



## Pixium Vision announces its unaudited financial results for 2021 and provides a business update

- Cash position on 31 December 2021: €14.5 million
- Cash runway to end of Q4 2022
- Clinical development, activating multiple clinical sites and successfully implanting patients enrolled in our PRIMavera pivotal study

**Paris, 22 February 2022** – 7.00 a.m. CET - Pixium Vision (FR0011950641 - PIX), a bioelectronics company that develops innovative bionic vision systems to enable patients who have lost their sight to live more independently, announces its financial results for 2021 and provides a business update. The 2021 financial statements were approved by Pixium Vision's Board of Directors at its meeting on 17 February 2022.

Lloyd Diamond, CEO of Pixium Vision commented *"In 2021, we continued to deliver on our promises, and we progressed significantly on our journey to create a world of bionic vision for those who have lost their sight. In spite of the Covid-19 pandemic, we continued to make strong progress on many fronts throughout 2021, progressing through our PRIMavera pivotal study, the last step of clinical development in Europe and continuing to strengthen our presence in the US in anticipation of increasing clinical development in this key market. We are well positioned drive the Prima System through these important stages, having successfully extended our cash runway to end of 2022."*

### 2021 annual results (unaudited) - Excerpts

Income statement summary			
<i>In thousands of euros</i>	2021	2020 (*)	Change
<b>Revenue and other income</b>	<b>2,655</b>	<b>2,092</b>	<b>+26.9%</b>
<b>Operating expenses</b>	<b>(12,916)</b>	<b>(10,526)</b>	<b>+22.7%</b>
Research and Development	(7,282)	(6,152)	+18.4%
General and administrative expenses	(5,633)	(4,374)	+28.8%
<b>Operating income (loss)</b>	<b>(10,260)</b>	<b>(8,435)</b>	<b>+21.7%</b>
<b>Net income (loss)</b>	<b>(11,051)</b>	<b>(9,134)</b>	<b>+21.0%</b>
<b>Net earnings per share</b>	<b>(0.23)</b>	<b>(0.27)</b>	

(\*) 2020 restated: impact of change in IAS19 calculation (cf. note IAS19 Retirement Benefits)

Statement of cash flows summary		
<i>In thousands of euros</i>	2021	2020 (*)
<b>Opening cash and cash equivalents</b>	<b>10,566</b>	<b>6,791</b>
<b>(Decrease)/Increase in cash position</b>	<b>3,939</b>	<b>3,774</b>
<i>O/W net cash flows from operating activities</i>	(8,829)	(6,906)
<i>O/W net cash flows from investment activities</i>	(52)	197
<i>O/W net cash flows from financing activities</i>	12,818	10,482
<i>Effect of exchange rate changes on cash</i>	2	-
<b>Closing cash and cash equivalents</b>	<b>14,505</b>	<b>10,566</b>

(\*) 2020 restated: impact of change in IAS19 calculation (cf. note IAS19 Retirement Benefits)

## **Update on Pixium Vision's business**

Pixium Vision made important clinical and business progress during 2021.

Pixium Vision accelerated the clinical development of our highly innovative Prima System\*, activating multiple clinical sites and successfully implanting patients enrolled in our PRIMAVera pivotal study in France, Germany, and the UK, including at the prestigious Moorfields Eye Hospital in London. The pivotal PRIMAVera trial in atrophic dry age-related macular degeneration (dry AMD) is evaluating the safety and efficacy of the Prima System and is expected to be the last clinical step before seeking market approval in Europe sometime in 2024.

The Company's first feasibility study of the Prima System, that started in 2017, continues to generate extremely positive and promising data. Indeed, Pixium announced positive long-term follow-up data that showed the state-of-the-art PRIMA chips were readily implanted and well tolerated and worked reliably in patients for over 36 months post-implantation. Based on this, Pixium Vision believes the PRIMA implants and the whole Prima System are a realistic solution to help, over the long term, patients suffering from dry AMD, a large patient population with no treatments currently on the market.

