

SpineGuard reports third-quarter 2019 revenue

- 9 months consolidated revenue decreases by 6%
- 39% growth for the most recent products globally over the last 9mths
 - 43% growth outside the US in Q3
- Over 400 surgeries performed in the USA with DSG equipped ‘smart screw’
 - CE mark filing for DSG-Connect (visualization of signal)

PARIS and BOULDER (CO), Oct. 15, 2019 – 18h00 CEST – SpineGuard (FR0011464452 – ALSGD), an innovative company that designs, develops, and markets disposable medical devices intended to make spine surgery safer by bringing real-time digital technology into the operating room, announced today that its third-quarter revenue was €1.7 million.

Stéphane Bette, CEO and co-founder of SpineGuard, said: « *These results are in line with our strategic plan implemented since 2017 consisting in refocusing the company on value-generating activities: innovation and technology deployment. In the United States, our two most recently launched products produced a nice growth: PediGuard Threaded and “Smart” DSG – embedded screw. The performance of our US subsidiary, although mitigated, should be appreciated in light of the reorganization in the first semester with the primary goal of profitability. We reached that goal in challenging market conditions for the legacy range of PediGuard products. We are otherwise satisfied by the sales improvement in other geographies and the contribution of our dental partnership. As we just attended NASS, the world largest Spine Surgery congress in America, we observed the relevance of our progress with DSG Connect (CE mark filing for a launch in the first half of 2020) and its robotic application that will allow us to reach sizable strategic alliances in order to get back to growth and create shareholder value.* »

€ thousands - IFRS	2019	2018	Variance
First Quarter	1,648	1,769	-7%
Second Quarter	1,797	1,857	-3%
Half-Year	3,445	3,626	-5%
Third Quarter	1,721	1,879	-8%
Year to Date 9 Months	5,166	5,505	-6%

Unaudited

Global revenue in the third quarter of 2019 decreased 8% to €1,721k, compared with €1,879k in the third quarter of 2018.

Outside the USA, the revenue increased by +43% at €279k compared with €196k in the third quarter of 2018. The performance reflects new orders from China and continuous progress with ConfiDent ABC for dental implantology. Units sold were 953 vs. 525 in 2018.

In the USA, the decrease was 14% as reported and 18% in constant currency (cc).

Over the first 9 months of the financial year, revenue decreased by 6% to €5,166k compared to €5,505k for the same period in 2018. The latest products, PediGuard Threaded, Smart Screw and SafeGuard for dental implantology, recorded growth of 39%.

6,014 DSG equipped units were sold in the first nine months of 2019 (3,442 in the USA, 57% of total units sold) compared with 6,226 (3,948 in the USA) in the first nine months of 2018, a decrease in units of 3% worldwide.

Outlook

The Company focuses on its four key objectives as listed in the May 2019 Letter to Shareholders:

1. Continue to publicize the scientific evidence for the value of DSG in surgical robotics and create one or several strategic alliances in this field.
2. Beta-launch a new generation of PediGuard equipped with the DSG-Connect wireless module, a tablet that adds visual to auditory feedback to optimize the usefulness of the DSG signal, enable data recording for medical-legal purposes and assist in clinical studies of bone quality.
3. Double the number of surgeries performed with DSG “smart” screws in the USA; publish the first clinical data and seek the right partnership to sell “smart” screws plus DSG-connect to non-robot equipped hospitals.
4. Execute a successful market test with the first generation SafeGuard products for dental implantology with our partner ConfiDent ABC, and prepare the future DSG products to be fully integrated into dental equipment.

About SpineGuard®

Founded in 2009 in France and the USA by Pierre Jérôme and Stéphane Bette, SpineGuard is an innovative company deploying its proprietary radiation-free real time sensing technology DSG® (Dynamic Surgical Guidance) to secure and streamline the placement of implants in the skeleton. SpineGuard designs, develops and markets medical devices that have been used in over 75,000 surgical procedures worldwide. Fourteen studies published in peer-reviewed scientific journals have demonstrated the multiple benefits DSG® offers to patients, surgeons, surgical staff and hospitals. Building on these solid fundamentals and several strategic partnerships, SpineGuard has expanded its technology platform in a disruptive innovation: the « smart » pedicle screw launched late 2017 and is broadening the scope of applications in dental implantology and surgical robotics. DSG® was co-invented by Maurice Bourlion, Ph.D., Ciaran Bolger, M.D., Ph.D., and Alain Vanquaethem, Biomedical Engineer.

For further information, visit www.spineguard.com

Disclaimer

The SpineGuard securities may not be offered or sold in the United States as they have not been and will not be registered under the Securities Act or any United States state securities laws, and SpineGuard does not intend to make a public offer of its securities in the United States. This is an announcement and not a prospectus, and the information contained herein does and shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the securities referred to herein in the United States in which such offer, solicitation or sale would be unlawful prior to registration or exemption from registration.

Contacts

SpineGuard

Stéphane Bette
Chief Executive Officer
Tel: +33 (0)1 45 18 45 19
s.bette@spineguard.com

Manuel Lanfossi
Chief Financial Officer
m.lanfossi@spineguard.com

Europe / NewCap

Investor Relations & Financial Communication
Mathilde Bohin / Pierre Laurent
Tel: +33 (0)1 44 71 94 94
spineguard@newcap.eu

