

2019 : Theraclion demonstrates its leadership in Thyroid and Veins none invasive treatments

**+44 % sales growth
4 Sonovein centers opened**

Malakoff, 27 January 2020 - THERACLION (ISIN: FR0010120402; Mnemo: ALTHE, eligible PEA-SME), an innovative company specializing in the development of medical equipment for treatment by echotherapy including varicose veins, announced today its sales for the year 2019, closing on December 31st.

David Caumartin, Managing Director of Theraclion, says: "We are proud to announce a 44% growth on sales in line with our previous guidance. In 2019, Theraclion took important steps for its development and in its strategy. Last February fundraising allowed us to enforce our positioning ambition on vein treatment. 4 key opinion leaders in dedicated veins centers in Europe already trust and use our technology with a pay-per-use business model. Furthermore, the SONOVEIN[®] solution has been acquired by key opinion leaders outside Europe. We are making progress towards an FDA approval for SONOVEIN[®] in 2021. This confirms our ambition to disrupt a \$10 billion¹ varicose veins market, leveraging our ability to offer not only a none invasive treatment but also an unmet medical need. Thanks to the refund of echotherapy in Germany on historical cares, Ecopulse[®] solution sales have increased. Theraclion is expected to continue its sales growth in 2020 to reach between 30% and 50% sales growth. This sales growth is expected to carry on the following years to achieve break even within three years."

Strong growth in sales of Theraclion in 2019: + 44%

Theraclion SA achieved a turnover of € 2,784 thousand in 2019, at the high end of the range announced, with strong growth of 44%. For its first year of sales, nearly 80% of the growth comes from SONOVEIN[®] solution.

Annual Sales / K€	2019	2018	Variation	
Systems sales	2,352	1,622	+45%	
Consumables sales	241	180	+34%	
Services sales	191	126	+52%	
Total Sales Theraclion SA	2,784	1,928	+44%	
	Incl Sales Echopulse [®]	2,111	1,928	+10%
	Incl Sales SONOVEIN [®]	673	0	na

In line with the overall strategy, system sales fuel growth while Theraclion is enrolling key

¹ Millenium research varivose Vein Device Market Study 2015



opinion leaders on SONOVEIN® solution with a pay-per-use business model in direct markets and sales to distributors in other markets.

Thus, system sales, which account for 85% of the business in 2019, were up 45% compared to 2018. Eleven Echopulse® and SONOVEIN® systems were sold in 2019 (six in Germany, one in Spain, four in Asia and in the Middle East), compared to seven in 2018. In Germany, Theraclion benefits from the broadening of the reimbursement of echotherapy for the treatment of thyroid nodules and breast fibroadenoma. Outside Europe, Theraclion sold SONOVEIN® solution to distributors who provide it to reference doctors specialized in veins who already use SONOVEIN® to operate. Those sales confirm the international appetite of doctors for Theraclion's disruptive solutions.

Recurring revenue, consisting of the sale of consumables and services, increased by 41% in 2019, from € 306,000 to € 433,000.

Four veins centers using SONOVEIN® in 2019

Following CE marking of the SONOVEIN® in April 2019, the first commercial treatments started in May. Four veins centers in Europe (UK, Germany, Czech Republic and Austria) currently use SONOVEIN® echotherapy to treat varicose veins. Theraclion works hand in hand with these first KOLs to train the medical community. The SONOVEIN® solution should, after a ramp-up period, generate a very significant recurrent revenue per site, a source of high and recurring free cash flow.

Cash position

At December 31, 2019, Theraclion's available cash position amounted to € 1.4 million². Given this available cash in hands, the expected cash collection on sales, the equity raise of € 3 million from tranche 2 and potentially the raise of € 4 million from tranche 3 of the financing agreement of up to € 11.8 million signed in February 2019, Theraclion estimates that it will be able to cover its cash requirements until the end of 2020.

Theraclion announced in February a € 4.8 million financing agreement which can be increased to a maximum of € 11.8 million. This 3-year funding gives Theraclion the necessary resources to implement its strategy: develop a varicose vein treatment solution and demonstrate commercial traction. The first tranche (tranche 1) of this € 4.8 million financing agreement was exercised in February at a price of € 0.80 per share, representing a premium of 34% over the closing price of 11th February 2019 (0.596 €).

In the wake of the Annual General Meeting of April 19, 2019, warrants were issued for the benefit of investors involved in the € 4.8 million financing transaction (tranche 1), enabling them to participate via the exercise of the warrants in the additional financing of tranches 2 and 3 amounting respectively to € 3 million and € 4 million maximum. Exercising tranche 2 or tranche 3 warrants gives right directly or indirectly to Theraclion share at a price respectively of € 0.80 per share and € 1.09 per share. No warrants were executed at this date.

Outlook

Theraclion continues to implement its operational objectives to prepare and support commercial effort on the SONOVEIN®:

² Numbers Non audited



- Additional Key Opinion Leader enrollment,
- Further proof of efficacy in the treatment of varicose veins,
- Incremental improvement the SONOVEIN® technology,
- Initiation of market access process with the FDA towards an approval in 2021.
- In the meanwhile, the company pursues commercial dynamism based on the Echopulse®- the non-invasive treatment solution for thyroid nodules and breast fibroadenoma.

In 2020, Theraclion expects to reach between 30% and 50% sales growth. This sales growth is expected to carry on the following years to achieve break even within three years.

About Theraclion

Theraclion develops an innovative, high-technology echotherapy solution using therapeutic ultrasound to treat varicose veins non-invasively with its SONOVEIN® product. The SONOVEIN has received the CE mark in April 2019 and uses no catheter, no injection of chemicals and no incisions. No operating rooms are required. It's based on the company's previous experience with its Echopulse® solution. Echopulse allows a non-invasive tumor ablation through ultrasound-guided high-intensity focused ultrasound (HIFU) of breast fibroadenomas and thyroid nodules.

Varicose veins are a common pathology and generated 5 million interventions annually, according to the Millenium research Varicose Vein Device Market Study 2015.

Theraclion's solutions are based on a combination of ultrasound imaging and therapeutic ultrasound, providing accuracy and ease of use to practitioners.

Based in Malakoff, near Paris, France Theraclion has brought together a team of 25 people, 50% of whom are dedicated to R&D and clinical trials.

For more information, please visit Theraclion's website: www.theraclion.com

Theraclion is listed on Euronext Growth Paris



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