Alongside our clinical developments, Pixium Vision has been advancing technologically, beginning work on the second generation of implants for the Prima System and expanding our collaboration agreement with its long-term academic partner Stanford University. This follows the original agreement the Company signed with Stanford University in 2014, which laid the foundation for the creation of the current PRIMA design.

The Company has also strengthened its leadership team with the appointment of Offer Nonhoff as Pixium's Chief Financial Officer. Offer is a seasoned financial executive with more than 20 years of experience in healthcare and other industries and a proven track record in funding and growing companies. He has raised more than \$180 million in capital, led a successful initial public offering, and is a considerable asset for Pixium as the Company prepares for its commercialization and value driving events.

Pixium Vision continues to engage with investors and increases its visibility through participation in investor-related events, such as last Investir Day in Paris in November 2021. The Company remains very active within the broader scientific community, regularly attending and presenting at industry conferences as well as hosting its own KOL events to present the progress made with the Prima System. Additionally, in 2021, Pixium's groundbreaking work was recognized at the MedTech Forum in April when the Company received the HealthTech Award in the category of Best Product/Deal for the Prima System. The awards highlight the most promising game-changers developing emerging technologies for healthcare in Europe, which was an honor to receive the award, and it is an attestation to the dedication of the Pixium team and collaborators for their dedication in developing the Prima System and, the hard work throughout the year.

The Company capital increase of around €8 million in July last year through a private placement came primarily from US investors, which has helped expand its shareholder base. Pixium Vision is currently considering its fundraising options to provide it with the means to accelerate its clinical development, as the Company prepares for the potential commercial launch of our Prima System in Europe at the end of 2024. In addition, the company takes its ethical obligations seriously and will ensure the continuing support of its ongoing clinical trials.

These developments have reinforced the Company's belief in the potential of its Prima System to compensate for profound vision loss and improve the quality of life for patients suffering from retinal degenerative diseases.

## Analysis of 2021 results (unaudited)

In financial year 2021, the Group did not generate any sales.

**Revenue and other income** amounted to €2.7 million, compared to €2.1 million the previous year. In 2021 revenue and other income are comprised essentially of a Research Tax Credit (CIR) in the amount of €1.6 million and €0.8 million for contractual indemnities paid by Second Sight Medical Product Inc. (SSMP). These indemnities were paid following the unilateral termination of the MOU between the two companies concluded on 5 January 2021 by SSMP.

**Operating expenses** amounted to €12.9 million, compared to €10.5 million in 2020. Operating expenses increased by 22.7% for €2.4 million of which €1.1 million in research and development and €1.3 million in general and administrative expenses.

- **Research and Development expenses** totalled €7.3 million, compared to €6.2 million the previous year. In 2021, Pixium Vision strengthened its clinical team and opened several clinical centers in Europe as part of its PRIMAVera pivotal study. In addition, the Group continued to develop and manufacture its Prima bionic vision system to ensure the progress of its ongoing clinical studies.
- **General and administrative expenses** totaled €5.6 million compared to €4.4 million in 2020. The increase is mainly linked to the costs incurred by the Company for legal services in preparation for its business combination with Second Sight Medical Product.

**Operating income (loss)** for 2021 was a loss of €10.3 million, compared to a €8.4 million operating loss in 2020.

**Net income (loss)** was a loss of €11.1 million (compared to a loss of €9.1 million in 2020). In 2021, the Group recognised financial expenses of €0.7 million (compared €0.7 million in 2020). The Group did not recognize corporate income tax expense for 2021. The loss per share was €0.23 and €0.27 per share in 2021 and 2020, respectively.

**Net cash flows from operating activities** increased in 2021 to €8.8 million in outflow, compared to €6.9 million in 2020. The increase in net cash outflow reflects the initiation of the PRIMAVera study, the continuation of the US feasibility study, as well as the spending associated with the preparation of the business combination with Second Sight Medical Products, Inc.

