

## MAUNA KEA TECHNOLOGIES REPORTS SECOND QUARTER AND FIRST HALF 2019 SALES

**Q2 Sales up 33% year-over-year & First Half 2019 sales up 45% year-over-year  
Consumables sales represent the largest driver of growth in both Q2 and First Half of 2019**

**Paris and Boston, July 17, 2019 – 5.45 PM CEST – Mauna Kea Technologies** (Euronext: MKEA) inventor of Cellvizio®, the multidisciplinary probe and needle-based confocal laser endomicroscopy (p/nCLE) platform, today announced its sales for the second quarter and first half of 2019 ended June 30, 2019.

“Our second quarter and first half of 2019 revenue growth performance reflects solid execution against our strategic priorities for 2019,” stated **Robert L. Gershon, Chief Executive Officer of Mauna Kea Technologies**. “Consumables sales were the largest contributor to our year-over-year growth in both the second quarter and first half of 2019 periods as we focused on driving utilization of Cellvizio in the U.S. Gastrointestinal (GI) market, and in targeted geographies outside the U.S. Our progress in expanding our pay-per-use model in the U.S. GI market during 2018 resulted in a larger installed base of systems which are driving the strong demand for consumables this year. Specifically, over the first half of 2019, we have experienced growth in total sales of consumables of 72% year-over-year, driven primarily by growth in sales of consumables to pay-per-use customers of 160% year-over-year. We are also experiencing strong growth in our targeted markets outside the U.S. over the first half of 2019, particularly in the the Asia-Pacific region where sales increased 106% year-over-year fueled by sales of both new systems and consumables.”

Mr. Gershon continued: “We are also making progress towards our third strategic priority for 2019, evaluating the interventional pulmonology market as a new clinical indication for Mauna Kea’s next commercial focus area. We have entered the validation and testing phases of our process and look forward to sharing more detailed updates as we move through the evaluation process during the second half of 2019. We are encouraged by the solid revenue results we have reported in the second quarter and first half of 2019 and believe we are executing well against our stated strategic priorities for 2019. The long-term growth opportunity for Mauna Kea remains extremely compelling and our recently enhanced balance sheet gives us further confidence in our ability to execute our strategic growth objectives going forward.”

### Second Quarter and First Half 2019 Sales by Category

(in € thousands) – IFRS	Q2 2019	Q2 2018	% Chg. Y/Y	1H 2019	1H 2018	% Chg. Y/Y
Systems	791	606	30%	1,349	980	38%
Consumables	1,190	751	58%	2,063	1,197	72%
<i>o/w pay-per-use program</i>	470	193	143%	801	308	160%
Services	240	308	(21%)	525	531	(1%)
<b>Total Sales</b>	<b>2,221</b>	<b>1,665</b>	<b>33%</b>	<b>3,937</b>	<b>2,707</b>	<b>45%</b>

Total sales for the second quarter of 2019 were €2.2 million, up 33% year-over-year. Second quarter sales growth was driven by a 58% increase in sales of consumables and a 30% increase in system sales which offset a 22% decrease in services revenue. The year-over-year increase in total consumables sales in the second quarter of 2019 was driven by sales to customers in the pay-per-use program, which increased 143% year-over-year and represented approximately 40% of total consumables sales in the second quarter of 2019, compared to 26% in the prior year period.

Total sales for the first half of 2019 were €3.9 million, up 45% year-over-year. First half of 2019 sales growth was driven primarily by a 72% increase in consumables sales and a 38% increase in systems revenue, which offset a 1% decrease in services sales in the period. Total consumables sales were driven by a 160% increase in consumables sales related to the pay-per-use program fueled by utilization-related demand following the Company's success in driving new system placements in this program throughout 2018. Consumables sales to customers in the pay-per-use program represented 39% of total consumables sales in the first half of 2019, compared to 26% in the prior year period.

### Second Quarter and First Half 2019 Units Sales by Type

Units (#)	Q2	Q2	% Chg.	1H	1H	% Chg.
	2019	2018	Y/Y	2019	2018	Y/Y
New Systems Sold	9	6	50%	15	9	67%
New System Placements	3	11	(73%)	10	16	(38%)
Consumable Probe Shipments	266	163	63%	461	269	71%
<i>o/w reorders or pay-per-use</i>	252	146	73%	442	247	79%

Total Cellvizio System shipments increased 50% year-over-year to 9 in the second quarter of 2019, compared to 6 total shipments in the prior year period. New systems sold increased 50% year-over-year in the second quarter driven by demand from the Asia-Pacific region. New system placements under the Company's pay-per-use program represented 25% of total shipments in the second quarter of 2019, compared to 65% in the prior year period. Second quarter of 2018 new system placements benefitted from the Company's investments in expanding the sales team and enhanced focus on the pay-per-use program in the U.S. GI market. The Company has prioritized driving utilization during 2019 which has resulted in consumable probe shipment growth of 63% year-over-year in the second quarter.

