" section of the notes.

- b. As part of our audit, we first assessed the contractual basis for the exchange of services between the Company and Hologic Inc. In order to audit the recognized and already invoiced revenue, we inspected invoices, incoming payments and documents for services already rendered. For the audit of recognized and unbilled revenue, we also examined the Company's adherence to planning on the basis of the final invoices for the past three accounting periods, which were prepared for the period from 1 May of each year to 30 April of the following year. In this regard, we inspected invoices, incoming payments and the final communication with Hologic Inc. In addition, we gained an understanding of the key processes for determining revenue and subjected the controls relevant to the audit to a structural and functional test. Furthermore, we assessed whether and to what extent revenue recognition was influenced by subjectivity, complexity or other inherent risk factors. In order to assess the appropriateness of the revenue recognized in the financial year, we examined in particular the planning underlying the revenue recognition and assessed the estimates and assumptions made by the executive directors for consistency and continuity. For this purpose, we interviewed the executive directors and obtained related evidence

#### **Other information**

The legal representatives or the Supervisory Board are responsible for the other information. The other information includes

- the report of the Supervisory Board,
- the declaration on corporate governance pursuant to Section 289f HGB, to which reference is made in the "Declaration on corporate governance (Section 289f HGB)" section of the management report,
- the opinion of the legal representatives on the appropriateness and effectiveness of the overall internal control system and the risk management system, on environmental and social matters as well as on quality management and regulatory affairs contained in the section of the management report entitled "Non-audited part of the management report",
- the assurance of the legal representatives pursuant to Section 264 (2) sentence 3 HGB and Section 289 (1) sentence 5 HGB on the annual financial statements and the management report and
- all other parts of the published annual report,
- but not the annual financial statements, not the audited management report information and not our auditor's report thereon.

The Supervisory Board is responsible for the report of the Supervisory Board. The legal representatives and the Supervisory Board are responsible for the declaration in accordance with Section 161 AktG on the German Corporate Governance Code, which forms part of the declaration on corporate governance. In all other respects, the legal representatives are responsible for the other information.

Our opinions on the annual financial statements and on the management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information referred to above and, in doing so, consider whether the other information

- are materially inconsistent with the annual financial statements, with the audited management report information or our knowledge obtained in the audit, or
- otherwise appear to be materially misstated.

### **Responsibility of the legal representatives and the Supervisory Board for the annual financial statements and the management report**

Management is responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to business corporations, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles. In addition, management is responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud (i.e. accounting fraud or fraudulent misrepresentation) or error.

In preparing the annual financial statements, the legal representatives are responsible for assessing the company's ability to continue as a going concern. Furthermore, they are responsible for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless factual or legal circumstances dictate otherwise.

Furthermore, management is responsible for the preparation of the management report that, as a whole, provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, management is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the management report.

The Supervisory Board is responsible for overseeing the company's financial reporting process for the preparation of the annual financial statements and of the management report.

### **Auditor's responsibilities for the audit of the annual financial statements and of the management report**

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the annual financial statements and on the management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if,

individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. In addition

- Identify and assess the risks of material misstatement of the annual financial statements and of the management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures (systems) relevant to the audit of the management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these systems of the Company.
- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of accounting estimates and related disclosures made by the executive directors.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the management report or, if such disclosures are inadequate, to modify our respective opinions. We draw our conclusions on the basis of the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the company in compliance with German Legally Required Accounting Principles.
- Evaluate the consistency of the management report with the annual financial statements, its conformity with German law, and the view of the Company's position it provides.
- Perform audit procedures on the prospective information presented by the legal representatives in the management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by management as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the forward-looking statements or on the underlying assumptions. There is a significant unavoidable risk that future events will differ materially from the forward-looking statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to address independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

## **OTHER STATUTORY AND OTHER LEGAL REQUIREMENTS**

### **Report on the audit of the electronic reproduction of the annual financial statements and the management report prepared for publication purposes in accordance with Section 317 (3a) HGB**

#### **Audit opinion**

We have performed assurance work in accordance with § 317 Abs. 3a HGB to obtain reasonable assurance about whether the reproduction of the annual financial statements and the management report (hereinafter also referred to as "ESEF documents") contained in the file with the SHA-256 value 6704b717cbb80a0e5e657e425b58ff877e14c570bda7f640192559c31c4b87d6 and prepared for publication purposes complies in all material respects with the requirements of § 328 Abs. 1 HGB on the electronic reporting format ("ESEF format") in all material respects. In accordance with German legal requirements, this audit only extends to the conversion of the information contained in the annual financial statements and the management report into the ESEF format and therefore does not extend to the information contained in these reproductions or any other information contained in the above-mentioned file.