**Net cash flows from investment activities** amounted to €0.1 million and mainly correspond to IT equipment.

**Net cash flows from financing activities** totalled €12.8 million in inflow in 2021. They reflect mainly a capital increase of approximately €8.0 million in gross proceeds and the drawdown of 5 ORNAN tranches for a total of €6.25 million in gross proceeds under its agreement with ESGO. Following the drawdown of the last tranche on 12 May 2021, there is no longer any outstanding warrants as the entire 10 million financing has been drawn.

Pixium Vision ended 2021 with a net cash position of €14.5 million, compared to €10.5 million at the end of 2020.

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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 and a rehabilitation period.

Pixium Vision is conducting clinical feasibility studies of its Prima system, its miniaturised wireless sub-retinal implant, in patients who have lost their sight due to retinal degeneration associated with the dry form of Age-Related Macular Degeneration (AMD). Pixium Vision works closely with world-renown academic partners, such as Stanford University in California, Institut de la Vision in Paris, Moorfields Eye Hospital in London, Institute of Ocular Microsurgery (IMO) in Barcelona, and UPMC in Pittsburgh, USA. The company is EN ISO 13485 certified. Pixium Vision has been qualified as an "Innovative Company" by Bpifrance.

\* CAUTION - Investigational device. Limited by United States law to investigational use.

For more information: <https://www.pixium-vision.com/fr>

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Pixium Vision is listed on Euronext Growth Paris.  
Euronext ticker: ALPIX - ISIN: FR0011950641

Pixium Vision shares are eligible for the French tax incentivized PEA-PME and FCPI investment vehicles.

Pixium Vision is included in the Euronext GROWTH ALLSHARE index

## Disclaimer

*This press release, implicitly or expressly, contains certain forward-looking statements concerning Pixium Vision and its business. Such statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, financial conditions, performance or achievements of Pixium Vision to be materially different from the results, financial conditions, performance or achievements expressed or implied by such forward-looking statements. Pixium Vision issues this press release as at this date and does not undertake to update any forward-looking statements contained herein, whether in response to new information, future events or otherwise. For a description of the risks and uncertainties that could cause the actual results, financial conditions, performance or achievements of Pixium Vision to differ from those contained in the forward-looking statements, please refer to section 3 "Risk Factors" of the Company's 2019 Universal Registration Document, which was filed with the Autorité des Marchés Financiers under number D.20-0350 on 24 April 2020, and which can be viewed on the websites of the Autorité des Marchés Financiers - "AMF" ([www.amf-france.org](http://www.amf-france.org)) and Pixium Vision ([www.pixium-vision.com](http://www.pixium-vision.com)) and in the Financial Report for the 2020 financial year (Appendix 1), available free of charge on the Pixium Vision website ([www.pixium-vision.com](http://www.pixium-vision.com))*

## Notes

### Risk factors

The risk factors to which the Group is exposed are described in “*Annexe 1 – Risques et incertitudes auxquels la Société est confrontée*” of the Financial Report for the 2020 financial year. Management’s assessment of the nature and level of risks has not changed during the last year.

The Financial Report for 2020 is available on the Company’s website:  
<https://www.pixium-vision.com/financial-reports-documents/>

### Major financial events in 2021

On **January 6, 2021**, Pixium Vision and Second Sight Medical Products announced entry into a Memorandum of Understanding for a combination of their businesses. The transaction would have consisted of the contribution of a complete and independent business branch (partial asset contribution) comprising all of the Company’s assets and liabilities, including employees, to a permanent establishment that Second Sight will create in France. In consideration, Pixium Vision would hold 60% of the Second Sight’s capital on a post-transaction basis. The transaction was subject to obtaining commitments from investors for a capital increase of Second Sight for a minimum amount of US\$ 25 million.

On **January 7, 2021**, Pixium Vision announced that it had drawn down a further tranche, with a nominal value of €1.25 million, under the financing contract with ESGO.

On **March 9, 2021**, Pixium Vision announced the continuation of the proposed business combination with Second Sight Medical Products, Inc.

