



THERACLION ANNOUNCES ITS HALF-YEAR FINANCIAL RESULTS FOR 2023 AND PROVIDES AN UPDATE ON THE EXECUTION OF ITS STRATEGY

Malakoff, October 11, 2023, 6:30 p.m. - THERACLION (ISIN: FR0010120402; Mnemo: ALTHE), an innovative company developing a robotic platform for non-invasive ultrasound therapy, presents its half-year financial results for 2023 and provides an update on the execution of its strategy.

In the first half of 2023, Theraclion appointed its new Chief Executive Officer Martin Deterre, signed a strategic partnership agreement with Furui and secured the necessary financing for the next 18 months. Theraclion has reached important milestones in its 3-pronged strategy focused on the treatment of varicose veins:

- **On access to the US market:** a successful feasibility study and authorization from the FDA to launch a pivotal study, which will be conducted in four centers recognized for their scientific excellence in the United States and Europe. The first treatments are expected in the coming weeks.
- **On access to the Chinese market:** the signing of an agreement with its historic and industrial partner Furui at the end of May has accelerated access to the market. Furui invested €6 million in June's €8.4 million capital increase. This investment will be supplemented by a further €1 million if Theraclion achieves its operational targets. Furui and Theraclion are also joining forces to conquer the Chinese market. Theraclion will license its technologies and the use of its trademarks to Theraclion China for a fee of €3 million, which will be paid based on the achievement of project milestones. Based on the current execution of the partnership, payments totaling €2.5 million in the form of license fees or capital increases could be expected within the next 6 months.
- **On the pursuit of technological and robotic innovations:** successive improvements are regularly made to the product and will continue to be made over the next few years, particularly in acoustics, robotics, and artificial intelligence. Combining its real-time imaging and robotics capabilities, AI algorithms will automate more and more tasks, speeding up the procedure and drastically simplifying interactions between the doctor and SONOVEIN®. Close partnerships with a dozen reference centers in Europe are continuing, helping to accelerate the development of this technology and treatment protocols.

Martin Deterre, Chief Executive Officer, commented: "Theraclion's efforts remain focused on its clearly defined strategy: the pivotal study for access to the US market, development in China and transformative advances in R&D, while controlling expenses. Progress made and to be made on this roadmap should contribute to a significant appreciation in valuation."

Investment in technology and treatment protocols

In K€	30/06/2023	30/06/2022	Var. %
Turnover	981	347	+183%
Grants	0	7	-92%
Total operating income	981	354	+177%
Purchase of goods	(532)	(143)	+272%
External expenses	(1,115)	(1,746)	-36%
Staff costs	(1,957)	(1,735)	+13%
Other operating expenses	(557)	(173)	+222%
Total operating expenses	(4,161)	(3,797)	+10%
Operating profit	(3,179)	(3,443)	-8%
Financial result	(65)	(40)	+63%
Non-current income	263	350	-25%
Research tax credit	504	492	+2%
Net income	(2,476)	(2,561)	- 3%
Average headcount	30	28	+7%

Accounts approved by the Board of Directors on 4 October 2023.

Theraclion SA generated sales of €981K in the first half of 2023, an increase of 183% compared to the first half of 2022. Theraclion is voluntarily reducing its commercial efforts and focusing on perfecting SONOVEIN® HD treatment protocols. Theraclion expects to maintain a limited level of sales in Europe. Commercial development will be driven mainly by the US and Chinese markets, which guarantee a much faster return on investment.

In the first half of the year, Theraclion recorded the sale of a state-of-the-art device to the University of Virginia as part of a clinical trial on breast cancer research. Approved by the FDA, this pilot study aims to evaluate the combined effects of high-intensity focused ultrasound (HIFU) and conventional therapies on the immune response in patients suffering from early-stage breast cancer.

Sales of consumables rose by 65%, driven by the doubling of sales in the varicose vein indication. Theraclion has chosen to make SONOVEIN® available to reference centers in order to develop treatment protocols. These centers are able to use SONOVEIN® in their commercial practice, which generates revenue for Theraclion.

Operating expenses rose by 10% to €4,161k, mainly as a result of higher consumption of purchases to support the 183% growth in sales. Adjusted for purchases of goods and changes in inventories, operating expenses fell by 1% to €3,629k.

The financial result was a loss of (€65k) for the first half, mainly due to foreign exchange (€28k), losses on the liquidity contract (€24k) and interest on State-Guaranteed Loans.

Research tax credit amounted to €504k for the period, up 2% from €492k a year earlier, due to the increase in research expenditure.

The loss for the first half fell slightly by 3% to €2,476k.

In K€	30/06/2023	31/12/2022	Var. %
Treasury	9,078	2,489	+6,589
Medium-term cash position	31	31	0
Total cash and cash equivalents	9,109	2,520	+ 6,589
Bank loans	-2,242	-2,506	- 264
Convertible debt	0	0	0
Total debt	- 2,242	- 2,506	- 264
Net cash position	6,867	14	6,853

Theraclion has received cash advances from Oseo amounting to €6,290k, including capitalised interest. Repayment is based on milestones that are not expected to be reached within the next five years. Consequently, the advance is not recognised as a financial liability.

Theraclion had a cash position of €9.1m at 30 June 2023.

About Theraclion

Theraclion is a French MedTech company committed to developing a non-invasive alternative to surgery through the innovative use of focused ultrasound.

High-Intensity Focused Ultrasound (HIFU) does not require incisions or an operating room, leaves no scars, and allows patients an immediate return to their daily activities. Echotherapy, as the HIFU treatment method is called, concentrates therapeutic ultrasounds to an internal focal point from outside of the body.



Theraclion has developed two CE-marked robotic platforms delivering echotherapy: SONOVEIN® for varicose veins and ECHOPULSE® for breast fibroadenoma and thyroid nodules. Each has the potential to replace millions of surgical procedures every year.

Based in Malakoff (Paris), the Theraclion team is made up of 30 people, most of which are dedicated to technological and clinical development.

For more information, please visit www.theraclion.com or www.echotherapy.com and follow us on [LinkedIn](#).

Theraclion is listed on Euronext Growth Paris

Eligible for the PEA-PME scheme

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