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ASX Announcement

Visioneering Technologies, Inc. Opens the Year with 28% Growth in Shipments and Reports Record Q1 FY19 Results

Q1 FY19 Investment Highlights

- Increased shipments to US Eye Care Professionals (ECPs) to US\$1.3 million, up 28% from Q4 FY18 and up 158% from Q1 FY18
- Increased net revenue to US\$1.1 million, up 6% from Q4 FY18 and up 104% from Q1 FY18
- Accelerated global expansion in Q1 FY19 and achieved first sales in the United Kingdom, Europe's largest contact lens market
- Grew active accounts by 194 accounts, with 96% repeat customers quarter-over-quarter
- Increased revenue per active account by US\$87, up 13% from Q4 FY18 and up 45% from Q1 FY18
- Completed the first quarter on track to achieve forecast net revenue of between US\$6.5 million and US\$7.5 million in the full 2019 financial year

Atlanta, Georgia, Monday 8 April 2019: US-based medical device company and producer of the NaturalVue® (etafilcon A) Multifocal 1 Day Contact Lenses Visioneering Technologies, Inc (ASX: VTI) ('Visioneering' or 'The Company') has reported a strong start to the 2019 financial year with shipments to practitioners for the quarter ended 31 March 2019 growing 28% quarter-over-quarter, and more than doubling over shipments to practitioners in the same period in 2018. VTI's Fiscal Year coincides with the calendar year.

Growth in Shipments and Revenue in The Quarter Ended 31 March 2019

In the quarter ended 31 March 2019, shipments to US-based eye care professionals (Shipments to US ECPs) grew by 28% over the prior quarter to US\$1.3M, and grew by 158% over the same period in 2018. Net Revenue for the quarter ended 31 March 2019 grew by 104% over the same period in 2018, and increased from the prior quarter by 6% to US\$1.1 million. Shipments to US ECPs represent the dollar value of products sold by Visioneering's distributors in the US to ECPs at pricing that reflects the Company's price to the distributors. The Company believes Shipments to US ECPs provides the best window into the demand for its products and smooths the impacts of timing of distributor inventory replenishments.

Achieves Record Weekly Shipments To US ECPs

Shipments to US ECPs accelerated in the first quarter of 2019 and the final week of the quarter was the highest week for Shipments to US ECPs in Company history, eclipsing the second highest week by 11%. All four weeks in March 2019 were among the top ten highest weeks ever for Shipments to US ECPs.

Q1 FY19 Metrics

On a year-over-year basis, Shipments to US ECPs increased 158% over Q1 FY18, while Q1 FY19 net revenue increased 104%, more than doubling compared to Q1 FY18. The table below includes a

summary of metrics and definitions. The percent increase in Net Revenue was below the percent increase in Shipments to US ECPs due to timing of inventory purchases versus shipments.

Gross profit continued to rise in the quarter, reaching 32% of net revenue for Q1 FY19 compared to Q4 FY18 gross profit of 26% and Q1 FY18 gross profit of 22%. Additionally, Visioneering tracks the repurchase behavior of its ECP customers since the Company views high repeat customer percentages as a positive indication of the quality of its revenue and of the tangible value VTI provides to ECPs and their patients. 96% of ECPs that purchased product in Q4 FY18 purchased product again in Q1 FY19, up from 89% for the comparable measure in Q4 FY18 and 87% in Q1 FY18.

(US\$ in 000's, unaudited)	Q1 FY18	Q4 FY18	Q1 FY19	Q1 FY19 vs Q4 FY18	Q1 FY19 vs Q1 FY18
Net Revenue (A)	\$555	\$1,069	\$1,133	6%	104%
Shipments to US ECPs (B)	\$489	\$988	\$1,262	28%	158%
Active US Accounts (C)	948	1,489	1,683	13%	78%
Shipments to US ECPs per Active US Account	\$516	\$663	\$750	13%	45%
Gross profit %	22%	26%	32%		
Repeat customer % (D)	87%	89%	96%		

- (A) Net revenue includes international revenue.
 (B) Shipments to US ECPs represents the gross revenue equivalent of lenses shipped to ECPs located in the US, net of fulfillment fees.
 (C) Active US Accounts are ECPs located in the US that purchased VTI products during the quarter.
 (D) Repeat customer % is the percent of prior quarter Active accounts that purchased in the current quarter.

