

Pixium Vision

FY22 update

Focusing on reaching the PRIMAvera milestone

Having completed [the required 38 implantations in late 2022](#), Pixium Vision's key upcoming clinical milestone is the primary efficacy data, expected in or around year-end 2023, from the [PRIMAvera European pivotal study](#) assessing the safety and clinical benefits of the wireless Prima System in patients with geographic atrophy due to age-related macular degeneration (GA-AMD). The company's [FY22 results](#) showed a milder operating loss than expected, coming in at €11.9m, below our €12.5m estimate. Pixium has since taken further steps to curb its cash burn rate, and it now expects its funds on hand (€4.7m gross cash as of 31 March) to last until approximately the end of July, versus its prior guidance of June 2023. It is working actively to raise additional funds and has hired two investment banks to reach potential investors worldwide. We have rolled forward our estimates and given that we expect the company's focus in 2023 and 2024 will be on preparing the Prima System for EU market approval and launch (which we continue to model in H125), we have pushed back our US commercialisation forecast by one year, to H227. We now obtain a pipeline rNPV valuation of €140.1m (vs €146.3m previously).

Year end	Revenue (€m)	PBT* (€m)	EPS* (€)	DPS (€)	P/E (x)	Yield (%)
12/21	2.7	(10.9)	(0.23)	0.0	N/A	N/A
12/22	2.0	(10.3)	(0.21)	0.0	N/A	N/A
12/23e	0.8	(13.8)	(0.10)	0.0	N/A	N/A
12/24e	0.8	(13.3)	(0.09)	0.0	N/A	N/A

Note: *PBT and EPS are normalised, excluding amortisation of acquired intangibles, exceptional items and share-based payments.

Managing costs as new financing is sought

We continue to view the Prima System as a potentially transformative treatment in GA-AMD given the [visual function improvements](#) already shown in the earlier [European feasibility study](#) and reinforced by the recent [Breakthrough Device designation](#) granted by the FDA. Given [FY22 results](#) and the company's actions to conserve capital, we now estimate an FY23 net operating burn rate of €17.6m (vs €20.2m previously). We assume that any planned studies or activities targeting the US market will be postponed as the company focuses its resources towards obtaining CE Mark and bringing PRIMAvera to European commercialisation.

Valuation: Adjusted to reflect ESGO conversions

Pixium reported a gross debt position of €10.3m at end-FY22 and given a Q123 gross cash position of €4.7m and c €2.4m in ESGO debt [converted to equity in the year to date](#), we estimate €3.2m pro forma (Q123) net debt. We obtain a pipeline rNPV valuation of €140.1m (vs €146.3m previously), resulting in an equity valuation of €136.9m after including net debt, or €0.92 per basic share (vs €2.09 previously), with the lower per share value due to increased shares outstanding following ESGO note conversions. We assume Pixium will require €37m in funding to reach profitability (in FY25) and if this need is met through equity issuances at the current market price (€0.073/share) and if outstanding ESGO debt (€1.25m) is also converted at this price, the resulting equity valuation would be €0.26 per share.

Healthcare equipment and services

2 May 2023

Price €0.08

Market cap €12m

\$1.10/€

Pro forma estimated net debt (€m) at 31 March 2023 excluding €0.8m in lease liabilities 3.2

Shares in issue 149m

Free float N/A

Code ALPIX

Primary exchange Euronext Growth Paris

Secondary exchange N/A

Share price performance



Business description

Pixium Vision develops bionic vision systems for patients with severe vision loss. Its lead product, Prima, is a wireless subretinal implant system designed for dry age-related macular degeneration. The company completed implantations in Q422 for the PRIMAvera European pivotal study.

Next events

H123 financial results August 2023

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Exhibit 1: Financial summary