Total Cellvizio System shipments increased 67% year-over-year to 15 in the first half of 2019 period, compared to 9 total shipments in the prior year period. New system placements under the Company's pay-per-use program represented 40% of total shipments in the first half of 2019 period, compared to 64% in the prior year period.

Total consumable probe shipments increased 63% year-over-year to 266 in the second quarter of 2019, compared to 163 in the prior year period. Consumable probe reorders and pay-per-use orders represented 95% of total consumable probe shipments in the second quarter of 2019, compared to 90% in the prior year period.

Total consumable probe shipments increased 71% year-over-year to 461 in the first half of 2019 period, compared to 269 in the prior year period. Consumable probe reorders and pay-per-use orders represented 96% of total consumable probe shipments in the first half of 2019 period, compared to 92% in the prior year period.

**Second Quarter and First Half 2019 Sales by Geography with split by activity (Clinical / Pre-clinical)**

(in € thousands) – IFRS	Q2 2019	Q2 2018	% Chg. Y/Y	1H 2019	1H 2018	% Chg. Y/Y
<b>U.S. &amp; Canada<sup>1</sup></b>	<b>917</b>	<b>867</b>	<b>6%</b>	<b>1,629</b>	<b>1,326</b>	<b>23%</b>
Clinical	916	846	8%	1,612	1,291	24%
Pre-clinical	1	21	(95%)	17	35	(50%)
<b>Asia-Pacific</b>	<b>947</b>	<b>485</b>	<b>95%</b>	<b>1,497</b>	<b>727</b>	<b>106%</b>
Clinical	941	319	195%	1,491	561	166%
Pre-clinical	6	166	(96%)	6	166	(96%)
<b>EMEA &amp; ROW</b>	<b>358</b>	<b>313</b>	<b>14%</b>	<b>810</b>	<b>654</b>	<b>24%</b>
Clinical	339	278	22%	675	356	89%
Pre-clinical	19	35	(46%)	135	297	(55%)
<b>Total Clinical Sales</b>	<b>2,195</b>	<b>1,443</b>	<b>52%</b>	<b>3,778</b>	<b>2,209</b>	<b>71%</b>
<b>Total Pre-clinical Sales</b>	<b>26</b>	<b>222</b>	<b>(88%)</b>	<b>159</b>	<b>498</b>	<b>(68%)</b>
<b>Total Sales</b>	<b>2,221</b>	<b>1,665</b>	<b>33%</b>	<b>3,937</b>	<b>2,707</b>	<b>45%</b>

**Clinical sales**

Total clinical sales for the second quarter of 2019 were €2.2 million, up 52% year-over-year, driven by a 95% increase in sales in the Asia-Pacific region, a 6% increase in sales in the U.S. and Canada regions and a 14% increase in sales in the EMEA and Rest of World regions. Sales growth in the Asia-Pacific region was driven by strong demand for systems and consumables from the Company's distribution partner in China. Sales growth trends in the U.S. were fueled by strong consumables sales driven by utilization-based demand from customers in the pay-per-use program, which offset a decline in new system revenue year-over-year related to the second quarter of 2018 benefitting from one new system sale.

Total clinical sales for the first half of 2019 period were €3.8 million, up 71% year-over-year, driven by a 106% increase in sales in the Asia-Pacific region, a 23% increase in sales in the U.S. and Canada regions and a 24% increase in sales in the EMEA and Rest of World regions.

**Pre-clinical sales**

The year-over-year decrease in pre-clinical sales was driven by the Company's strategic focus on clinical sales opportunities and, as stated in prior quarters, these sales are less recurring than clinical sales which presents difficult comparisons from one period to another.

Total pre-clinical sales were €26 thousand and €159 thousand in the second quarter and first half of 2019 periods, respectively, representing 1% of total sales and 4% of total sales, compared to 13% of total sales and 18% of total sales, respectively, in the prior periods.


**Financial calendar**

Please note that the 2019 financial calendar is available on the Mauna Kea Technologies website:

<https://www.maunakeatech.com/en/investors/financial-calendar>

**About Mauna Kea Technologies**

Mauna Kea Technologies is a global medical device company focused on eliminating uncertainties related to the diagnosis and treatment of cancer and other diseases thanks to real time *in vivo* microscopic visualization.

<sup>1</sup> US & Canada sales previously reported with LATAM sales as Americas.



The Company's flagship product, Cellvizio<sup>®</sup>, has received clearance/approval for a wide range of applications in the United States and more than 40 countries around the World. For more information on Mauna Kea Technologies, visit [www.maunakeatech.com](http://www.maunakeatech.com)

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