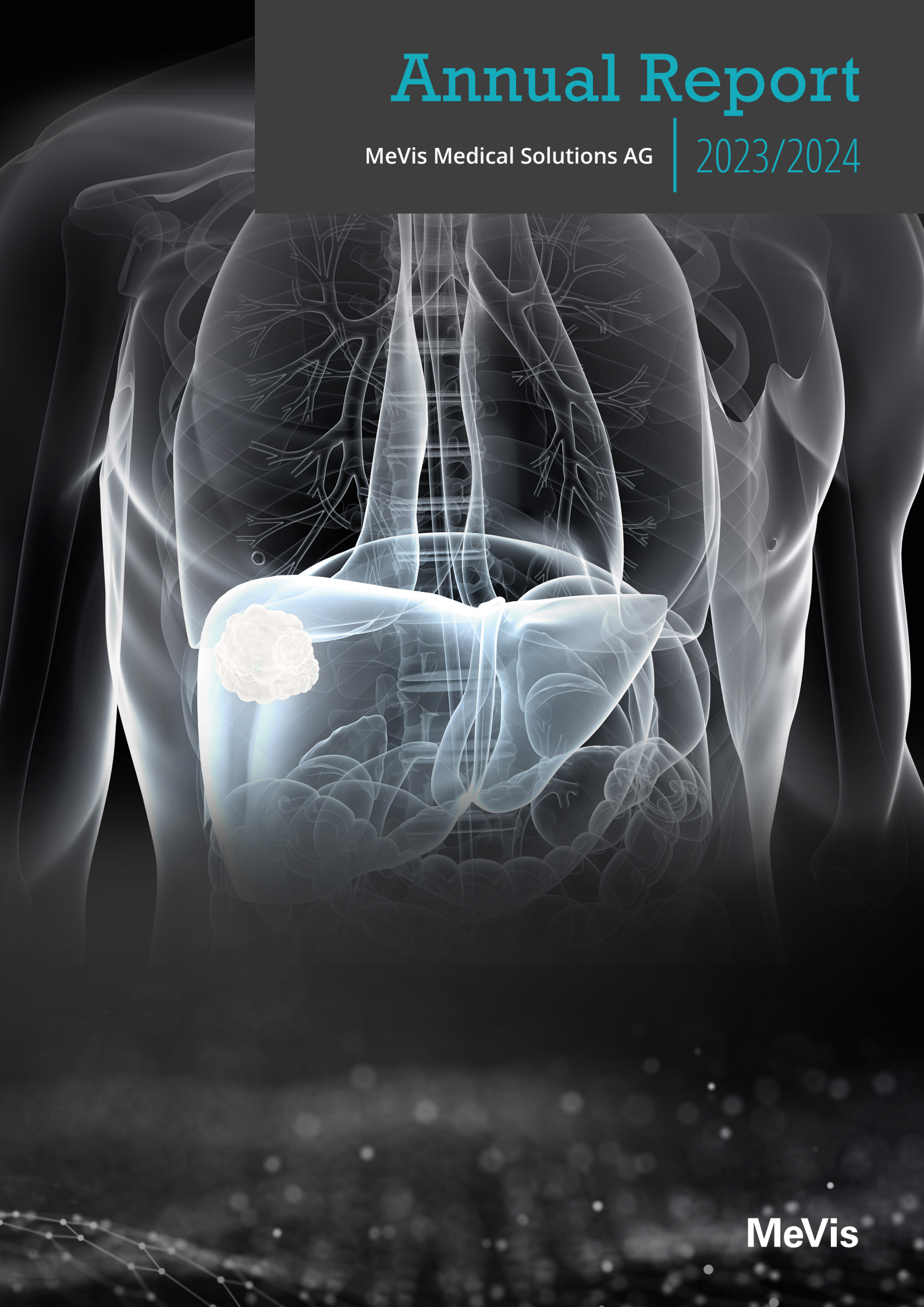


Annual Report

MeVis Medical Solutions AG

2023/2024



MeVis

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FOREWORD BY THE BOARD OF DIRECTORS

*Dear Shareholders, Customers and Business Partners,
dear Employees,*

In terms of earnings, fiscal year 2023/2024 was an acceptable year for MeVis. Unfortunately, sales were down slightly compared to the previous year, which was partly due to less license business and slightly less maintenance sales at our customers. The lower demand from our customers is due, on the one hand, to the generally restrained demand caused by high costs and a weaker economic outlook, but also to increasingly complex approval conditions and regulatory restrictions. With costs rising as planned, earnings after taxes also decreased compared to the previous year.

The key financial figures in detail:

Sales revenue in the past fiscal year 2023/2024 amounted to €17.0 million (compared to €17.3 million in fiscal year 2022/2023). 25% of sales revenues (previous year: 26%) are attributable to the sale of licenses, 35% (previous year: 36%) to maintenance revenues and 40% (previous year: 38%) to other revenues, which include, among other things, services for and recharges to affiliated companies and the parent company. The decline in license revenues compared to the previous year is mainly due to lower demand from our customers Philips and Canon. Maintenance revenues have fallen due to lower maintenance revenues from our customer Hologic. The year-on-year improvement in other revenues is due to a slight increase in diagnostic services and the reallocation of staff costs, rent and incidental costs.

The **EBIT** (annual result before interest and income taxes) fell from €3,895 thousand in the previous year to €3,500 thousand in 2023/2024, mainly due to lower revenues, lower other operating income and higher staff costs. The EBIT margin fell accordingly from 23% to 21%.

Due to the tax group, only a small amount of **income taxes** of €0.1 million was incurred in the past fiscal year, the same as in the previous year.

This results in **earnings after taxes** of €4.6 million (27% margin) for fiscal year 2023/2024, compared to €4.9 million (28% margin) in 2022/2023. The profit of €4,561 thousand will be transferred to Varex Imaging Deutschland AG under the domination and profit and loss transfer agreement.

This year, too, revenues were distributed similarly across the three areas of licenses, maintenance and development services in percentage terms as in the last fiscal year, albeit with lower total revenues. License revenues with our customer Hologic developed slightly positively, however, the conclusion of maintenance contracts between Hologic and end customers declined, which in turn means a decline in maintenance revenues with Hologic for us. In fiscal year 2023/2024, digital mammography contributed the largest share of MeVis' total sales at 57%.

Development services have developed positively. Sales within the projects with Varian Medical Systems have remained stable. We are pleased to report an increase in development services with Varex Imaging Corporation. We are working together on human and veterinary medical and industrial software applications that involve both image acquisition and image post-processing.

Unfortunately, business with our lung cancer screening solutions slightly decreased in 2023/2024. This is mainly due to declining results with our customers Philips and Canon. Both are experiencing difficulties in selling their own solutions, which has a negative impact on our license business with both OEMs. Nevertheless, we continue to see increasing global demand for software solutions for lung cancer screening. The realization that early detection has a significant impact on the chances of curing lung cancer through targeted therapy is becoming more and more accepted. However, the greater demand has naturally also led to a multiplication of providers of software solutions for lung cancer screening. This means greater competitive pressure for us, especially from

providers in the Asian market. However, we remain confident that we are well positioned as a company to continue to gain market share in this area.

Mammography diagnostics remains our main source of revenue and an area in which MeVis has developed strong unique selling points compared to other manufacturers. With over 25 years of experience in developing software for digital mammography, we will continue to increase our commitment to this segment. As demand for our software solutions continues to rise and the need for further development of tomosynthesis and multi-modal breast diagnostics increases, we will be launching improved and new products in the future.

