



Conavi Medical Reports Fiscal 2024 Financial Results and Operational Highlights

- Completed US\$7.7 million financing and reverse takeover to take Company public
- Chinese partner achieved regulatory approval, setting stage for royalty stream and triggering US\$5.9 million payment, enabling Company to fully repay debt to that partner
- U.S. FDA submission of Novasight 3.0 system on track for calendar 2025

TORONTO, Dec. 19, 2024 -- Conavi Medical Corp. (TSXV: CNVI) ("**Conavi Medical**" or the "**Company**"), a commercial stage medical device company focused on designing, manufacturing, and marketing imaging technologies to guide common minimally invasive cardiovascular procedures, today reported financial results for the fiscal year ended September 30, 2024. These results are presented in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

"With our equity raise and going public transaction, we capped off a highly productive fiscal year," commented Thomas Looby, Conavi Medical's CEO. "Commercially, we continued to advance, with our Chinese partner achieving regulatory approval earlier this month, setting the stage for a recurring royalty stream. As the safety and efficacy advantages of intravascular imaging are increasingly recognized, we believe our world-leading Novasight Hybrid platform offers a no-compromise solution for interventional cardiologists, payers and hospital administrators seeking to improve patient outcomes and control costs. We're on track to submit our AI-enhanced next generation Novasight Hybrid system ("**Novasight 3.0**") to the U.S. Food & Drug Administration in the coming year, a key milestone as we roll out the first dual-modality imaging system for the world's most common cardiovascular procedures."

Business Highlights

All amounts are in U.S. dollars unless specified otherwise:

- Subsequent to fiscal 2024 year-end, on October 11, 2024, the Company completed a reverse takeover of Titan Medical Inc. ("**Titan Medical**") in an all-stock transaction and completed a concurrent private placement to certain institutional and accredited investors of 7,729,300 subscription receipts for gross proceeds of US\$7.7 million (C\$10.6 million) (the "**Concurrent Private Placement**").
- Conavi Medical's common shares (which, at the time, were Titan Medical Inc.) were voluntarily delisted from the Toronto Stock Exchange on October 15, 2024 and commenced trading on the TSX Venture Exchange (the "**TSXV**") under the symbol "CNVI" effective October 16, 2024. The Company subsequently engaged ICP Securities Inc. to provide automated market making services.
- Also in October 2024, the *Journal of the American College of Cardiology: Cardiovascular Interventions* published a peer-reviewed [paper](#) by Tufaro et al. that provided an overview of recent developments in hybrid intracoronary imaging and discussed its value in a range of clinical practice and research areas, including percutaneous coronary intervention (PCI) guidance, vulnerable plaque detection, and the assessment of focal and systemic therapies for atherosclerosis. The publication came at an opportune time as the Company showcased the Novasight Hybrid™ System at the Cardiovascular Research Foundation's annual Transcatheter Cardiovascular Therapeutics (TCT) conference in Washington, DC.
- On December 9, 2024, the Company announced that its exclusive licensing partner in China, East Ocean Medical (Hong Kong) Company Limited ("**EOM**"), had received approval by the China National Medical Products Administration ("**NMPA**") for its coronary imaging system, which is based on Novasight Hybrid™ System intellectual property licensed to it by the Company via a June 2021 technology transfer and licensing agreement ("**TTLA**"). The NMPA triggered a fourth and final \$5.9 million milestone payment from EOM to Conavi Medical, which the Company will use to extinguish a \$5.9 million promissory note owed by it to EOM. With this milestone achieved, the Company expects to begin benefiting from a recurring royalty revenue stream, as detailed in its press release of December 9, 2024.
- Also in December 2024, Conavi Medical presented an update on its business at the MedInvest MedTech, AI & Digital Health Conference in New York City, marking its first investor event presentation as a public company.