On **March 18, 2021**, Pixium Vision announced that it had drawn down a further tranche, with a nominal value of €1.0 million, under the financing contract with ESGO.

On **April 3, 2021**, the combination with Second Sight Medical Products, Inc. was abandoned.

On **April 7, 2021**, a US\$ 1 million payment representing a termination fee was received from Second Sight Medical product Inc. (See Note 18)

On **April 21, 2021**, Pixium Vision received HealthTech Award for Prima System at the MedTech Forum.

On **May 19, 2021**, Pixium Vision filed a claim of €5.2 million in front of the French court (Tribunal de commerce de Paris) against Second Sight Medical Products, Inc. for the reimbursement of expenses incurred by the Company in the preparation for the business combination between the parties.

On **July 13, 2021**, Pixium Vision announced a capital increase of approximately €8 million through a private placement.

## Significant Accounting Policies of Consolidated Statement of Income (Loss)

### *Main impact of new and amended Standards and Interpretations that are effective for the current year*

#### **IFRIC May 2021 – IAS19 Retirement Benefits**

At the end of the first half of 2021, the IAS Board published the IFRIC's interpretation of IAS 19 on the allocation of employee benefits into the period of service. In particular, it clarifies the period of attributions to be taken into account in determining the costs of service / benefit.

In France, the IFRIC's clarifications have resulted in a change in the method for measuring obligations relating to end-of-career indemnities (IFC), for collective bargaining agreements whose indemnity rights are capped or (and) defined by length of service.

The national collective bargaining agreement for the French metal industry, which covers the Group's French employees, provides for a ceiling on entitlements and for increments based on seniority.

The Company has restated the comparable information presented, which consequently differs from previous reports disclosed. The retrospective impact of the change of method at the beginning of the first period presented has been recognized in equity in accordance with the provisions of IAS 8.

€ in thousands	<b>2020</b>	<b>2020 (*)</b>	<b>2021</b>
<b>Balance at January 1, .....</b>	<b>187</b>	<b>187</b>	<b>97</b>
Impact IFRIC* .....	-	(88)	-
Current service cost.....	29	12	11
Actuarial losses/(gains).....	(40)	(14)	(6)
<b>Balance at December 31, .....</b>	<b>176</b>	<b>97</b>	<b>102</b>

(\*) 2020 restated: impact of change in IAS19 calculation (cf. note IAS19 Retirement Benefits)

The following discussion sets forth certain components of our Statement of income (loss) as well as factors that impact those items.

#### **Revenue**

To date we have not generated any revenues from device, collaboration agreements or R&D services, or otherwise, and we do not expect to recognize any such revenues, even if we obtain regulatory approval for the products, in the near term. Our ability to generate revenue in the future will depend almost entirely on our ability to successfully develop, obtain regulatory approval for and then commercialize our device candidates.

#### **Government financing for research expenditures**

Government financing for research expenditures consists of research tax credits (Crédit d'impôt recherche, or CIR) and subsidies which are both recognized within total revenue and other income in our consolidated statement of income (loss) in accordance with IAS20 *Accounting for government's grants and disclosures of governments assistance ("IAS20")*.

We benefit from the provisions of Articles 244 c B and 49f F of the General Tax Code in France relating to research tax credits. These amounts are recognized as income tax benefits in the year to which the qualifying research expenses relate and represent open claims for reimbursement with the French tax authorities.

The research tax credit is given to companies by the French tax authorities to encourage them to carry out technical or scientific research. Companies that justify the expense and meet the required criteria, receive a tax credit that can be used to pay corporate income tax due in respect to the financial year in which the expenses were incurred, and the following three financial years or, where applicable are compensated for the difference. Only research expenditure is considered when calculating the research tax credit.

We have received the research tax credit since its creation. We received the 2020 research tax credit in 2021 and the 2021 research tax credit will be received in 2022 in accordance with the Community Small and Medium Sized Enterprises (SME) scheme. The expected research tax credit for fiscal year 2021 is recorded as *Government Financing for Research Expenditures* for an amount of €1.6 million.