In our opinion, the reproduction of the annual financial statements and the management report contained in the above-mentioned file and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format. Beyond this audit opinion and our audit opinions on the accompanying annual financial statements and on the accompanying management report for the financial year from October 1, 2022 to September 30, 2023 contained in the "Report on the Audit of the Annual Financial Statements and of the Management Report" above, we do not express any opinion on the information contained in these reproductions or on the other information contained in the above-mentioned file.

#### **Basis for the audit opinion**

We conducted our audit of the reproduction of the annual financial statements and of the management report contained in the above-mentioned file in accordance with Section 317 (3a) HGB and IDW Auditing Standard: Audit of the Electronic Reproduction of Financial Statements and Management Reports Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB (IDW PS 410 (06.2022)). Our responsibilities under those requirements are further described in the "Auditor's responsibilities for the audit of the ESEF documents" section. Our audit practice has applied the requirements of the IDW Quality Management Standards.

### **Responsibility of the legal representatives and the Supervisory Board for the ESEF documents**

The legal representatives of the company are responsible for the preparation of the ESEF documents including the electronic reproduction of the annual financial statements and the management report in accordance with section 328 (1) sentence 4 no. 1 HGB.

Furthermore, the company's management is responsible for such internal control as they have determined necessary to enable the preparation of ESEF documents that are free from material non-compliance, whether due to fraud or error, with the requirements of Section 328 (1) HGB for the electronic reporting format.

The Supervisory Board is responsible for overseeing the process of preparing the ESEF documents as part of the financial reporting process.

### **Auditor's responsibility for the audit of the ESEF documents**

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material - intentional or unintentional - non-compliance with the requirements of Section 328 (1) HGB. During the audit, we exercise professional judgment and maintain professional skepticism. In addition

- Identify and assess the risks of material non-compliance with the requirements of Section 328 (1) HGB, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain an understanding of internal control relevant to the audit of the ESEF documentation in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these controls.
- we assess the technical validity of the ESEF documents, i.e. whether the file containing the ESEF documents meets the requirements of Delegated Regulation (EU) 2019/815 in the version applicable at the reporting date for the technical specification for this file.
- Evaluate whether the ESEF documents enable an XHTML reproduction with content equivalent to the audited annual financial statements and the audited management report.

### **Other information pursuant to Article 10 EU-APrVO**

We were elected as auditor by the annual general meeting on March 21, 2023. We were engaged by the supervisory board on September 19, 2023. We have been the auditor of the MeVis Medical Solutions AG, Bremen, without interruption since the financial year 2021/2022.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (audit report).

### **OTHER MATTERS - USE OF THE AUDIT OPINION**

Our audit opinion should always be read in conjunction with the audited annual financial statements and the audited management report as well as the audited ESEF documents. The annual financial statements and management report converted into ESEF format - including the versions to be filed in the company register - are merely electronic reproductions of the audited annual financial statements and the audited management report and do not replace them. In particular, the ESEF report and our audit opinion contained therein can only be used in conjunction with the audited ESEF documents provided in electronic form.



**RESPONSIBLE AUDITOR**

The German Public Auditor responsible for the engagement is Christian Dinter.

Hamburg, January 26, 2024

**Deloitte GmbH**

Auditing company

(Christian Dinter)  
Certified

(Isabelle Kühne)  
Public Accountant Auditor

## DISCLAIMER

### **FORWARD-LOOKING STATEMENTS**

This report contains forward-looking statements that are based on management's current estimates of future developments. Such statements are subject to risks and uncertainties that are beyond MeVis Medical Solutions AG's ability to control or estimate precisely, such as future market and economic conditions, the behavior of other market participants, the ability to successfully integrate acquired businesses and the actions of government regulators. Should any of these or other uncertainties and imponderables materialize, or should the assumptions on which these statements are based prove incorrect, actual results may differ materially from those expressed or implied by such statements. MeVis Medical Solutions AG does not intend or assume any obligation to update any forward-looking statements to reflect events or developments after the date of this report.

### **DEVIATIONS FOR TECHNICAL REASONS**

For technical reasons (e.g. conversion of electronic formats), there may be differences between the accounting documents contained in this financial report and those submitted to the Federal Gazette. In this case, the version submitted to the Federal Gazette is the binding version.

The financial report is available for download on the Internet at <http://www.mevis.de/investor-relations/finanzberichte>

## FINANCIAL CALENDAR 2023/2024

<b>Date</b>	<b>Event</b>
January 29, 2024	Publication of the 2022/2023 Annual Report
March 19, 2024	Annual General Meeting, Bremen
May 27, 2024	Publication of half-year financial report 2023/2024

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