Active US Accounts (accounts that purchased during the quarter) and Shipments to US ECPs per Active US Account grew, both from the prior quarter and from the previous corresponding period. Q1 FY19 US Accounts of 1,683 were up 13% from Q4 FY18 and up 78% from Q1 FY18. Q1 FY19 Shipments to US ECPs per Active US Account were \$750, up 13% from Q4 FY18 and up 45% from Q1 FY18.

Visioneering increased its net cash used in operating activities to US\$3.8 million in the quarter from US\$2.7 million in Q4 FY18, primarily due to timing of payments for payroll and administrative costs. The Company finished the quarter with US\$3.5 million in cash and cash equivalents and expects current cash will fund operations until approximately August 2019. Management is actively seeking funding through a number of channels and believes it will be successful in securing additional capital in Q2 FY19.

Global Expansion Accelerates

Visioneering accelerated its global expansion in the first quarter of 2019 and achieved its first sales in the UK market. The Company entered into a sales and distribution agreement with Positive Impact (Sales) Ltd., a distributor of leading eye care products and contact lenses throughout the United Kingdom. Through Positive Impact, Visioneering generated its first sales in the UK in March 2019. Visioneering remains focused on continuing to expand its operations with plans to launch in Canada and parts of Asia later in 2019.

Net Revenue Forecast To Grow In 2019

Visioneering Technologies remains on track to deliver net revenue of between US\$6.5 million and US\$7.5 million in the full 2019 financial year, compared to net revenue of \$3.3 million in 2018. Gross

profit margin is expected to increase from 32% in Q1 FY19 to approximately 45% in Q4 FY19, averaging approximately 40% for the full year.

For the year ending 31 December 2019, the Company forecasts that on average, Active US Accounts will grow between 175 and 225 accounts per quarter, and revenue per account will grow between US\$65 and US\$95 per quarter. The Company expects the growth in Active Accounts and revenue to vary by quarter based on seasonality, with the third quarter likely being the strongest quarter and the fourth quarter likely being the weakest quarter, in terms of sequential quarterly growth.

Executive Commentary

Visioneering Technologies CEO Stephen Snowdy, PhD, says: “We are delighted to report Visioneering Technologies achieved another quarter of strong growth. Our metrics continue to improve, setting records in shipments, revenue, and number of active accounts in the quarter. We’re also excited about our recent entry into the United Kingdom, which is one of the largest contact lens markets in the world, and expect to add Canada in 2019 to our list of countries enjoying the benefits of NaturalVue MF. We also plan to launch in parts of Asia this year, initially focusing on Hong Kong and then on other Asian nations as we satisfy their regulatory requirements and form distribution partnerships.”

Ends.

Invitation To Join Investor Conference Call

Investors are invited to join a conference call on Thursday, 11 April at 9:30 AM AEST (7:30 PM Wednesday, 10 April US EDT) hosted by Visioneering’s CEO, Stephen Snowdy.

To pre-register for the call please use this link:

<https://services.choruscall.com.au/diamondpass/visioneeringtech-864131-invite.html>

You will receive a calendar notification with dial in details and a PIN for fast track access to the call. Alternatively you can dial in using the details below at the scheduled call start time.

Conference ID: 864 131

Participant dial in numbers

Australia Toll Free:	1 800 908 299
Alternate Australia Toll Free:	1 800 455 963
Australia Local:	02 9007 8048
Canada Toll Free:	1855 624 0077
Japan Toll Free:	0066 3386 8000
New Zealand Toll Free:	0800 452 795
United Kingdom Toll Free:	0800 051 1453
United States:	(855) 624 0077

For more information, please contact:

<i>Company</i>	<i>Investor and media relations</i>
Stephen Snowdy CEO, Visioneering Technologies, Inc. Email: ssnowdy@vtivision.com	Julia Maguire The Capital Network M: +61 419 815 386 E: julia@thecapitalnetwork.com.au

About Visioneering Technologies

Visioneering Technologies Inc. (ASX:VTI) is an innovative eye care company committed to redefining vision. Since its founding in 2008, Visioneering has brought together clinical, marketing, engineering, manufacturing and regulatory leaders from top vision care businesses to provide new solutions for presbyopia, myopia and astigmatism.

