



## Pixium Vision announces H1 2017 financial results and provides an update on its activities

**Paris, France. July 27, 2017** – 7:00 AM - Pixium Vision (FR0011950641 - PIX), a company developing innovative bionic vision systems to allow patients who have lost their sight to lead more independent lives, announces its financial results for the first half of 2017, approved July 26, 2017 by the Board of Directors. The Half-Year Financial Report is available on the Company's website.

*“Progress in the first half of the year is in line with our strategic plan,”* stated **Khalid Ishaque, Chief Executive Officer of Pixium Vision**. *“In regards to Pixium’s first product, IRIS®II, all patients enrolled in its ongoing 10-patient clinical trial now have a minimum of 6 months follow up and we will report interim results soon. These additional data enable the French Health Authority (HAS) to complete assessment for approving “Forfait Innovation,” for IRIS®II a special reimbursement program for innovative medical technology and accelerate availability for eligible patients. On the commercial front, we also expect our focused efforts in partnership with centers of excellence to shortly deliver first sales. Finally for PRIMA, Pixium’s second product, we continue to push forward with regulatory authorities in both Europe and the United States to start the first clinical trial for Dry Age Related Macular Degeneration (AMD) indication in 2017.”*

### **Income Statement summary <sup>(\*)</sup>**

<i>In thousand Euros</i>	<b>H1 2017</b>	<b>H1 2016</b>
<b>Revenues (**)</b>	<b>1,255.2</b>	<b>1,366.0</b>
<b>Operating expenses</b>	<b>(7,318.2)</b>	<b>(8,369.2)</b>
Cost of goods sold	(561.6)	-
Research and development	(3,990.8)	(5,800.9)
Selling and marketing	(238.7)	-
General and administrative	(2,527.1)	(2,568.3)
<b>Operating Result</b>	<b>(6,063.0)</b>	<b>(7,003.2)</b>
<b>Net result</b>	<b>(6,442.2)</b>	<b>(6,912.5)</b>
<b>Earnings per share</b>	<b>€ (0.50)</b>	<b>€ (0.54)</b>

<sup>(\*)</sup> The financial statements for the first half of 2017 were subject to a limited review by the Statutory Auditors; <sup>(\*\*)</sup> of which Research Tax Credit

### **Cash flow statement summary**

<i>In thousand Euros</i>	<b>H1 2017</b>	<b>H1 2016</b>
Opening cash and cash equivalents	14,244.2	24,353.8
(Decrease) / Increase in cash position	671.9	(8,123.7)
O/W net cash flows from operating activities	(7,116.7)	(8,090.4)
O/W net cash flows from investing activities	(330.1)	(96.3)
O/W net cash flows from financing activities	8,118.7	63.0
Closing cash, and cash equivalents	14,916.1	16,230.2

## Business Update

In the first half of 2017, Pixium Vision continued to implement its regulatory and commercial strategies. Pixium is currently conducting the six-month follow-up of the 10 IRIS®II-implanted patients in its ongoing clinical study and expects to present this interim data during the third quarter of this year.

In Germany, the Company continues to partner with centers of excellence identified as part of the 2017 NUB approval, the German vehicle for reimbursement of medical innovations. In Spain, Pixium uses its network of experts in lieu of a public reimbursement program and as a result, imminently expects its first sales. After receiving recognition in France as an “*innovative device*”, Pixium Vision will complete IRIS®II’s application for the country’s “Forfait Innovation” (FI) program. The FI application incorporates the 6-month interim data from the ongoing 10-patient clinical study in Europe, along with a revised study protocol. Pixium Vision is also continuing its promising efforts in the Middle East.

In parallel, the Company is actively developing PRIMA, an innovative sub-retinal totally wireless photovoltaic system, for clinical trials this year. Over the past six months, Pixium Vision further strengthened PRIMA’s regulatory dossier with the very promising additional preclinical data, including results from closest-to-human, *in vivo* models. Pixium is also engaged in intensive discussions with the FDA in USA and European regulatory agencies regarding the initiation of clinical feasibility studies with PRIMA for dry AMD indication.

In order to further finance clinical and corporate development, on June 27, Pixium announced the planned drawdown of the second tranche (€4 million) of the bond financing signed with Kreos Capital Ltd, bringing the total amount drawn to €8 million.

## 2017 Operational Outlook

Pixium Vision is focusing its resources and prioritizing its efforts on 1) commercialization of IRIS®II and 2) research and clinical development of PRIMA.

For IRIS®II, the Company is expecting to record its first sales either under favorable reimbursement terms or by seeking medical innovation financing initiatives for some of its initial implants. The Company will also announce interim follow-up results of patients implanted in the ongoing multi-center study.

For PRIMA, the Company is planning the first human implantation of the device this year as part of a planned feasibility study.

## Financial Results of the First Half 2017

**Revenues** totalled €1.26 million, including €0.9 million from a Research Tax Credit (CIR), which was down compared to H1 2016. CIR corresponds to the Company’s ongoing R&D efforts, notably in clinical expenses for IRIS®II, and the preclinical development of PRIMA. A reduction in IRIS®II’s R&D expenses following its CE marking led to the overall decrease in revenues in 2017 compared to 2016. The Company also accounted €0.29 million related to the “Sight Again” project.