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

After revenues of €17.0 million were achieved in fiscal year 2023/2024, stable to slightly growing revenues in the range of €17.0 million to €17.5 million are expected for fiscal year 2024/2025. In addition to stable sales with the customer Hologic, slightly increasing sales revenues are expected in the lung and liver segment. We expect a stable development in the area of development services. In the financial year 2023/2024, an EBIT of € 3.5 million was achieved. We expect earnings before interest and taxes (EBIT) of between €3.5 million and € 4.0 million in financial year 2024/2025, assuming a stable exchange rate of 1.12 USD/EUR. The forecast stability or slight increase in sales and the simultaneous disproportionately low increase in personnel costs are the main drivers for the positive outlook for EBIT.

I would like to thank all employees in the company for their work, their continuous 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 FISCAL YEAR 2023/2024

Dear Shareholders,

In fiscal year 2023/2024, the Supervisory Board again closely supported, carefully monitored and advised the Executive Board of MeVis Medical Solutions AG in the management of the company. The Supervisory Board comprehensively performed the duties incumbent upon it in accordance with the law, the Articles of Association and the rules of procedure. The Executive Board informed the Supervisory Board regularly, promptly and comprehensively in written and verbal form about all issues of strategy, planning, the business situation, investments and organizational measures relevant to the company. The Executive Board also informed the Supervisory Board regularly and promptly about current developments outside of Supervisory Board meetings. In addition, the Supervisory Board was duly informed by the Executive Board about risks and risk management. The Supervisory Board approved the proposed measures and resolutions as well as the transactions requiring its approval in accordance with the law, the articles of association and the rules of procedure following its own thorough examination and in-depth consultation with the Executive Board.

CHANGES TO THE SUPERVISORY BOARD AND THE EXECUTIVE BOARD

There were no changes to the Supervisory Board in the 2023/2024 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.

KEY TOPICS OF THE SUPERVISORY BOARD MEETINGS

In the 2023/2024 financial year, the Supervisory Board held four ordinary meetings, each of which took place as video conferences between the offices in Bremen and Salt Lake City. All Supervisory Board members and the Executive Board attended the four meetings.

The meeting on January 17, 2024 focused on the discussion of the annual financial statements, the report of the Supervisory Board for fiscal year 2022/2023 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 fiscal year 2022/2023 prepared in accordance with the provisions of the German Commercial Code (HGB). In addition to the Executive Board, the auditors responsible for the audit 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 29, 2024 and thus adopted. In addition to the agenda for the Annual General Meeting of MeVis Medical Solutions AG scheduled for March 19, 2024, 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.

At its meeting on April 17, 2024, the Supervisory Board discussed general market developments and, in particular, the associated risks for the company. The Executive Board reported to the Supervisory Board in detail on the operational development in the individual business areas and discussed the challenges in the market for lung cancer screening in greater detail. A particular focus here was on the further expansion of existing sales channels and the development of new ones.

At the meeting on August 21, 2024, the Supervisory Board discussed 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. In particular, the business development and potential in the area of breast diagnostics with the customer

Hologic was considered. Another topic was the annual declaration of compliance in accordance with Section 161 AktG.

The meeting on September 25, 2024 focused on the approval of the business plan for the 2023/2024 financial year. The Executive Board explained the expected business figures for 2023 and presented the budget planning proposals on this basis. The first meeting dates for the 2024/2025 financial year were also agreed.

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 description 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 Executive Board on September 9, 2024, can be found in the corporate governance declaration in these annual financial statements and 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 2023/2024 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 2023/2024, 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 2023/2024 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 22, 2025, the annual financial statements in accordance with the German Commercial Code (HGB) and the management report for the 2023/2024 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, 2025. The annual financial statements in accordance with HGB are thus adopted.

THANKS

The Supervisory Board would like to thank the Executive Board and all employees for the successful fiscal year 2023/2024 and the shareholders for the trust they have placed in MeVis Medical Solutions AG.

Bremen, January 29, 2025

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 30.9.2024 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 website at 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, 2023 and for the period from September 9, 2024, 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 has largely dispensed with the formation of professionally qualified committees. 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 governing 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 by December 31, 2025 to 0%. 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 meetings of the Supervisory Board and reports in writing and orally 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, which covers the key aspects for a self-assessment, such as the procedure and organization of meetings, the scope of documents and information flows, serves as a basis for discussion. 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 from 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 the 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.

It should be noted at this point 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 44% 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, 2023 to September 30, 2024 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 of the Market Abuse Regulation (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 19, 2024, Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Hamburg, to audit the annual financial statements for the 2023/2024 financial year. This ensures that no conflicts of interest affect 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 2022/2023 financial year was also carried out by Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Hamburg.

PROPRIETARY TRADING BY MANAGERS

In accordance with Article 19 of the Market Abuse Regulation (MAR), the members of the Executive Board and Supervisory Board of the Company and related parties are obliged to disclose transactions (directors' dealings) in 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 € 20,000 in a calendar year. The company publishes notifications in this regard on its website without delay. In the reporting period, the company did not receive any notifications of proprietary transactions by managers. As of the balance sheet date, neither the member of the Executive Board nor the members of the Supervisory Board held any shares in MeVis Medical Solutions AG

THE MEVIS SHARE

AS OF 30.09.2024	
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 determination on 30.09.2024	€ 23,
Last price fixing on 29.09.2023	€ 28,
Highest/lowest price in 2023/2024	€ 28,20 / € 22,80
Market capitalization	€ 41,860 million
General Standard (Regulated Market)	Frankfurt and Xetra
Regulated unofficial market	Berlin, Düsseldorf, Munich, Stuttgart
Indices	CDAX, General All-Share, Technology All Share

STOCK MARKET YEAR 2023/2024

The stock market year 2023 was primarily characterized by the following factors: the Russian war of aggression against Ukraine, the fight against inflation and rising interest rates. A banking crisis in the spring and the threat of conflict in the Middle East in October marked the low points of the 2023 stock market year. In the fourth quarter, however, unexpectedly high corporate profits, the hype surrounding artificial intelligence, hopes that inflationary pressure would ease and falling interest rates were the main factors driving the markets, giving the stock markets a strong year-end rally, especially in tech stocks. As a result, the international stock markets closed 2023 with significant gains. The German DAX gained a good 20% in 2023. The positive trend from 2023 continued at the start of 2024, with the major US tech stocks remaining a key driver of the stock markets. It was not until April that the stock markets came to a halt, mainly due to geopolitical concerns about a conflict between Israel and Iran, the postponed interest rate turnaround and a short-term rise in inflation in the US. The reduction in the ECB's key interest rates in June and September 2024 boosted the European stock market in particular. In the 2023/2024 financial year, the German stock market rose by around 26% as measured by the DAX benchmark index and closed at 19412 points at the end of September 2024, compared to 15395 points at the end of September 2023. The SDax rose by 12% and the TecDAX by 14% over the course of the financial year.

PERFORMANCE OF THE MEVIS SHARE



At the beginning of the financial year, the share was quoted at € 28.20 and closed at € 23.00 in Xetra trading at the end of September. In the course of the 2023/2024 financial year, the share's high in Xetra trading was € 28.40 and the lowest price was € 23.00. The MeVis Medical Solutions AG share performed positively from October 1, 2023 to September 30, 2024 with a slightly negative trend around an average price level of € 25.35. The value of the MeVis share at the end of fiscal year 2023/2024 was 18% lower than the closing price at the end of fiscal year 2022/2023. Taking into account 1,820,000 shares in circulation, the market capitalization was only around € 41.9 million.

The Annual General Meeting in the 2023/2024 financial year was again held in March 2024 as an in-person meeting. We would like to thank all shareholders and guests who attended.

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.

