



MAUNA KEA TECHNOLOGIES REPORTS SECOND QUARTER AND FIRST HALF OF 2020 SALES

First Half of 2020 total sales down 47%; U.S. sales down 19%

Second Quarter total sales down 72%; U.S. sales down 47%

Sufficient liquidity to manage the business through the third quarter of 2021

Paris and Boston, July 20, 2020 – 5.45 PM CEST – Mauna Kea Technologies (Euronext: MKEA) inventor of Cellvizio®, the multidisciplinary probe and needle-based confocal laser endomicroscopy (p/nCLE) platform, today announced its sales for the second quarter and first half of 2020 ended June 30, 2020.

Second Quarter 2020 Sales Summary

- Total sales for the second quarter of 2020 decreased €1.6 million, or 72% year-over-year, to €0.6 million
 - Consumables sales decreased €0.8 million, or 71% year-over-year, to €0.3 million
 - Systems sales decreased €0.8 million, or 100% year-over-year, to €0.0 million
 - Services sales increased €35 thousand, or 14% year-over-year, to €0.3 million

First Half of 2020 Sales Summary

- Total sales for the first half of 2020 decreased €1.8 million, or 47% year-over-year, to €2.1 million
 - Consumables sales decreased €1.1 million, or 52% year-over-year, to €1.0 million
 - Systems sales decreased €0.8 million, or 59% year-over-year, to €0.6 million
 - Services sales increased €36 thousand, or 7% year-over-year, to €0.6 million

“As expected, second quarter procedure and adoption trends in our primary commercial markets around the world were significantly impacted by the global crisis caused by the coronavirus, or COVID-19,” stated Robert L. Gershon, Chief Executive Officer of Mauna Kea Technologies. “We reported a decrease in sales of €1.6 million, or 72% year-over-year, in the second quarter with half of the decline coming from lower system sales and half of the decline coming from lower consumables demand. While we are not pleased with the year-over-year decline in total sales in Q2, we are encouraged by the fact that we have seen a pronounced improvement in our underlying business trends as we moved through the second quarter as restrictions were lifted and practices began to re-open; specifically we saw U.S. procedure volume return to pre-COVID levels for the month of June. We continue to navigate the unprecedented changes in our target markets responsibly and we are focused on ensuring that the organization is well-positioned to drive growth post COVID-19 when normal case loads resume in the U.S., APAC and EMEA/ROW regions.”

Mr. Gershon continued: “Importantly, we made significant progress in recent months towards our goal of enhancing our financial condition and maximizing our capital resources to support the Company’s strategic growth initiatives. We have implemented a series of significant cost-cutting actions designed to tightly control operating expenses, we secured non-dilutive financings of \$0.7 million (€0.64 million) and €4 million through the Paycheck Protection Program and the French state-guaranteed loans program, respectively, and we announced the drawdown of the €6m second tranche of our financing agreement with the European Investment Bank. Together, these actions should provide sufficient liquidity to manage the business through the third quarter of 2021.”

Second Quarter and First Half of 2020 Sales by Category

<i>(in € millions) – IFRS</i>	Q2 2020	Q2 2019	% Chg. Y/Y	6 Months 2020	6 Months 2019	% Chg. Y/Y
Systems	0.0	0.8	(100%)	0.6	1.3	(59%)
Consumables	0.3	1.2	(71%)	1.0	2.1	(52%)
Services	0.3	0.2	14%	0.6	0.5	7%
Total Sales	0.6	2.2	(72%)	2.1	3.9	(47%)



Total sales for the second quarter of 2020 were €0.6 million, down 72% year-over-year. Second quarter sales results were driven by a 14% increase in services revenue, which partially offset declines in sales of systems and consumables of 100% and 71%, respectively, compared to the prior year period.

Total sales for the first half of 2020 were €2.1 million, down 47% year-over-year. First half of 2020 sales results were driven by a 7% increase in services revenue, which partially offset declines in sales of systems and consumables of 59% and 52%, respectively, compared to the prior year period.