## **Grants**

We benefit from government funding, in the form of conditional advances which are fully repayable advances based on the recognition of a technical or commercial success of the related project by the financing entity. They are recognized in accordance with IAS 20, *Accounting for Government's Grants and Disclosures of Governments Assistance*. The details of this funding are recorded in the non-current liabilities section of the statements of consolidated financial position. Additionally, the benefit arising from a preferential interest rate compared to market rates is considered as a subsidy which is recognized as grants in our consolidated statement of income (loss).

## **Research and development expenses**

Research expenses are recognized as expenses when incurred. Nonrefundable advance payments for goods or services that will be used or rendered for future research and development activities are capitalized and expensed as the goods are delivered or the related services are performed.

Research and development expenses consist primarily of personnel-related costs (including salaries, bonuses, employee benefit obligations, and stock-based compensation expense) for employees, subcontractors, collaborations, consultants research supplies, leases, depreciations, amortization, Impairment on tangible and intangible assets, conferences, travel, license fees, and miscellaneous.

Other development expenditures that do not meet these criteria are recognized as expenses when they are incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period. Historically, all of our research and development costs have been charged to expenses.

Clinical development expenses for our device candidates are a significant component of our current research and development expenses as we advance our device candidates through clinical trials. Device candidates in later stage clinical development generally have higher research and development costs than those in earlier stages of development, primarily due to increased size and duration of the clinical trials. We recognize costs for each grant project, preclinical study or clinical trial that we conduct based on our evaluation of the progress to completion, using information and data provided to us by our research and development vendors and clinical sites.

Due to the uncertainty associated with the successful development of one or more commercially viable products based on our research efforts and any related patent applications, all costs to maintain and defend existing patents, including patent-related legal, filing fees and other costs, including internally generated costs, are expensed as incurred, and are included in research and development expenses.

## **General and administrative expenses**

General and administrative expenses consist primarily of personnel-related costs (including salaries, bonuses, employee benefit obligations, and stock-based compensation expense) for employees, finance, accounting, corporate development, insurances, communication, leases, fees, and other administrative functions. General and administrative expenses also include legal fees, professional fees paid for accounting, auditing, consulting, tax, and investor relations services in relation to our current listing on Euronext, insurance costs, and facility costs not otherwise included in research and development expenses.

## **Interest Expenses**

Interest expenses include interest expenses on debt, mainly on refundable advances, on loans granted from the state, and on leases (IFRS 16).

## Income Tax

We file our tax returns in France.

Deferred taxes are recognized for all timing differences arising from the difference between the tax base and the accounting base for assets and liabilities appearing in the financial statements. The main timing differences are linked to tax losses carried forward. The tax rate in effect as of December 31, in each year has been used to determine deferred taxes.

Deferred taxes are recorded to give recognition to temporary differences between the tax basis of assets and liabilities and their reported amounts in the consolidated financial statements. The tax effects of these temporary differences are recorded as deferred tax assets and deferred tax liabilities. Deferred tax assets generally represent items that can be used as a tax deduction or credit in future years. Deferred tax liabilities generally represent items that have been deducted for tax purposes but have not yet been recorded in the consolidated statements of income (loss) and comprehensive income (loss). To the extent there are deferred tax assets that are more likely than not to be realized, a valuation allowance would not be recorded.

Deferred tax assets are recognized only if it is likely that there will be sufficient future results to absorb the losses carried forward. In view of our development stage and doubts concerning the date on which taxable income will be made, we have recorded a full valuation allowance against any deferred tax assets on the consolidated balance sheet.

We had no unrecognized tax benefits related to uncertain tax positions during the years ended December 31, 2021 and 2020.

We are subject to potential income tax audits on open tax years by any taxing jurisdiction in which we operate. For French tax purposes, the statute of limitations is five years.

The tax rate applicable to us is the rate in effect in France, which is 28% for the first €500,000 of profits and 31% above €500,000 of profits. The tax rate will be gradually lowered to 28% on all profits in 2020 and to 26.5% on all profits in 2021.