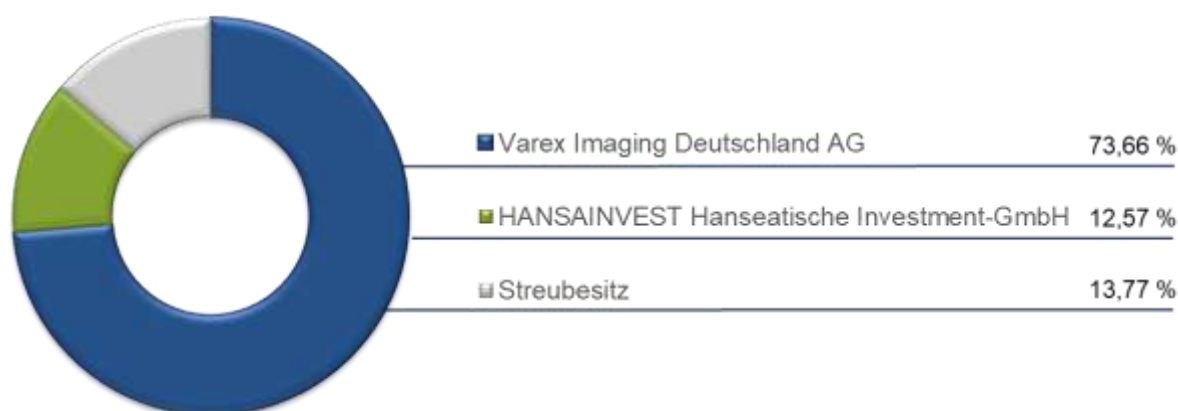


Fig.: Shareholder structure
(as at 30.09.2024, according to shareholder notifications)

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 FISCAL YEAR 2023/2024

PRELIMINARY REMARK

This report covers the reporting period from October 1, 2023 to September 30, 2024. The previous year's amounts stated below relate to the 2022/2023 financial year from October 1, 2022 to September 30, 2023.

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 domination 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.

At the end of fiscal year 2022/2023, MMS AG held 51% of MeVis BreastCare GmbH & Co. KG, Bremen, (hereinafter also referred to as "MBC KG") and 51% of MeVis BreastCare Verwaltungsgesellschaft mbH, (hereinafter also referred to as "MBC GmbH") 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 in MBC KG held by MMS AG. All shares in MBC GmbH were transferred to MBC KG, meaning that the general partner GmbH is now wholly owned by the KG. 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 and liver 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 acquired, the know-how from the field of breast cancer, the innovative software technologies and the established partner network to successively develop the software solutions for new applications in other indications and diseases of other parts of the body.

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 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 continued to be of great importance due to the market success of the corresponding 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 presenting a challenge when it comes to evaluating the image data and preparing findings. 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 were further developed and launched on the market. This is aimed specifically at the diagnosis of CT-based lung cancer screening for the early detection and follow-up of lesions. Thanks to the integrated artificial intelligence for the automatic detection of round lesions and the computer support with close linking of the components for user-optimized workflow support, the software offers considerable advantages for radiologists. These advantages include comparison with preliminary images, automatic and reproducible volumetric measurement of lesions and structured reporting according to various standardized international reporting schemes. The efficiency in terms of the time required for reporting as well as the assurance of high quality reading results and integration into the clinical infrastructure offer advantages for clinical routine.

Liver product range

With its MeVis Distant Services, MeVis creates 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 comprehensively and professionally. Instead of static 2D representations, they receive interactive 3D visualizations to use for presentations and publications in leading journals and presentations 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 clinical software application MeVis LiverSuite has been developed and approved to enter the European and U.S. markets. 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.

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. Radiologists, surgeons and other medical professionals, as well as 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 and the taking of specialist examinations. 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. MeVis solutions benefit from the ongoing trend towards digitalization in conjunction with the strong use of home office and teleworking models as well as a trend towards installation-free online use. Online and remote services are in high demand 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 data volumes 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 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 based on low and high energy X-rays. In addition, a focus was placed on the further development of existing software products and clinical IT integration interfaces to third-party systems in order to remain competitive in business areas that are currently successful for the company and to secure MeVis' maintenance revenues in the long term.

Technology platform

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 successfully used 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 image contrast optimization, Internet-based multidisciplinary collaboration, teleradiology and MeVis Online Services, radiation medicine, as well as human and veterinary medicine and industrial image processing.

ECONOMIC REPORT

MACROECONOMIC AND SECTOR-SPECIFIC FRAMEWORK CONDITIONS

Overall economic situation

The outlook for global economic development remained subdued at the start of 2023. The effects of the ongoing Russia-Ukraine war, high inflation rates and - albeit to a lesser extent - the coronavirus pandemic continued to dominate the picture. However, over the course of the year, government investment and support and relief measures contributed to a recovery in most economies, resulting in slight positive momentum. Energy prices and inflation rates showed a clear downward trend. However, it was evident that the western industrialized nations had to contend with the uncertainties much more than the emerging markets, such as China and India.

According to the International Monetary Fund (IMF) in October 2024¹, global gross domestic product grew by 3.3% in 2023 compared to the previous year. Although this growth is modest by historical standards, it is robust in view of the burdens caused by high energy prices, a sharp rise in interest rates, a loss of purchasing power as a result of increased inflation and geopolitical crises and uncertainties. For its part, the USA recorded a strong increase in economic output of 2.9%, while the eurozone contributed little to global economic growth in 2023 at 0.4%. At -0.3%, Germany was well below the average, in contrast to the emerging markets, which still recorded growth of 4.4%.

The IMF forecasts global economic growth of 3.2% for 2024. The USA will remain at almost the same level at 2.8%, while growth of 0.8% is expected in the eurozone as a whole. At 0.0%, the German economy is not expected to show any economic growth this year. This would make Germany the only G7 country whose gross domestic product (GDP) is not growing at all. The slowdown in the industrialized nations is much more pronounced than in poorer countries. The IMF maintained a similar forecast of 4.2% growth for the emerging markets for 2024.

Industry development

The global market for medical technology continues to offer great potential. According to the market research institute Frost & Sullivan, the global market for medical technology in 2024 amounted to USD 578 billion.² Demographic trends in the industrialized nations, the increased demand for healthcare and investment in the emerging markets as well as increasing digitalization offer enormous opportunities for medical technology companies.³ In its latest study on the development of the global medical technology market, the market research company Frost & Sullivan has forecast an average annual growth rate (CAGR) of up to 2027.⁴ Broken down by region, the largest market shares in 2023 are attributable to North America (37.0%), Asia and the Pacific (29.0%) and Europe (26.0%).⁵ Within Europe, the German medical technology market recorded the largest revenues, followed by France, Italy, the UK, Spain and the Netherlands. According to the German Federal Statistical Office, German medical technology manufacturers (around 1,480 companies with >20 employees) generated total sales of EUR 40.35 billion in 2023.⁶ This corresponds to growth compared to the previous year of 5.1% (previous year: 8.5%). However, producer prices reached a record high in 2023 and rose by almost 6%. As a result, the earnings situation of many companies declined despite the positive development. The cost situation as well as increasing bureaucracy due to the new European Medical Device Regulation, among other things, poses major challenges for many small and medium-sized German companies, tying up money and employees and thus reducing innovative strength. Despite this, the medium and long-term drivers of the medical technology market are intact. In view of an export ratio of around 68%, foreign business in the German medical

¹ <https://www.imf.org/en/Publications/WEO/Issues/2024/10/22/world-economic-outlook-october-2024>

² SPECTARIS Yearbook 24/25, The German medical technology industry, Spectaris industry association, Berlin, Nov. 2024

³ SPECTARIS Yearbook 24/25, The German medical technology industry, Spectaris industry association, Berlin, Nov. 2024

⁴ Press release "German medical technology industry increasingly under pressure in Germany", Spectaris industry association, Berlin, November 09, 2023

⁵ SPECTARIS Yearbook 24/25, The German medical technology industry, Spectaris industry association, Berlin, Nov. 2024

⁶ SPECTARIS Yearbook 24/25, The German medical technology industry, Spectaris industry association, Berlin, Nov. 2024

technology market is of great importance. Only of sales come from the domestic market. of exports were to EU countries, 14% to other European countries, to North America and to Asia. ⁷

The field of medical technology is on the cusp of a transformative era. It is becoming increasingly clear that this sector will redefine healthcare as we know it. With innovations ranging from AI-driven diagnostics to personalized treatments, the medtech industry is at the forefront of medical breakthroughs.