Second Quarter and First Half of 2020 Sales by Geography with split by activity (Clinical / Pre-clinical)

<i>(in € thousands) – IFRS</i>	Q2 2020	Q2 2019	% Chg. Y/Y	6 Months 2020	6 Months 2019	% Chg. Y/Y
U.S. & Canada	487	917	(47%)	1,321	1,629	(19%)
Clinical	478	916	(48%)	1,309	1,612	(19%)
Pre-clinical	9	1	841%	12	17	(31%)
Asia-Pacific	47	947	(95%)	519	1,497	(65%)
Clinical	41	941	(96%)	512	1,491	(66%)
Pre-clinical	6	6	(4%)	7	6	14%
EMEA & ROW	92	357	(74%)	260	810	(68%)
Clinical	75	339	(78%)	228	675	(66%)
Pre-clinical	17	19	(10%)	32	135	(76%)
Total Clinical Sales	595	2,195	(73%)	2,049	3,778	(46%)
Total Pre-clinical Sales	32	26	24%	51	159	(68%)
Total Sales	627	2,221	(72%)	2,100	3,937	(47%)

Clinical Sales

Total clinical sales for the second quarter of 2020 were €0.6 million, down 73% year-over-year, driven primarily by a 95% decrease in sales in the Asia-Pacific region, a 47% decrease in the U.S. and Canada regions and a 74% decrease in sales in the EMEA and Rest of World regions.

Total clinical sales for the first half of 2020 period were €2 million, down 46% year-over-year, driven primarily by a 65% decrease in sales in the Asia-Pacific region, a 68% decrease in sales in the EMEA and Rest of World regions and a 19% decrease in sales in the U.S. and Canada regions.

Pre-Clinical Sales

Total pre-clinical sales were €32 thousand and €51 thousand in the second quarter and first half of 2020 periods, respectively, compared to €26 thousand and €159 thousand, respectively, in the prior year periods. The decrease in pre-clinical sales of 68% year-over-year in the first half of 2020 was driven by the Company's strategic focus on clinical sales opportunities and, as stated in prior quarters, these sales are less recurring than clinical sales which presents difficult comparisons from one period to another.



Second Quarter and First Half of 2020 Units Sales by Type

Units (#)	Q2 2020	Q2 2019	% Chg. Y/Y	6Mo 2020	6Mo 2019	% Chg. Y/Y
New Systems Sold	0	9	(100%)	6	15	(60%)
New System Placements	2	3	(33%)	4	10	(60%)
Consumable Probe Shipments	43	266	(84%)	150	461	(67%)

Total Cellvizio System shipments decreased 84% year-over-year to 2 in the second quarter of 2020, compared to 12 total shipments in the prior year period. Second quarter of 2020 included 2 new system placements, in May, driven by the Company’s new, more targeted strategy for driving future adoption of Cellvizio in the U.S. GI market by focusing on the high-volume upper GI clinicians. Consumable probe shipments declined 84% year-over-year and 67% year-over-year in the second quarter and first half of 2020, respectively, as a result of the global pandemic.



Financial calendar

Please note that the 2020 financial calendar is available on the Mauna Kea Technologies website: <https://www.maunakeatech.com/en/investors/financial-calendar>

About Mauna Kea Technologies

Mauna Kea Technologies is a global medical device company focused on eliminating uncertainties related to the diagnosis and treatment of cancer and other diseases thanks to real time *in vivo* microscopic visualization. The Company’s flagship product, Cellvizio®, has received clearance/approval for a wide range of applications in the United States and more than 40 countries around the World. For more information on Mauna Kea Technologies, visit www.maunakeatech.com

United States

Mike Piccinino, CFA
Westwicke, an ICR Company
443-213-0500

France and Europe

NewCap - Investor Relations
Thomas Grojean
+33 (0)1 44 71 94 94
maunakea@newcap.eu

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