



## Theraclion's varicose vein winning strategy continues despite the impact of Covid-19 in the first half of 2020

Malakoff, July 21, 2020 - THERACLION (ISIN: FR0010120402; Mnemo: ALTHE, PEA-PME eligible), an innovative company specializing in the development of medical equipment for echotherapy treatment, notably for varicose veins, today announces its sales revenues for the first half of 2020.

David Caumartin, CEO of Theraclion, commented: *“Our high-intensity focused ultrasound (HIFU) technology is a breakthrough innovation because it is non-invasive and is not performed in an operating room. We are the first players in the market with SONOVEIN®. Theraclion deploys its strategy and pursues its development plan to be the market leader in varicose veins. Over the past few months, the teams have been able to develop an optimized version of the SONOVEIN® solution and are moving towards a new CE marking. Since mid-May, two new treatment centers have been equipped with our SONOVEIN® system, bringing to six out of a target of twelve, the number of centers where Key Opinion Leaders (experts) have access to our solution. These centers of excellence are the relay of our technology to the rest of the market. We anticipate a gradual resumption of treatment and sales of systems from September.”*

### Semester activity impacted by the global health crisis

Theraclion SA achieved a turnover of € 169K in the first half of 2020, a decrease of 15% if we consider the recurring revenue consisting of the sale of consumables and services (€ 199K at the end of June 2019). The sale of systems could not take place because the health crisis halted the activities of our experts who had to suspend any non-urgent medical treatment. The lockdown did not allow patients to access our technology. Travel limitations with the interruption of air connections and the closing of borders, as well as restrictions on gatherings have made any commercial visits impossible and difficult the transport of products, even though the vast majority of Theraclion's turnover is carried out internationally.

However, the growing interest of vascular physicians in Theraclion's echotherapy solution continues. Ten systems were sold in 2019. As of May 11, the company is regaining its commercial dynamics and accelerating its efforts with potential buyers of the technology. We are currently witnessing a gradual resumption of treatments and an increase in orders for consumables.

<i>Half year revenue/K€</i>	<b>S1 2020</b>	<b>S1 2019</b>	<b>Variation</b>
Sales of systems	-	764	-100%
Sales of consumables	93	113	-17%
Sales of services	76	86	-11%
<b>Total sales Theraclion SA</b>	<b>169</b>	<b>963</b>	<b>-82%</b>
Out of which Thyroid and Breast	136	963	-86%
Out of which varicose veins	33	-	na



## **Continued development of SONOVEIN® and gradual recovery of activities**

Theraclion continued to deploy its strategic priorities on SONOVEIN® because the solution meets an unmet medical need. This system is the only non-invasive option for varicose vein surgery, without scars and incisions, thereby greatly reducing the risk of nosocomial disease. It minimizes the time spent in the treatment center and does not use sedation allowing almost normal activity immediately after the intervention.

Theraclion teams continued the technical and clinical development of SONOVEIN® in order to offer a new version which optimizes the use by practitioners and meets the requests from early expert users.

In addition to these technical developments, Theraclion was able to install two new SONOVEIN® treatment centers in France and Spain, as soon as the containment was lifted, illustrating the expectations of medical specialists for the non-invasive varicose vein treatment solution. Of the six sites currently equipped with SONOVEIN®, three have resumed or started treatment, the other centers anticipate a resumption of treatment in September. In connection with the gradual recovery of treatments, Theraclion recorded an increase in orders for EPACK® consumables at the start of the second semester. This dynamic of orders makes it possible to anticipate a gradual resumption of treatment from September.

Given the interest of Key Opinion Leaders for Theraclion's disruptive technology, the company is confident that it will achieve its goal of opening SONOVEIN® treatment sites in the coming months.

Theraclion thus pursues its objectives for the development of SONOVEIN®:

- Open new treatment sites in 2020 in Europe and Asia for the treatment of veins while working with Key Opinion Leaders to accelerate the adoption by the medical community of SONOVEIN® technology;
- Develop trials in the United States to progress towards the approval of SONOVEIN® by the Food and Drug Administration (FDA);
- Continue the technical development of SONOVEIN® technology.

## **Reinforced cash flow to support the deployment strategy of SONOVEIN®**

Despite the health crisis, Theraclion's cash flow situation is now strengthened. The company obtained € 1.4 million in loans under a State Guaranteed Loan (PGE) and an innovation loan from Bpi France. Theraclion also received the research tax credit in the first half of the year. These financing contributions, together with the net cost savings implemented by the company, strengthen the financial structure of the company.

Given these elements, a cautious estimate of system sales in 2020 with an expected second half of the year that is significantly more dynamic than the first, the issuance of all or part of tranche 2 of the financing at the start of 2019, Theraclion believes that it will be able to meet its cash flow needs over the next 12 months. In the first half of 2020, Theraclion also obtained a € 3.6 million line of credit, which could be activated, if necessary.

## **About Theraclion**

Theraclion is developing an innovative high-tech echotherapy solution using therapeutic ultrasound for the treatment of varicose veins, SONOVEIN®. The solution, which obtained CE marking in April 2019, is based on the strong expertise developed by Theraclion in echotherapy for the treatment of non-invasive ablation of breast fibroadenomas and thyroid nodules with its Echopulse® solution.



Echopulse® technology is adapted to SONOVEIN® to provide the only non-invasive ablation therapy for varicose veins, now allowing treatment without a catheter, chemical injection or incision. An operating room is not necessary. Venous pathology is widespread worldwide and generates around 5 million treatment procedures per year, according to *Millenium research Varicose Vein Device Market Study 2015*. Theraclion's technological solutions are based on a high-tech ultrasound medical imaging tool , precise, easy to use and handle 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](http://www.theraclion.com) and the patient site: <https://echotherapie.com/echotherapy/>**

Theraclion is listed on Euronext Growth Paris  
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