The year 2024 was an outstanding year for the integration of cutting-edge technologies in the healthcare sector. Artificial intelligence (AI) and machine learning have been and will increasingly play a central role in the medical technology industry, revolutionizing diagnostics and treatment planning. Through data analysis and pattern recognition, AI-powered systems can help healthcare professionals make more accurate and timely decisions, ultimately improving patient outcomes.

The global market for medical imaging (imaging procedures including software), the dominant industry segment for the MeVis product portfolio, amounted to just over USD 40 billion in 2023 and is expected to grow at an average annual growth rate of 6.4% in the forecast period (2024-2032).⁸ 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.

It is not only the shortage of resources that has accelerated the introduction of telemedicine. The aftermath of the coronavirus pandemic and the associated working from home has also permanently changed working practices. In 2024, telemedicine became a standard part of healthcare and was able to provide convenient and accessible options for patients as well as clinical professionals. Remote monitoring enabled by IoT (Internet of Things) devices will allow healthcare providers to keep a close eye on the health of their patients, especially those with chronic conditions.

Around 1.03 million people died in Germany in 2023. As in previous years, cancer (neoplasms) remained the second most common cause of death in 2023 (23.2%) after diseases of the circulatory system (33.8%).⁹ 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 contrast 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 very important. 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 and the Middle East. The widespread use of this technology is leading to increased demand from major medical technology companies for the corresponding imaging devices and associated software.

⁷ SPECTARIS Yearbook 24/25, The German medical technology industry, Spectaris industry association, Berlin, Nov. 2024

⁸ <https://www.fortunebusinessinsights.com/de/industrie-berichte/markt-f-r-medizinische-bildgebungsgeser-te-100382>

⁹ <https://de.statista.com/statistik/daten/studie/158441/umfrage/anzahl-der-todesfaelle-nach-todesursachen/>

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, the United Arab Emirates, Egypt, China, 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 85% of total sales, the software business, which includes products for the medical technology companies Hologic, Canon and Philips, 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 € 16,972 thousand (previous year: € 17,342 thousand). 25% (previous year: 26%) of revenue is attributable to the sale of licenses, 35% (previous year: 36%) to maintenance revenue and 40% (previous year: 38%) to other revenue, which includes services for and re-charges to affiliated companies and the parent company.

The deterioration in sales compared to the previous year is mainly due to lower demand from customers Philips and Canon. Maintenance revenue fell due to lower maintenance revenue with the customer Hologic

The improvement in other sales compared to the previous year is due to a slight increase in the area of diagnostic services and the charging on of staff costs, rent and ancillary costs.

Other operating income amounted to € 1,289 thousand in the past financial year (previous year: € 1,702 thousand). This mainly comprises income from exchange rate differences in the amount of € 1,070 thousand (previous year: € 1,263 thousand). It also includes income from the reversal of provisions in the amount of € 38 thousand (previous year: € 314 thousand).

The cost of materials increased to € 490 thousand (previous year: € 445 thousand) and mainly consists of third-party services in the lung product area in the amount of € 154 thousand (previous year: € 161 thousand) and the cost of materials in the mammography product area in the amount of € 160 thousand (previous year: € 67 thousand). In addition, € 131 thousand (previous year: € 117 thousand) is attributable to rental expenses for office space that is sublet to MBC KG.

The company's staff costs amounted to € 10,049 thousand in the past financial year (previous year: € 9,894 thousand). In the reporting year, the average number of permanent employees at the company to 116 (previous year: 114). The number of temporary student employees increased to 5 as at September 30, 2024 (previous year: 3).

Other operating expenses amounted to € 4,090 thousand in the reporting period (previous year: € 4,714 thousand). In particular, they include expenses from exchange rate differences of € 1,572 thousand (previous year: € 2,273 thousand), rental expenses of € 551 thousand (previous year: € 518 thousand) and expenses for legal, consulting and auditing costs of € 489 thousand (previous year: € 442 thousand) T€ 442).

The annual result before profit transfer, net interest income and income taxes (EBIT) fell from € 3,895 thousand to € 3,500 thousand, mainly due to lower sales revenue, lower other operating income and increased staff costs compared to the previous year

Income from loans of financial assets amounted to € 1,055 thousand (previous year: € 1,071 thousand) and is attributable to interest income from the loan granted to Varex Imaging Deutschland AG. In addition, interest income of € 152 thousand (previous year: € 111 thousand) resulted from sight deposits at banks. Taking into

account interest expenses of € 20 thousand (previous year: € 43 thousand), earnings before taxes (EBT) amounted to € 4,687 thousand (previous year: € 5,034 thousand).

The income taxes incurred in the financial year amounting to € 126 thousand (previous year: € 114 thousand) increased slightly compared to the previous year.

For the past financial year, taking into account the income tax charge in the amount of 126 thousand (previous year: € 114 thousand), earnings before profit transfer amounted to € 4,561 thousand (previous year: € 4,920 thousand).

PROFIT TRANSFER

The profit of € 4,561 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 € 302 thousand (previous year: € 80 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 € 26,484 thousand (previous year: € 28,054 thousand). Under assets, receivables and other assets decreased by € 562 thousand. Cash and cash equivalents decreased by € 1,215 thousand.

Equity remained constant. Provisions decreased by € 1,078 thousand and liabilities decreased by € 369 thousand. Deferred income decreased by € 122 thousand.

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 € 1,778 thousand to € 9,548 thousand as at the balance sheet date (previous year: € 11,326 thousand). Trade receivables fell by € 409 thousand, primarily due to the decline in sales.

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

The equity ratio increased to 67% (previous year: 64%) due to the lower balance sheet total and constant equity, while the debt ratio fell accordingly to 33% (previous year: 36%).

Provisions decreased by € 1,078 thousand to € 2,301 thousand compared to the previous year (previous year: € 3,379 thousand), primarily due to the utilization of the provision in connection with a patent lawsuit of € 613 thousand. Pension provisions decreased by € 18 thousand to € 248 thousand, partly due to the increase in the discount rate. Tax provisions fell to 0 due to prepayments made. Liabilities decreased by € 369 thousand to a total of € 4,834 thousand (previous year: € 5,204 thousand), mainly due to the lower liabilities to affiliated companies resulting from the lower profit transfer compared to the previous year. As in the previous year, there are no liabilities to banks. Deferred income fell by € 122 thousand to € 1,523 thousand due to lower 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 € 1,215 thousand to € 6,528 thousand in the past financial year. The positive cash flow from operating activities of € 3,146 thousand (previous year: € 5,854 thousand) is offset by payments to the shareholder due to the profit transfer for the previous year of € 4,920 thousand (previous year: € 7,789 thousand). Cash flow from investing activities fell by € 83 thousand to € 907 thousand due to increased payments for investments in property, plant and equipment. The decline in cash flow from investing activities was curbed by the increase in interest received.