**Costs of goods sold** amounted to €0.6 million at the end of June 2017. Since entering the marketing phase of the IRIS®II system, part of the R&D expenses has been allocated to manufacturing costs as well as the various purchases of materials, supplies, and other consumables relating to this system.

**Research & Development (R&D)** spending amounted to €3.99 million. Pixium Vision continues to invest in the development of its two bionic vision systems. Since obtaining the CE Marking last July, part of the cost for the IRIS®II system is now allocated to manufacturing which explains the decline in R&D spend between 2017 and 2016. The majority of IRIS®II spending remains focused on clinical studies. PRIMA, Pixium Vision’s second and innovative bionic vision system, saw R&D spending focused on the next stages of development and its first human implantation.

**Selling and Marketing** costs amounted to €0.24 million at the end of June 2017. During the past six months, Pixium Vision continued to recruit commercial development staff to strengthen its sales and market development capabilities in Germany, Spain, and the Middle East. Beyond the expert centers of excellence involved in its clinical trials, Pixium Vision aims to develop additional centers of excellence in ophthalmology, and train healthcare professionals (retinal surgeons and low-vision specialists) in the implantation of its IRIS®II system, and in the re-education and re-adaptation of patients. At the same time, Pixium Vision continues to provide a sustained partnership to blind patient advocacy groups.

**General and administrative expenses** amounted to €2.53 million compared to €2.60 million a year earlier. The Company keeps control of its General and administrative costs year on year.

Net **financial result** shows a loss of €0.38 million, mainly related to the execution of the bond financing with Kreos Capital and its first interest payment, as well as capitalised interests on the recording of Conditional advances.

**Operating result** is a loss of €6.06 million, compared with a loss of €7.03 million in the first half of 2016, and **Net result** shows a loss of €6.44 million (against a loss of € 6.91 million in the first half of 2016). **Net earnings per share** amounted to € (0.50) and € (0.54), respectively, at June 30, 2017 and June 30, 2016.

Net cash outflow **from operating activities** amounted to €7.12 million and €8.09 million, respectively, as of June 30, 2017 and June 30, 2016. In the first half of 2017, R&D spending focused on the further development of PRIMA, with the completion of in-vitro and studies in animal models and the filing for the first-in-human feasibility study for dry AMD indication. Therefore, Selling and Marketing spending increased in line with the strategic plan to selectively build field commercial presence. General and Administrative costs, on the other hand, remain well controlled.

During the first half of 2017, net cash flows **from investing activities** amounted to €0.33 million, compared to €0.10 million the year before. In 2017, expenses mainly comprise the deposit cashed out over the first two tranches of the bond financing, for a total of €0.21 million.

On June 30, 2017, **net cash flows from financing activities** amounted to €8.12 million. On March 28 and June 30, 2017, Pixium Vision received net payments of € 3.7 million euros and € 3.9 million, respectively, following the planned drawdown of tranches A and B of the bond financing signed with Kreos Capital in September 2016.

On June 30, 2017, the Company had a **positive net cash position** of €14.92 million.

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## ABOUT PIXIUM VISION

Pixium Vision's mission is to create a world of bionic vision for those who have lost their sight, enabling them to regain partial visual perception and greater autonomy. Pixium Vision's bionic vision systems are associated with a surgical intervention as well as a rehabilitation period.

The company is developing two bionic retinal implant systems. IRIS®II, the company first bionic system, obtained CE Mark in July 2016. In parallel, Pixium Vision recently completed the preclinical studies for PRIMA, a sub-retinal miniaturized wireless photovoltaic implant platform, and is planning to initiate first in-human trials soon.

Pixium Vision collaborates closely with academic and research partners spanning across prestigious vision research institutions, including the Institut de la Vision in Paris, the Hansen Experimental Physics Laboratory at Stanford University and Moorfields Eye Hospital in London. Pixium Vision is EN ISO 13485 certified.

For more information, please visit:  [www.pixium-vision.com](http://www.pixium-vision.com);

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Pixium Vision is listed on Euronext Paris (Compartment C). Pixium Vision shares are eligible for the French tax incentivized PEA-PME and FCPI investment vehicles.

Pixium Vision is included in the Euronext CAC All Shares index

Euronext ticker: PIX - ISIN: FR0011950641 – Reuters: PIX.PA – Bloomberg: PIX:FP

### Disclaimer:

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*Pixium Vision provides this press release as of the aforementioned date and does not commit to update forward looking statements contained herein, whether as a result of new information, future events or otherwise.*

*For a description of risks and uncertainties which could lead to discrepancies between actual results, financial condition, performance or achievements and those contained in the forward-looking statements, please refer to Chapter 4 "Risk Factors" of the company's Registration Document filed with the AMF under number R16-033 on April 28, 2016 which can be found on the websites of the AMF - AMF ([www.amf-france.org](http://www.amf-france.org)) and of Pixium Vision ([www.pixium-vision.com](http://www.pixium-vision.com)).*

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