**Consolidated Statement of Income (Loss)**  
(unaudited)

**Comparison of the Years Ended December 31, 2021 and 2020**

<i>(€ in thousands)</i>	At 31 December		
	2021	2020 (*)	Change
Revenue	–	–	–
Government financing for research expenditures	1,615	1,383	+16.8%
Grants	176	661	(73.4%)
Other income	863	48	+1,697.9%
<b>Total revenue and other income</b>	<b>2,655</b>	<b>2,092</b>	<b>+26.9%</b>
Research and development expenses	(7,282)	(6,152)	+18.4%
General and administrative expenses	(5,633)	(4,374)	+28.8%
<b>Total operating expenses</b>	<b>(12,916)</b>	<b>(10,526)</b>	<b>+22.7%</b>
<b>Operating income (loss)</b>	<b>(10,260)</b>	<b>(8,435)</b>	<b>+21.6%</b>
Interest expense	(790)	(699)	+13.0%
<b>Income (loss) before taxes</b>	<b>(11,051)</b>	<b>(9,134)</b>	<b>+21.0%</b>
Corporate tax benefit (expense)	–	–	–
<b>Net income (loss)</b>	<b>(11,051)</b>	<b>(9,134)</b>	<b>+21.0%</b>
Actuarial gains/(loss) on pension assets	6	14	(57.1%)
Change in fair value of derivative instruments	31	(21)	(247.6%)
<b>Total comprehensive income (loss)</b>	<b>(11,013)</b>	<b>(9,141)</b>	<b>+20.5%</b>
Earnings (loss) per share			
<b>Basic</b>	<b>(0.23)</b>	<b>(0.27)</b>	
<b>Diluted</b>	<b>(0.23)</b>	<b>(0.27)</b>	

(\*) 2020 restated: impact of change in IAS19 calculation (cf. note IAS19 Retirement Benefits)

## Government financing for research expenditures

During the fiscal year ended December 31, 2021, we recorded a research tax credit of €1.6 million compared to €1.4 million in 2020.

## Grants

We benefit from certain targeted strategic innovation focused government funding, in the form of grants. Grant income recognized during the years ended December 31, 2021 and 2020, amounted to €0.2 million and €0.7 million, respectively, and primarily consisted of benefit arising from preferential interest rate compared to the market rates related to conditional advances into Sight Again project and PGE in accordance with IAS 20.

## Other income

In 2021, we received €0.8 million for contractual indemnities paid by Second Sight Medical Product Inc. (SSMP). These indemnities were paid following the unilateral termination of the MOU between the two companies concluded on 5 January 2021 by SSMP.

## Research and development expenses

In 2021, research and development expenses amounted to €7.3 million compared to €6.2 million one year earlier. The increase of €1,1 million is mainly related to strengthening of its clinical team and the opening of several centers in Europe as part of its Primavera study.

Research and development expenses break down as follows:

R&D expenses (€ in thousands)	31/12/2021	31/12/2020 (*)
Wages and salaries	3,493	2,998
Subcontracting, collaboration and consultants	2,153	1,319
Research supplies	478	476
Leases	267	256
Conferences, travel expenses	222	105
Licence fees	176	65
Amortization, depreciation and increase in provisions	117	161
Miscellaneous - Services provided <sup>(1)</sup>	319	283
Impairment of intangible assets	–	448
Other	58	41
<b>Net total</b>	<b>7,282</b>	<b>6,152</b>

(1) Service contracts associated with leases

(\*) 2020 restated: impact of change in IAS19 calculation (cf. note IAS19 Retirement Benefits)

## General and administrative expenses

In 2021, general and administrative expenses amounted to €5,6 million compared to €4,4 million in 2020. The increase of €1,2 million is mainly linked to the costs incurred by the Company for legal services in preparation for its business combination with Second Sight Medical Product and the preparation for future funding.