Cash flow from operating activities decreased to € 3,146 thousand (previous year: € 5,854 thousand) in the 2023/2024 financial year, taking into account cash and non-cash transactions. The main drivers are the change

in the decrease in provisions, which rose from € 322 thousand to € 914 thousand, and the change in the decrease in trade receivables, which fell from € 1,578 thousand to € 572 thousand. The annual result, which fell from € 4,920 thousand to € 4,561 thousand, also had a negative impact.

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 € 349 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, Canon and Varian Medical Systems. MeVis has also provided development services for Varex Imaging Corporation in recent financial 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, in some cases, 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

MeVis Medical Solutions AG employed an average of 116 permanent employees in the financial year (previous year: 114), including 5 student testers on a temporary basis (previous year: 3). This corresponds to a total of 100 full-time equivalents (previous year: 104). In the past financial year, the majority of employees received a voluntary bonus payment in addition to their fixed remuneration.

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, supplementary health insurance 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 2023/2024 was another successful year for MeVis in terms of key financial figures, although we were unable to achieve our original sales and EBIT targets. Due to generally lower demand from all medical technology companies and cost-cutting measures, we were also affected by declining demand from our OEM customers. By contrast, business for our liver solutions, which we market directly to hospitals and surgeons, developed better.

In the original forecast in the previous year's management report, we assumed a slight increase in sales of between € 18.0 million and € 18.5 million based on our customers' business assessments. However, sales fell to € 17.0 million in the 2023/2024 financial year and are therefore within the range of our forecast, which was adjusted in September 2024 (stable sales of between € 17.0 million and € 17.5 million). The sales performance, which was slightly below the previous year, is mainly due to the fact that sales from the licensing business declined due to lower-than-planned demand from customers Philips and Canon. Sales from development services also fell due to lower demand. However, sales with our major customer Hologic developed more positively than planned.

A similar picture emerges for EBIT: a stable EBIT of between € 4.5 million and € 5.0 million was forecast for this key performance indicator for the 2023/2024 financial year in the previous year's management report. This forecast was also adjusted to between € 3.0 million and € 3.5 million at the beginning of September 2024. EBIT actually fell to € 3.6 million and is therefore slightly above the stated range. In addition to the decline in sales revenue, this is primarily due to the negative impact of exchange rate effects.

For 2025 and also in the medium and long term, the future prospects remain promising due to the changes initiated by our customers, especially in the mammography, lung and liver areas, in their collaboration with MeVis.

EXPLANATORY REPORT OF THE EXECUTIVE BOARD ON THE DISCLOSURES PURSUANT TO SEC. 289a SENTENCE 1 HGB

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

Composition of the 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 (Section 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)

No new conditional capital was created after the conditional capital expired.

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:

- 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 or her 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 of the voting rights or shares in the company through the acquisition of shares or in any other way.

**Compensation agreements entered into by the company with members of the Executive Board or 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 is included in the annual financial report 2023/2024 and has been made available on the MeVis Medical Solutions AG corporate website at the following link 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.

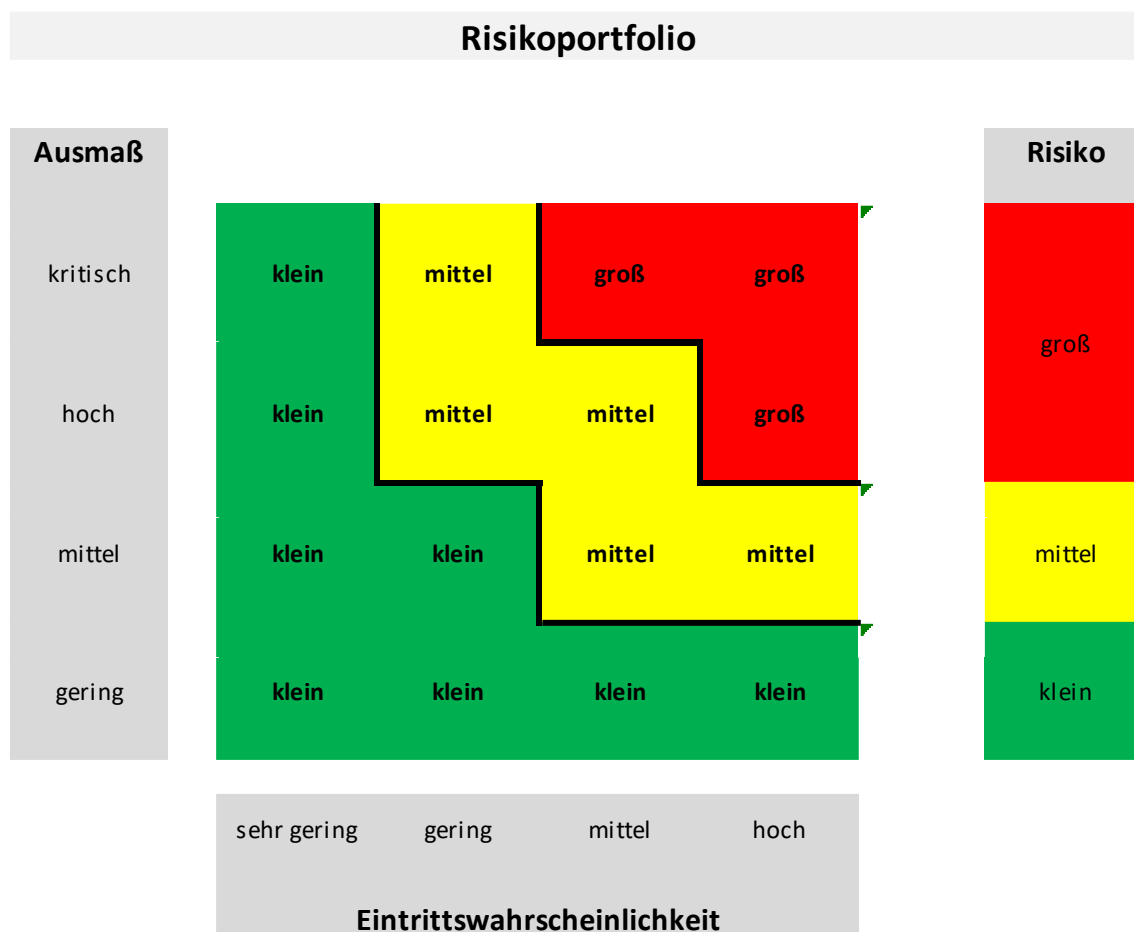
MeVis assumes that its customers will be able to maintain or expand the outstanding position of their products on the global market in the field of computer-aided imaging. MeVis can make a decisive contribution to this with its software solutions. Accordingly, against the backdrop of increasing competition, 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 integration of AI algorithms and the reporting of results will play a key role in this. In addition, competition for MeVis' most important customer Hologic from other modality manufacturers, particularly in the US, 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 can therefore not rule out the possibility that such external factors may have a negative impact on the market environment and thus on the company's revenue and sales expectations for financial year 2024/2025 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. The launch of various lung cancer screening programs worldwide is an indicator of this thesis.

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 forwarded 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 (under € 2.5 million), medium (€ 2.5 million to under € 5.0 million), high (€ 5.0 million to under € 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 are 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 was due to expire on December 31, 2021, was extended by three years in January 2022 and was due to expire on December 31, 2024. Due to the very large installed base of SecurView™ in the market and a continuing need for maintenance services and new licenses, the contract was extended until December 31, 2025. Due to the importance of this business for MeVis, a possible amendment or non-renewal of the contract could have a significant adverse effect 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 successfully marketed 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 may have a positive effect on MeVis' license business.

d) Risks in connection with product development

MeVis has been investing 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, would also have to fear 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 determined 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. The provision of € 613 k existing in the previous year was utilized as part of a settlement and we currently assess the risk of a potential patent infringement claim as low.