	€(000)	2018	2019	2020	2021	2022	2023e	2024e
Year end 31 December		IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS
PROFIT & LOSS								
Revenue		1,598	1,782	2,092	2,655	1,955	800	800
Cost of Sales		(41)	0	0	0	0	0	0
General & Administrative		(2,019)	(3,572)	(4,008)	(5,084)	(4,650)	(5,398)	(6,628)
Research & Development		(5,297)	(6,563)	(5,704)	(7,282)	(8,793)	(7,800)	(4,500)
EBITDA		(5,758)	(8,352)	(7,620)	(9,712)	(11,488)	(12,398)	(10,328)
Depreciation		(677)	(448)	(366)	(549)	(456)	(276)	(223)
Amortization		0	0	0	0	0	0	0
Operating Profit (before exceptionals)		(6,435)	(8,801)	(7,986)	(10,261)	(11,944)	(12,673)	(10,551)
Exceptionals		(5,859)	(69)	(448)	0	0	0	0
Other		0	0	0	0	0	0	0
Operating Profit		(12,294)	(8,870)	(8,434)	(10,261)	(11,944)	(12,673)	(10,551)
Net Interest		(1,277)	(1,006)	(699)	(669)	1,632	(1,156)	(2,717)
Profit Before Tax (norm)		(7,712)	(9,806)	(8,685)	(10,930)	(10,312)	(13,830)	(13,268)
Profit Before Tax (FRS 3)		(13,571)	(9,876)	(9,133)	(10,930)	(10,312)	(13,830)	(13,268)
Tax		0	0	0	0	0	0	0
Profit After Tax and minority interests (norm)		(7,712)	(9,806)	(8,685)	(10,930)	(10,312)	(13,830)	(13,268)
Profit After Tax and minority interests (FRS 3)		(13,571)	(9,876)	(9,133)	(10,930)	(10,312)	(13,830)	(13,268)
Average Number of Shares Outstanding (m)		18.5	22.3	34.0	47.4	48.9	139.1	149.0
EPS - normalised (€)		(0.42)	(0.44)	(0.26)	(0.23)	(0.21)	(0.10)	(0.09)
EPS - normalised and fully diluted (€)		(0.42)	(0.44)	(0.26)	(0.23)	(0.21)	(0.10)	(0.09)
EPS - (IFRS) (€)		(0.73)	(0.44)	(0.27)	(0.23)	(0.21)	(0.10)	(0.09)
Dividend per share (€)		0.0	0.0	0.0	0.0	0.0	0.0	0.0
BALANCE SHEET								
Fixed Assets		3,666	4,507	3,410	2,684	2,030	1,774	1,571
Intangible Assets		2,623	2,361	1,727	1,341	983	983	983
Tangible Assets		1,042	2,145	1,683	1,343	1,047	791	588
Current Assets		17,756	9,107	12,721	16,945	10,344	5,722	16,657
Short-term investments		0	0	0	0	0	0	0
Cash		15,629	6,792	10,566	14,505	7,687	3,065	13,913
Other		2,126	2,316	2,155	2,440	2,657	2,657	2,745
Current Liabilities		(2,044)	(2,880)	(3,885)	(6,483)	(8,698)	(4,651)	(4,651)
Creditors		(2,044)	(2,880)	(3,349)	(4,895)	(4,374)	(327)	(327)
Short term borrowings		0	0	(536)	(1,588)	(4,324)	(4,324)	(4,324)
Long Term Liabilities		(8,023)	(7,033)	(7,682)	(7,332)	(6,525)	(19,525)	(43,525)
Long term borrowings		(7,870)	(5,787)	(6,604)	(6,500)	(5,990)	(18,990)	(42,990)
Other long term liabilities		(153)	(1,246)	(1,078)	(832)	(535)	(535)	(535)
Net Assets		11,355	3,700	4,564	5,814	(2,849)	(16,680)	(29,948)
CASH FLOW								
Operating Cash Flow		(6,174)	(7,282)	(6,207)	(8,160)	(12,960)	(16,445)	(10,415)
Net Interest		(1,277)	(1,006)	(699)	(669)	1,632	(1,156)	(2,717)
Tax		0	0	0	0	0	0	0
Net Operating Cash Flow		(7,450)	(8,288)	(6,906)	(8,829)	(11,328)	(17,601)	(13,132)
Capex		(31)	(34)	(82)	(48)	(92)	(20)	(20)
Acquisitions/disposals		0	0	0	0	0	0	0
Financing		14,068	2,034	9,055	13,170	(927)	0	0
Net Cash Flow		6,587	(6,288)	2,067	4,293	(12,347)	(17,621)	(13,152)
Opening net debt/(cash)		(1,401)	(7,760)	(1,004)	(3,426)	(6,417)	2,627	20,249
HP finance leases initiated		0	0	0	0	0	0	0
Other		(228)	(468)	354	(1,302)	3,303	0	0
Closing net debt/(cash)		(7,760)	(1,004)	(3,426)	(6,417)	2,627	20,248	33,401
Lease debt		N/A	1,346	1,258	1,045	765	765	765
Closing net debt/(cash) inclusive of IFRS 16 lease debt		(7,760)	342	(2,168)	(5,372)	3,392	21,013	34,166

Source: Edison Investment Research, company accounts

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