General and administrative expenses break down as follows:

General and administrative (Amounts in euros)	31/12/2021	31/12/2020 (*)
Wages and salaries	1,474	1,579
Fees	3,012	1,853
Leases	92	96
Insurance	48	45
Communication, travel and entertainment expenses	322	262
Postage and telecommunication costs	87	72
Administrative supplies and equipment leases	23	20
Amortization, depreciation and increase in provisions	405	236
Miscellaneous - Services provided <sup>(1)</sup>	61	59
Other	108	152
<b>Net total</b>	<b>5,633</b>	<b>4,374</b>

(1) Service contracts associated with leases

(\*) 2020 restated: impact of change in IAS19 calculation (cf. note IAS19 Retirement Benefits)

## Interest Expenses

Interest expense was €0.8 million for the year ended December 31, 2021, compared to €0.7 million for the year ended December 31, 2020.

## Corporate Tax Benefit (Expense)

We have incurred significant losses in 2021 which has resulted in a nil tax charge for the year. Historically we have generated a total of €124 million of tax losses that can be carried forward indefinitely in France.

## Net Loss

Our net loss was €11.1 million in the year ending December 31, 2021, as compared to €9.1 million in the year ending December 31, 2020.

## STATEMENT OF CASH FLOWS (unaudited)

At 31 December

(€ in thousands)

	2021	2020 <sup>(*)</sup>
<b>Cash flows from operating activities</b>		
Net Income (Loss)	(11,051)	(9,134)
Amortization and depreciation of intangible and tangible assets	549	814
Increase in provisions, net of reversals	(35)	(189)
Share based compensation	487	436
Net pension expense (recorded net of tax effect)	6	14
Unwinding of conditional advances	508	284
Leases	333	349
Other liabilities	54	(76)
<b>Operating cash flows before change in working capital requirements</b>	<b>(9,149)</b>	<b>(7,502)</b>
Change in working capital requirements:		
Decrease (increase) in other receivables	(258)	159
(Decrease) increase in accounts payables	670	396
(Decrease) increase in tax and social security liabilities	(73)	43
(Decrease) increase in other creditors and miscellaneous liabilities	(19)	(2)
<b>Net cash used in operating activities</b>	<b>(8,829)</b>	<b>(6,906)</b>
<b>Cash flows from investing activities:</b>		
Acquisition of intangible and tangible assets	(48)	(82)
Decrease (increase) in deposits	(4)	278
<b>Net cash used in investing activities</b>	<b>(52)</b>	<b>197</b>
<b>Cash flow from financing activities:</b>		
Proceeds from share capital increase	14,214	9,677
Costs paid in relation to equity transactions	(1,115)	(621)
Subscription of warrants (BSA)	51	–
Exercise of warrants (BSA) and founders' warrants (BSPCE)	20	–
Proceeds from conditional advances, net of repayment	–	2,268
Repayment of non-convertible bonds	(36)	(509)
Repayment of lease liabilities	(316)	(331)
<b>Net cash provided by (used in) finance activities</b>	<b>12,818</b>	<b>10,482</b>
Effect of exchange rate changes on cash	2	–
<b>Cash and cash equivalents:</b>		
Net increase (decrease)	3,939	3,774
Cash and cash equivalents at the beginning of the period	10,566	6,791
Cash and cash equivalents at the end of the period	14,505	10,566

**Net cash flows from operating activities** increased in 2021 to €8.8 million, compared to €6.9 million in 2020. The increase in net cash outflow reflects the initiation of the PRIMavera study, the continuation of the US feasibility study, as well as the spending associated with the preparation of the business combination with Second Sight Medical Products, Inc and the preparation of future funding.

**Net cash flows from investment activities** amounted to €0.1 million and mainly correspond to IT equipment.

**Net cash flows from financing activities** totalled €12.8 million in 2021. They reflect mainly a capital increase of approximately €8.0 million in gross proceeds and the drawdown of 5 ORNAN tranches for a total of €6.25 million in gross proceeds under its agreement with ESGO. Following the drawdown of the last tranche on 12 May 2021, there is no longer any outstanding warrants as the entire 10 million financing has been drawn.