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 seen. 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 € 6.5 million in cash and cash equivalents (previous year: € 7.7 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 sales 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 considerably reduced by the obligation of Varex Imaging Deutschland AG, secured by letters of comfort from the American parent company, Varex Imaging Corporation, to assume any losses as set out in the control and profit and loss transfer agreement.

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 it develops is at risk from industrial espionage in connection with the theft of source code 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 war in Ukraine and other geopolitical tensions around the world are current examples of this. Their effects and the measures taken by governments can have a negative impact on the economy in some cases.

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, also influences 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 control 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 to Varex Imaging Deutschland AG, 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 19, 2024, Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Hamburg, to audit the annual financial statements and the management report for the 2023/2024 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 2022/2023 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 the 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 identified risks and 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

The internal control system (ICS) is designed to implement management decisions to ensure the effectiveness and efficiency of business activities (including the prevention and detection of asset misappropriation), the correctness and reliability of accounting and compliance with the legal provisions applicable to the company. It includes principles, guidelines, procedures and measures, is established as part of the internal control and monitoring processes with corresponding responsibilities and also includes a compliance management system geared towards the company's risk situation. Internal monitoring is ensured by security measures and controls integrated into the organizational and operational structure, such as authorization concepts, access and access restrictions, segregation of duties, completeness and plausibility checks and the monitoring of limits.

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 proactively address 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) and TGA (Australia) 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 sales of € 17.0 million were achieved in the 2023/2024 financial year, stable to slightly growing sales in the range of € 17.0 million to € 17.5 million are expected for the 2024/2025 financial year. In addition to stable sales with the customer Hologic, sales in the lung and liver area are expected to increase slightly. We expect development services to remain stable. EBIT of € 3.5 million was achieved in the 2023/2024 financial year. We expect earnings before profit transfer, net interest income and income taxes (EBIT) to be between € 3.5 million and € 4.0 million in the 2024/2025 financial year, assuming a stable exchange rate of 1.12 USD/EUR. The forecast stability or slight increase in sales and the disproportionately low increase in personnel costs are the main drivers of the positive EBIT outlook. Possible global economic effects, including the war in Ukraine and the general economic situation, played a role in the budget preparation.

As in the past reporting period, the Executive Board will regularly review its expectations over the course of the 2024/2025 financial year on the basis of current business developments.

Bremen, January 22, 2025



Marcus Kirchhoff

CEO

MeVis Medical Solutions AG, Bremen

BALANCE SHEET

as at September 30, 2024 (previous year: as at September 30, 2023)

ASSETS (IN €)	Sept. 30, 2024	Sept. 30, 2023
A. Fixed assets		
I. Intangible assets		
Purchased concessions, industrial property rights and similar rights and assets as well as licenses to such rights and assets	0.00	0.00
II. Property, plant and equipment		
Operating and office equipment	315,234.14	146,057.36
III. Financial assets		
1. Shares in affiliated companies	299,805.00	312,042.00
2. Loans to affiliated companies	16,225,211.69	16,225,211.69
	16,525,016.69	16,537,253.69
	16,840,250.83	16,683,311.05
B. Current assets		
I. Receivables and other assets		
assets		
1. Trade receivables from goods and services trade receivables	2,242,558.44	2,651,876.35
2. Receivables from affiliated companies	522,447.01	616,184.59
3. Other assets	254,621.56	313,640.37
	3,019,627.01	3,581,701.31
II. Cash on hand, bank balances credit institutions		
	6,528,394.25	7,743,883.96
	9,548,021.26	11,325,585.27
C. Prepaid expenses and deferred charges		95,585.51
	26,483,857.60	28,053,946.54

LIABILITIES (IN €)	Sept. 30, 2024	Sept. 30, 2023
A. Equity		
I. Subscribed capital	1,820,000.00	1,820,000.00
II. Capital reserve	11,461,332.48	11,461,332.48
III. Retained earnings		
1. Legal reserve	5,000.00	5,000.00
2. Other retained earnings	4,539,688.30	4,539,688.30
	4,544,688.30	4,544,688.30
	17,826,020.78	17,826,020.78
B. Provisions		
1. Provisions for pensions and similar obligations	247,540.00	265,626.00
2. Tax provisions	0.00	165,134.47
3. Other provisions	2,053,165.09	2,948,630.92
	2,300,705.09	
C. Liabilities		
1. Advance payments received on orders	11,719.28	14,512.81
2. Liabilities from deliveries and services	85,509.17	76,739.81
3. Liabilities to affiliated companies The company	4,560,821.86	4,920,981.90
4. Other liabilities -thereof from taxes € 131,258.39 (previous year: € 149,211.52)- -of which in the context of social security € 40,382.30 (previous year: € 36,221.73)-	175,992.72	191,312.34
	4,834,053.03	5,203,546.86
D. Prepaid expenses and deferred charges	1,523,088.70	1,523,088.70
	26,483,857.60	28,053,946.54

MeVis Medical Solutions AG, Bremen

PROFIT AND LOSS ACCOUNT

for the period from October 1, 2023 to September 30, 2024 (previous year: October 1, 2022 to September 30, 2023)

FIGURES IN €	2023/2024	2022/2023
1. Sales revenue	16,971,692.69	17,341,949.83
2. Other operating income	1,289,263.27	1,701,872.29
--of which from currency translation € 1,069,947.90 (previous year: € 1,263,064.78)--		
3. Cost of materials		
a) Expenses for purchased goods	68,964.38	46,936.26
b) Expenses for purchased services	420,705.05	398,309.25
	489,669.43	445,24.51
4. Staff costs		
a) Wages and salaries	8,453,338.69	8,346,929.42
b) Social security contributions and ex- penses for pensions and other em- ployee benefits	1,595,518.17	1,547,051.24
--of which for retirement benefits € 50,690.58 (previous year: € 56,276.07)--	10,048,856.86	9.893.980.66
5. Amortization of intangible assets and de- preciation of property, plant and equip- ment	132,735.01	95,838.13
6. Other operating expenses	4,089,574.40	4,713,873.58
--of which from currency translation € 1,571,550.17 (previous year € 2,273,090.04)--		
7. Income from loans of financial assets	1,054,655.66	1,071,027.32
--thereof from affiliated companies € 1,054,655.66 (previous year: € 1,071,027.32)-		
8. Other interest and similar income	152,065.08	110,638.30
9. Interest and similar expenses	19,620.00	42,823.00
--of which from compounding € 19,620.00 (previous year: € 40,962.00)--		
10. Taxes on income and earnings	126,399.14	114,180.83
11. Earnings after taxes	4,560,821.86	4,919,546.03
12. Profit transferred on the basis of a profit transfer agreement	4,560,821.86	4,919,546.03
13. Net income for the year	0.00	0.00

MeVis Medical Solutions AG, Bremen

CASH FLOW STATEMENT

for the period from October 1, 2023 to September 30, 2024 (previous year: October 1, 2022 to September 30, 2023)

