

Sales to non-Group customers: + 8%

Growth in the number of treatments: + 45%

Strengthening the financial structure by setting up a financing agreement up to € 11.8m

Malakoff, [x] February 2019 - 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 annual sales for the 2018 financial year.

David Caumartin, Managing Director of Theraclion, says: *"In 2018, Theraclion continued to develop its installed base of Echopulse® equipment on its historical pathologies, thyroid nodules and breast fibroadenoma. Seven machines were sold over the year and nearly 800 treatments performed, up 45% compared to 2017. Our echotherapy solution is gradually adopted by specialists. Reinforced by the financing agreement announced today, Theraclion intends to capitalize on this historic know-how to deploy further its technology on the treatment of varicose veins and offer an innovative treatment: non-invasive, without postoperative pain and without anesthesiologist."*

- **Sales to non-Group customers: + 8%**

Theraclion SA achieved a turnover of K€ 1,928 in 2018.

Equipment sales, which account for more than 77% of the business, were impacted by an unfavorable base effect, as 2017 was marked by a significant one-off sale of 5 machines to the Chinese subsidiary. The number of machines sold restated for this exceptional sale remains relatively stable: 7 Echopulse® machines sold in 2018, compared to 6 in 2017.

Recurring revenue, consisting of the sale of consumables and services, doubled in 2018, from 154 K € to 306 K €, in line with the increase in installed capacity. The increase in consumable sales is growing faster than the number of treatments (+ 45% - see below) as processing centers are restocking their inventories. Services revenue growth reflects the signing of system maintenance contracts for system reaching the end of the warranty period.

Equipment rental revenue amounted to K€ 127 at the end of 2018.

External revenue generated by Theraclion SA and its subsidiaries¹ rose by 8% to K € 1,932.

Annual Sales / K€	2018	2017	Variation
Equipment sales	1 495	2 214	-32%
Equipment rent	127	60	112%
Consumables sales (a)	180	91	97%
Service sales (b)	126	63	100%
Total Sales Theraclion Sa	1 928	2 429	-21%
<i>incl recurring sales (a+b)</i>	<i>306</i>	<i>154</i>	<i>98%</i>
<i>Incl sales to non-group customers</i>	<i>1 691</i>	<i>1 739</i>	<i>-3%</i>

¹ Unaudited date. More details in the below table

<i>Incl sales to group customers</i>	237	690	-66%
<i>sales to non group customers</i>	1 691	1 739	-3%
<i>sales of branches</i>	241	45	436%
Total sales to non group Theraclion SA and branches	1 932	1 784	8%

Unaudited data from the company accounts.

In accordance with the changes in Theraclion's reporting entity decided in 2017, the sales of Theraclion subsidiaries, namely Theraclion APAC Ltd (Hong Kong) wholly-owned and Theraclion China Co., Ltd. (Shenzhen) 55% owned are not consolidated. In order to provide visibility on the turnover achieved by the Theraclion group, the sum of Theraclion SA's sales to third parties (i.e. excluding turnover realized by Theraclion SA from its subsidiaries) and the figure for business conducted by the subsidiaries is presented at the bottom of the table, with the heading "External sales Theraclion SA and subsidiaries".

Growth in the number of treatments: + 45%

In 2018, 771 treatments were performed using Echopulse® technology, an increase of 45% compared to 2017. The treatment of thyroid nodules represents more than 75% of treatments. 36 treatments were performed on varicose veins in 2018. These treatments are part of a clinical study which results are very good with 66% overall treatment efficacy (50% on the first 25 patients treated, 80% on the last 25 patients, the last treatments benefited from the learning curve), including advanced stages and inoperable.

Number of treatments per year by pathology	2018	2017	Variation	
Thyroid nodules	589	378	211	56%
Breast fibroadenoma	140	140	0	-
Varicose veins	36	14	22	157%
Others	6	0	6	na
Total treatments number	771	532	239	45%
<i>commercial treatments</i>	<i>679</i>	<i>458</i>	<i>221</i>	<i>48%</i>
<i>clinical trials</i>	<i>92</i>	<i>74</i>	<i>18</i>	<i>24%</i>

The number of treatments in clinical routine (ie treatments performed outside a Theraclion-sponsored clinical study) has increased by 48%. In 2018, 679 clinical routine treatments were performed. Several reference sites in Germany, Spain and Hong Kong have selected echo-therapy as an effective method of treatment, which also offers them a differentiating advantage in their reference market.

92 treatments were performed in sponsored studies. They are related to the finalization of the clinical study on the treatment of varicose veins and the continued recruitment in the multicenter trial in the United States on the treatment of breast fibroadenoma.

Cash position

Theraclion today announced the signing of a € 4.8 million financing agreement that 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 its commercial relevance. The first tranche of this € 4.8 million financing agreement was exercised today at a price of € 0.80 per share, representing a premium of 34% over the closing price of 11th February 2019 (0.596 €).



At December 31, 2018, Theraclion's available cash position amounted to € 0.9 million. The amount of € 4.8 million raised under Tranche 1, together with sales expected to grow in 2019, reimbursement of tax credits and the cash from the previous arrangement with Nice & Green² will cover Theraclion's cash needs for the next 12 months.

About Theraclion

Theraclion is developing an innovative high-tech echotherapy solution using therapeutic ultrasound for the treatment of varicose veins. With its expertise in echotherapy for the non-invasive ablation of breast adenofibromas and thyroid nodules, pathologies for which the company has obtained CE marking and for which it commercialises treatments, Theraclion is adapting its solution to provide an innovative solution – non-invasive, with no post-operative pain and without an anaesthetist – for the treatment of varicose veins. This venous pathology is highly prevalent worldwide and is the cause of approximately 5 million procedures per year according to the Millennium Research Varicose Vein Device Market Study 2015. Theraclion's Echopulse[®] technological solution is a high-tech, precise, easy-to-use and easy-to-handle ultrasound medical imaging tool for practitioners.

Located in Malakoff, near Paris, Theraclion brings together a team of 25 people, more than half of whom are dedicated to R&D and clinical trials.

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

Theraclion is traded on Euronext Growth Paris

Eligible for the PEA-PME equity investment plan



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² Theraclion may draw up to 6 tranches from Nice & Green remaining that could lead up to an €1.8M additional financing (see press release dated June 11, 2018)