Headquartered in the US, Visioneering designs, manufactures, sells and distributes contact lenses. Its flagship product is the NaturalVue® Multifocal contact lens, and VTI has expanded its portfolio of technologies to address a range of eye care issues. The company has grown operations across the United States, Australia and Europe and is expanding into Asia with a focus on markets with high rates of myopia.

Foreign ownership restrictions

VTI's CHES Depositary Interests (**CDIs**) are issued in reliance on the exemption from registration contained in Regulation S of the US Securities Act of 1933 (**Securities Act**) for offers which are made outside the US. Accordingly, the CDIs have not been, and will not be, registered under the Securities Act or the laws of any state or other jurisdiction in the US. As a result of relying on the Regulation S exemption, the CDIs are 'restricted securities' under Rule 144 of the Securities Act. This means that you are unable to sell the CDIs into the US or to a US person for the foreseeable future except in very limited circumstances after the expiration of a restricted period, unless the re-sale of the CDIs is registered under the Securities Act or an exemption is available. To enforce the above transfer restrictions, all CDIs issued bear a 'FOR US' designation on the Australian Securities Exchange (**ASX**). This designation restricts any CDIs from being sold on ASX to US persons. However, you are still able to freely transfer your CDIs on ASX to any person other than a US person. In addition, hedging transactions with regard to the CDIs may only be conducted in accordance with the Securities Act.

Forward-Looking Statements

This announcement contains or may contain forward-looking statements that are based on management's beliefs, assumptions and expectations and on information currently available to management.

All statements that address operating performance, events or developments that we expect or anticipate will occur in the future are forward-looking statements. These include, without limitation, U.S. commercial market acceptance and U.S. sales of our product, as well as our expectations with respect to our ability to develop and commercialize new products.

Management believes that these forward-looking statements are reasonable when made. You should not place undue reliance on forward-looking statements because they speak only as of the date when made. VTI does not assume any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. VTI may not

actually achieve the plans, projections or expectations disclosed in forward-looking statements. Actual results, developments or events could differ materially from those disclosed in the forward-looking statements.

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Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

Visioneering Technologies, Inc.

ABN

616 156 248

Quarter ended ("current quarter")

March 31, 2019

Consolidated statement of cash flows		Current quarter US\$'000	Year to date (3 months) US\$'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	1,152	1,152
1.2	Payments for		
	(a) research and development	(541)	(541)
	(b) product manufacturing and operating costs	(387)	(387)
	(c) advertising and marketing	(589)	(589)
	(d) leased assets	-	-
	(e) staff costs	(2,445)	(2,445)
	(f) administration and corporate costs	(999)	(999)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	35	35
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(3,774)	(3,774)
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	(10)	(10)
	(e) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter US\$'000	Year to date (3 months) US\$'000
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(10)	(10)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	-
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of quarter/year to date	7,275	7,275
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(3,774)	(3,774)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(10)	(10)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of quarter	3,491	3,491

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter US\$'000	Previous quarter US\$'000
5.1	Bank balances	250	250
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (#)	3,241	7,025
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,491	7,275

U.S. Treasury bills, notes, and other high-quality, short term securities that are issued or guaranteed by the U.S. government or by U.S. government agencies.

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter US\$'000
66
-

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7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter US\$'000
-
-

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8. Financing facilities available

Add notes as necessary for an understanding of the position

- 8.1 Loan facilities
8.2 Credit standby arrangements
8.3 Other (please specify)

Total facility amount at quarter end US\$'000	Amount drawn at quarter end US\$'000
-	-
-	-
-	-

- 8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

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9. Estimated cash outflows for next quarter	US\$'000
9.1 Research and development	302
9.2 Product manufacturing and operating costs	629
9.3 Advertising and marketing	638
9.4 Leased assets	-
9.5 Staff costs	1,992
9.6 Administration and corporate costs	800
9.7 Other (provide details if material)	-
9.8 Total estimated cash outflows	4,361

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity	N/A	N/A
10.2 Place of incorporation or registration		
10.3 Consideration for acquisition or disposal		
10.4 Total net assets		
10.5 Nature of business		

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
2 This statement gives a true and fair view of the matters disclosed.

Sign here:

(Director/Company secretary)

Date: 8 April 2019

Print name:

Stephen Snowdy

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.