FIGURES IN €	2023/2024	2022/2023
Annual result before profit transfer	4,560,821.86	4,919,546.03
+ Depreciation of fixed assets	132,735.01	95,838.13
+/- Increase/decrease in provisions	-913,551.83	-321,783.73
+/- Other non-cash expenses/income	298,574.08	720,038.94
Increase/decrease in trade receivables and other assets not attributable to investing or financing activities	572,320.66	1,578,364.87
Decrease/increase in trade payables and other liabilities not attributable to investing or financing activities	-132,678.47	46,335.80
+/- Net interest income	-1,206,720.74	-1,179,804.62
+ Income tax expense	126,399.14	114,180.83
- Income tax payments	-291,533.61	-118,584.95
= Cash flow from operating activities	3,146,366.10	5,854,131.30
- Payments for investments in property, plant and equipment	-301,911.79	-79,716.07
+ Proceeds from disposal of financial assets	12,237.00	0.00
+ Interest received	1,196,474.38	1,069,691.14
= Cash flow from investing activities	906,799.59	989,975.07
- Payment to shareholders (profit transfer previous year)	-4,919,546.03	-7,789,047.86
= Cash flow from financing activities	-4,919,546.03	-7,789,047.86
Change in cash and cash equivalents		
= Cash and cash equivalents	-866,380.34	-944,941.49
Exchange rate-related changes in cash and cash equivalents	-349,109.37	-631,649.49
+/- cash and cash equivalents		
Cash and cash equivalents at the beginning of the period	7,743,883.96	9,320,474.94
+ Cash and cash equivalents at the end of the period	6,528,394.25	7,743,883.96

STATEMENT OF CHANGES IN EQUITY

for the period from October 1, 2023 to September 30, 2024 (previous year: October 1, 2022 to September 30, 2023)

FIGURES IN €	Signed Capital	Reserves			Net income for the year	Total
		Capital reserve	Retained earnings reserves	Retained earnings reserves		
	Ordinary shares	According to § 272 para. 2 no. 1 - 3 HGB	Legal reserve	Other retained earnings		
Status 01.10.2022/ 30.09.2023	1,820,000.00	11,461,332.48	5,000.00	4,539,688.30	0.00	17,826,020.78
Status 01.10.2023 30.09.2024	1,820,000.00	11,461,332.48	5,000.00	4,539,688.30	0.00	17,826,020.78

MeVis Medical Solutions AG, Bremen

NOTES FOR THE FINANCIAL YEAR 2023/2024

ACCOUNTING AND VALUATION PRINCIPLES

MeVis Medical Solutions AG has its registered office at Caroline-Herschel-Straße 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, 2023 to September 30, 2024.

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:

	Useful life in years
EDP devices	3
Factory equipment	3 - 10
Tenant fixtures	5 - 10

Low-value assets and standard software with acquisition costs of between € 250.00 and € 800.00 are written off in full in 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 revenue surpluses are 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. This value also corresponds to the

amortized acquisition costs 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.

Partial retirement provisions are recognized as part of an actuarial valuation of the obligation in accordance with IDW RS HFA 3 using prudent business judgment at the settlement amount in accordance with Section 253 (1) sentence 2 HGB on the basis of the asset separation regulations. The fair value of the reinsurance policy corresponds to the actuarial reserve proven by the insurer. This value also corresponds to the amortized cost in accordance with the lower of cost or market principle. In accordance with Section 246 (2) sentence 2 HGB, the partial retirement obligations are offset against the asset value of the reinsurance policy

The remaining **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 in capital	Amount of equity	Annual result
1. MeVis BreastCare Verwaltungsgesellschaft mbH, Bremen, Germany	49.0%	33	1
2. MeVis BreastCare GmbH & Co KG, Bremen, Germany (MBC KG)	49.0%	1,203	-860

The information provided in the table relates to September 30, 2024 and the financial year ending on financial year 2023/2024 ending on September 30, 2024.

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.

Of the receivables from affiliated companies, € 70 thousand (previous year: € 69 thousand) relate to trade with MBC KG and € 452 thousand (previous year: € 547 thousand) to trade with Varex Imaging Corporation, Salt Lake City, USA.

Other assets amounted to € 255 thousand as at the balance sheet date (previous year: € 314 thousand). These mainly relate to a rental deposit in the amount of € 250 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 is no longer subject to income taxes. The income taxes incurred in the reporting year result in the amount of € 86 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 € 40 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 (2022/2023: € 1,820 thousand). It consists of 1,820,000 (2022/2023: 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 credit institutions 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).

Varex Imaging Corporation, Wilmington, Delaware, USA, informed us in accordance with Section 21 (1) WpHG (now § Section 33 (1) WpHG) on January 5, 2017 that its great-grandchild company, 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).

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 on that day amounted to 2.74% (this corresponds to 49,800 voting rights).
- 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 (€ 676 thousand; previous year: € 675 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 (1.87%; previous year: 1.81%) 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 1.91% (previous year: 1.66%). The difference in accordance with section 253 para. 6 sentence 1 HGB amounts to € -4 thousand (previous year: € 14 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, but not in the present case of a negative difference. The difference is also not subject to a transfer 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 (€ 428 thousand; previous year: € 410 thousand).

b) Tax provisions

The tax provisions amount to € 0 k (prev. year: € 165 k). The tax provisions are based on the tax returns and tax calculations and tax prepayments of MMS AG for the years 2022 to 2024.

c) Other provisions

Other provisions amounted to € 2,053 thousand (previous year: € 2,949 thousand). Of these, € 609 thousand (previous year: € 733 thousand) are mainly attributable to outstanding invoices, € 560 thousand (previous year: € 644 thousand) to bonus provisions, € 305 thousand (previous year: € 395 thousand) to provisions for the 13th salary, € 263 thousand (previous year: € 252 thousand) to vacation and overtime provisions and € 249 thousand (previous year: € 235 thousand) to warranty provisions. In the previous year, € 613 thousand was set aside in other provisions for the defense against a patent lawsuit.

Other provisions include a provision for partial retirement obligations. The settlement amount of the partial retirement obligation (€ 129 thousand) is initially calculated on the basis of biometric probabilities using the Heubeck 2018 G mortality tables. The provision was calculated on the basis of an actuarial interest rate of 1.51% for a remaining term of 6 years, a salary trend of 3.0% and a trend towards the contribution assessment ceiling for social insurance of 3.0%. 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 (€ 114 thousand).

Liabilities

Trade payables increased by € 9 thousand in the reporting period and amounted to € 86 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 € 4,561 thousand (previous year: € 4,921 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, 2024.

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€	2023/2024	2022/2023
Revenue from maintenance	5,869	6,204
Proceeds from the sale of licenses	4,317	4,469
Other	6,786	6,669
	16,972	17,342

In the 2023/2024 financial year, the company generated the majority of its revenue in the USA (€ 13,456 thousand; previous year: € 13,042 thousand) with its customers Hologic, Varian, Varex, Canon and Philips. This relates to income from the sale of licenses as well as income from maintenance and other services. Accordingly, sales of € 3,516 thousand (previous year: € 4,300 thousand) were generated in Europe.

In addition to revenue from development services and diagnostic services, other revenue also includes revenue from the charging on of staff costs, rent and ancillary costs in the amount of € 1,562 thousand (previous year: € 1,446 thousand).

Some of the sales are subject to estimates, as the final invoicing of the services actually rendered only takes place annually and not on the balance sheet date. The revenue for the reporting year includes revenue reductions relating to other periods amounting to EUR 19 thousand.

Other operating income

Other operating income amounted to € 1,289 thousand in the financial year (previous year: € 1,702 thousand). Of this, € 1,070 thousand (previous year: € 1,263 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 € 38 thousand from the reversal of a provision.

Staff costs

Staff costs amounted to € 10,049 thousand in 2023/2024 (previous year: € 9,894 thousand). The average number of employees in the reporting year was 116 (previous year: 114 employees). Of these, 5 (previous year: 3) 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 € 4,090 thousand in the reporting period (previous year: € 4,714 thousand). In particular, they include expenses from exchange rate differences of € 1,572 thousand (previous year: € 2,273 thousand), rental expenses of € 551 thousand (previous year: € 518 thousand) and expenses for legal, consulting and auditing costs of € 489 thousand (previous year: € 442 thousand).