Fiscal 2024 Financial Results

In the fiscal years ended September 30, 2024 and 2023, the Company was focused on development of Novasight 3.0, and incorporating clinical user feedback from its current system. For the fiscal year ended September 30, 2024, the Company recorded revenue of approximately \$2.16 million, comprising approximately \$2.03 million primarily from sales to EOM, including systems and catheters to support regulatory approval as well as components to support pilot builds pursuant to the

TTLA. Revenue of approximately \$0.13 million related to licensing and research and development (R&D) services attributable to milestone fees recognized on milestones achieved pursuant to the TTLA with EOM. This compares to approximately \$2.36 million in the twelve months ended September 30, 2023.

Operating expenses for the twelve months ended September 30, 2024, were approximately \$26.3 million, compared to approximately \$23.0 million in the same period in 2023. The operating loss for FY 2024 was approximately \$26.2 million, compared to approximately \$23.0 million for FY 2023. Research & development expenses for FY 2024 were approximately \$17.9 million, compared to approximately \$15.2 million for FY 2023.

FY 2024 net loss was approximately \$43.6 million, or \$7.08 per common share, compared to a net loss of approximately \$26.0 million, or \$4.24 per common share, in the twelve-month period ended September 30, 2023. The increase in net loss was primarily the result of a change in the fair value of the Company's 18% secured convertible debentures and 10% secured convertible debentures, an increase in net finance costs, costs related to the reverse takeover of Titan Medical and Concurrent Private Placement, and a decrease in gross profit.

As of September 30, 2024, cash and cash equivalents were \$436,000. This amount does not include the US\$7.7 million in gross proceeds from the Concurrent Private Placement received after fiscal year-end.

For detailed financial results, please refer to Conavi Medical's filings on SEDAR+ and the Company's website.

About Conavi Medical

Conavi Medical is focused on designing, manufacturing, and marketing imaging technologies to guide common minimally invasive cardiovascular procedures. Its patented Novasight Hybrid™ System is the first system to combine both intravascular ultrasound (IVUS) and optical coherence tomography (OCT) to enable simultaneous and co-registered imaging of coronary arteries. The Novasight Hybrid System has 510(k) clearance from the U.S. Food and Drug Administration; and regulatory approval for clinical use from Health Canada, China's National Medical Products Administration, and Japan's Ministry of Health, Labor and Welfare. For more information, visit <http://www.conavi.com/>.

Cautionary Statement Regarding Forward-Looking Information

This news release contains "forward-looking statements" within the meaning of applicable Canadian and U.S. securities laws, which reflect the current expectations of management of Conavi's future growth, results of operations, performance and business prospects and opportunities. Forward-looking statements are frequently, but not always, identified by words such as "may", "would", "could", "will", "anticipate", "believe", "plan", "expect", "intend", "estimate", "potential for" and similar expressions, although these words may not be present in all forward-looking statements. Forward-looking statements that appear in this release may include, without limitation, references to Conavi's plans for the commercialization of its Novasight Hybrid™ System.

These forward-looking statements reflect management's current beliefs with respect to future events, and are based on information currently available to management that, while considered reasonable by management as of the date on which the statements are made, are inherently subject to significant business, economic and competitive uncertainties and contingencies which could result in actions, events, conditions, results, performance or achievements to be materially different from those projected in the forward-looking statements. Forward-looking statements involve significant risks, uncertainties and assumptions and many factors could cause Conavi's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Such factors and assumptions include, but are not limited to, Conavi's ability to retain key personnel; its ability to execute on its business plans and strategies; and other factors listed in the "Risk Factors" sections of the joint information circular of Conavi dated August 30, 2024 (which may be viewed at www.sedarplus.com). Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results, performance, or achievements may vary materially from those expressed or implied by the forward-looking statements contained in this news release. These factors should be considered carefully, and prospective investors should not place undue reliance on the forward-looking statements.

Although the forward-looking statements contained in the news release are based upon what management currently believes to be reasonable assumptions and Conavi has attempted to identify important factors that could cause actual actions, events, conditions, results, performance or achievements to differ materially from those described in forward-looking statements, Conavi cannot assure prospective investors that actual results, performance or achievements will be consistent with these forward-looking statements. Except as required by law, Conavi expressly disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise. Accordingly, investors should not place undue reliance on forward-looking statements. All the forward-looking statements are expressly qualified by the foregoing cautionary statements.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this press release.

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