Income from loans of financial assets

Income from loans of the company's financial assets totaled € 1,055 thousand in 2023/2024 (previous year: € 1,071 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 2023/2024 amounts to € 20 thousand (previous year: € 43 thousand) and is attributable to the expense from the compounding of pension provisions in the amount of € 13 thousand (previous year: € 17 thousand) and the expense from plan assets in the amount of € 7 thousand (previous year: € 24 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 as at September 30, 2024 amounted to € 2,126 thousand (previous year: € 2,739 thousand). Of this amount, € 1,999 thousand (previous year: € 2,570 thousand) is attributable to rental agreements and € 127 thousand (previous year: € 169 thousand) to leases. Of the other financial obligations, € 642 thousand are due within one year and € 1,484 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 2023/2024 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.

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 third-party property rights arising from the use and distribution of MeVis products. There are currently no concrete indications of a possible claim.

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 Varex Imaging Deutschland AG, Varex Imaging Deutschland AG and, via these, the affiliated companies of the Varex Group as well as the Executive Board and the Supervisory Board and their close relatives.

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

FIGURES IN THOUSANDS OF €	2023/2024
Parent company	
Receivables (from loans granted)	16,225
Receivables (from services)	0
Liabilities (from profit transfer agreement)	4,561
Income (mainly services and interest income)	2,094
Expenses (from profit transfer agreement)	4,561
Other affiliated companies	
Receivables (from services)	522
Income (mainly services)	2,874

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	from Mar. 1, 2012	<ul style="list-style-type: none"> Member of the shareholder delegation of MeVis BreastCare GmbH & Co KG (until Oct. 2, 2023) Member of the Executive Board of Varex Imaging Deutschland AG (since Jan. 20, 2017)
SUPERVISORY BOARD		
Kimberley E. Honeysett Chairwoman Sandy, Utah, USA	from Mar. 8, 2017	<ul style="list-style-type: none"> Senior Vice President, Chief Legal Officer, General Counsel and Corporate Secretary at Varex Imaging Corporation Member of the Supervisory Board of Varex Imaging Deutschland AG (Oct. 20, 2016 to May 31, 2018 and since Oct. 11, 2019) Member of the Board of Directors of Varex Imaging International AG, Switzerland (since Nov. 25, 2016)
Shubham Maheshwari Vice Chairman Sandy, Utah, USA	from Mar. 24, 2021	<ul style="list-style-type: none"> Chief Finance Officer at Varex Imaging Corporation Member of the Supervisory Board of Varex Imaging Deutschland AG (since Mar. 24, 2021) Member of the Board of Directors of Varex Imaging International AG, Switzerland (since Feb. 19, 2021)
Sunny Sanyal Sandy, Utah, USA	from Sep. 24, 2020	<ul style="list-style-type: none"> Chief Executive Officer at Varex Imaging Corporation Member of the Supervisory Board of Varex Imaging Deutschland AG (since Sep. 27, 2020)

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 2023/2024 financial year amounts to € 333 thousand (previous year: € 327 thousand) and includes fixed remuneration components including fringe benefits such as contributions to health insurance, 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 2023/2024 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	Oct. 1, 2023- Sep. 30, 2024
Final examinations	203
Other confirmation services	0
Tax advice	0
Other services	0
Total	203

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, 2023 and for the period from September 9, 2024, 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, 2024 and is available to shareholders as a PDF on the website (<https://www.mevis.de/investor-relations/corporate-governance/entsprechenserklaerung>).

Profit transfer/compensation payments

The profit of € 4,561 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.

Events after the balance sheet date

There were no business transactions of particular significance for the company after the balance sheet date.

Bremen, January 22, 2025



Marcus Kirchhoff
CEO

DEVELOPMENT OF FIXED ASSETS

(Statement of changes in fixed assets - Appendix to the Notes)

for the period from October 1, 2023 to September 30, 2024

FIGURES IN €	Acquisition costs			
	Oct. 1, 2023	Additions	Departures	Sep. 30, 2024
I. Intangible assets				
Purchased concessions, industrial property rights and similar rights and assets as well as licenses to such rights and	1,329,859.48	0.00	0.00	1,329,859.48
II. Property, plant and equipment				
Operating and office equipment	1,991,350.72	301,911.79	304,358.58	1,988,903.93
III. Financial assets				
1. Shares in affiliated companies	312,042.00	0.00	12,237.00	299,805.00
2. Loans to affiliated	16,225,211.69	0.00	0.00	16,225,211.69
	16,537,253.69	0.00	0.00	16,525,016.69
	19,858,463.89	301,911.79	316,595.58	19,843,780.10

Accumulated amortization				Carrying amounts	
Oct. 1, 2023	Additions	Departures	Sep. 30, 2024	Sep. 30, 2024	Sep. 30, 2023
1,329,859.48	0.00	0.00	1,329,859.48	0.00	0.00
1,845,293.36	132,735.01	304,358.58	1,673,669.79	315,234.14	146,057.36
0.00	0.00	0.00	0.00	299,805.00	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	16,525,016.69	16,537,253.69
3,173,842.52	132,735.01	304,358.58	3,003,529.27	16,840,250.83	16,683,311.05

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 22, 2025

MeVis Medical Solutions AG

A handwritten signature in black ink, appearing to read 'Marcus Kirchhoff', is written over a light blue horizontal line.

Marcus Kirchhoff

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.

AUDIT OPINION OF THE INDEPENDENT AUDITOR

To 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, 2024, and the income statement, statement of cash flows and statement of changes in equity for the financial year from October 1, 2023 to September 30, 2024, 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, 2023 to September 30, 2024. 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-audit section of the management report" section of the management report, or the disclosures made in this section on the internal control system, environmental and social matters, quality management and regulatory affairs.

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, 2024 and of its financial performance for the financial year from October 1, 2023 to September 30, 2024 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, the opinion of the legal representatives on the appropriateness and effectiveness of the overall internal control system and the risk management system, nor the disclosures on the internal control system, environmental and social matters, quality management and regulatory affairs.

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 Regulation") 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 applicable to 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, 2023 to September 30, 2024. 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 16,972 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 9,741 thousand (corresponding to 57%), of which EUR 4,769 thousand (corresponding to 49%) is attributable to revenue from maintenance contracts, EUR 3,259 thousand to revenue from the sale of licenses and EUR 1,712 thousand to other revenue. Income prior to the balance sheet date resulted in deferred income of EUR 1,523 thousand, which mainly resulted from advance payments received 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. The company recognizes the amounts received in advance as deferred income and reverses them to profit or loss over the term of the contract. Revenue totalling EUR 644 thousand was recognized for the months of May to September 2024, 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 2024 to April 2025. 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, each of which was prepared for the period from 1 May of one 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 reported in the financial year, we examined in particular the planning underlying the recognition of revenue and assessed the estimates and assumptions made by the executive directors in this regard 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 entire internal control system and the risk management system contained in the section of the management report entitled "Non-audited part of the management report", the disclosures made in this section on the internal control system, environmental and social matters, quality management and regulatory affairs,
- 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 there are factual or legal circumstances to the contrary.

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 in response to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit 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,

quate, 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 e9dcb89b1557b65bb2c7abd350f8d935e70f293f63f8851dcf7b4d0a1ea98908 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 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, 2023 to September 30, 2024 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 19, 2024. We were engaged by the supervisory board on October 4, 2024. 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 the 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 28, 2025

Deloitte GmbH

auditing company

Christian Dinter
Certified public accountant

Isabelle Kühne
Certified public accountant

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 2024/2025

Date	Event
January 30, 2025	Publication of the 2023/2024 annual report
March 25, 2025	Annual General Meeting, Bremen
May 27, 2025	Publication of half-year financial report 2024/2025

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