

MicroVision Announces Third Quarter 2019 Results

REDMOND, Wash., Nov. 06, 2019 (GLOBE NEWSWIRE) -- MicroVision, Inc. (NASDAQ:MVIS), a leader in innovative ultra-miniature projection display and sensing technology, today announced third quarter 2019 results.

Revenue for the third quarter of 2019 was \$1.2 million, compared to \$11.6 million for the third quarter of 2018. MicroVision's net loss for the third quarter of 2019 was \$6.1 million, or \$0.05 per share, compared to net income of \$0.3 million, or \$0.00 per share for the third quarter of 2018.

"We made considerable progress in the third quarter with OEMs across multiple segments in our product portfolio that could have a significant positive impact on our 2020 results," said Perry Mulligan, MicroVision's Chief Executive Officer. "Production unit shipments for our April 2017 contract customer began in the third quarter and continue to proceed smoothly, meeting our customer's production schedule," Mulligan noted. "Our activities related to our interactive display solutions resulted in a major step forward during the past few months as customer due diligence work has now led to negotiations for a component purchase agreement that we aim to complete this quarter for a targeted launch of our interactive display module in 2020," Mulligan added.

Financial Results Conference Call

The company will host a conference call today to discuss its third quarter 2019 results and current business operations at 2:00 p.m. Pacific Time today by accessing the Investor Relations section of MicroVision's web site on the Investor Relations Events Calendar page at https://microvision.gcs-web.com/investor-event-calendar or dialing 1-877-883-0383 (for U.S. participants) or 1-412-902-6506 (for participants outside of the U.S.) ten minutes prior to the start of the call using pass code number 8896540.

The conference call will be available for rebroadcast from the Investor Relations section of MicroVision's web site on the Investor Relations Events Calendar page.

About MicroVision

MicroVision is the creator of PicoP® scanning technology, an ultra-miniature sensing and projection solution based on the laser beam scanning methodology pioneered by the company. MicroVision's platform approach for this sensing and display solution means that its technology can be adapted to a wide array of applications and form factors. We combine our hardware, software, and algorithms to unlock value for our customers by providing them a differentiated advanced solution for a rapidly evolving, always-on world.

MicroVision has a substantial portfolio of patents relating to laser beam scanning projection and sensing. MicroVision's industry leading technology is a result of its extensive research

and development. The company is based in Redmond, Washington.

MicroVision and PicoP are trademarks of MicroVision, Inc. in the United States and other countries. All other trademarks are the properties of their respective owners.

Forward-Looking Statements

Certain statements contained in this release, including those relating to product shipment, potential product sales, adoption of technology, contract negotiations, the company's future products, product applications and solutions and statements containing words such as "aim," "could," and "targeted" are forward-looking statements that involve a number of risks and uncertainties that could cause actual results to differ materially from those in the forwardlooking statements. Factors that could cause actual results to differ materially from those projected in our forward-looking statements include our ability to raise additional capital when needed; market acceptance of our technologies and products; and for products incorporating our technologies; the failure of our commercial partners to perform as expected under our agreements; our ability to identify parties interested in paying any amounts or amounts we deem desirable for the purchase or license of intellectual property assets; our or our customers' failure to perform under open purchase orders, our financial and technical resources relative to those of our competitors; our ability to keep up with rapid technological change; government regulation of our technologies; our ability to enforce our intellectual property rights and protect our proprietary technologies; the ability to obtain additional contract awards and develop partnership opportunities; the timing of commercial product launches and delays in product development; the ability to achieve key technical milestones in key products; dependence on third parties to develop, manufacture, sell and market our products; potential product liability claims; our ability to maintain our listing on the Nasdaq Stock Market, and other risk factors identified from time to time in the company's SEC reports, including the company's Annual Report on Form 10-K filed with the SEC. These factors are not intended to represent a complete list of the general or specific factors that may affect us. It should be recognized that other factors, including general economic factors and business strategies, may be significant, now or in the future, and the factors set forth in this release may affect us to a greater extent than indicated. Except as expressly required by federal securities laws, we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, changes in circumstances or any other reason.

> MicroVision, Inc. Balance Sheet (In thousands) (Unaudited)

> > September December 30, 31, 2019 2018

Assets

Current Assets

Cash and cash equivalents	\$	6,642	\$	13,766		
Accounts receivable, net	Ψ	505	Ψ	476		
Costs and estimated earnings in excess of billings on uncompleted						
contracts		-		987		
Inventory		241		1,109		
Other current assets		574		1,311		
Total current assets		7,962		17,649		
Property and equipment, net		2,111		2,993		
Operating lease right-of-use asset		1,394		-		
Restricted cash		435		435		
Intangible assets, net		306		486		
Other assets		186	1,470			
Total assets	\$	12,394	\$	23,033		
Liabilities and Shareholders' Equity (Deficit)						
Current Liabilities						
Accounts payable	\$	1,091	\$	2,411		
Accrued liabilities		4,064		5,602		
Deferred revenue		28		-		
Contract liabilities		10,000		-		
Other current liabilities		8		10,154		
Current portion of operating lease liability		651		-		
Current portion of finance lease obligations		24		21		
Total current liabilities		15,866	18,188			
Operating lease liability, net of current portion		1,482		_		
Finance lease obligations, net of current portion		15		33		
Deferred rent, net of current portion		-		695		
Total liabilities		17,363		18,916		
Commitments and contingencies						
Communerts and contingencies						
Shareholders' Equity (Deficit)						
Common stock at par value		119		100		
Additional paid-in capital		564,227		550,133		
Accumulated deficit	(569,315)			(546,116)		
Total shareholders' equity (deficit)		(4,969)		4,117		
Total liabilities and shareholders' equity (deficit)	\$	12,394	\$	23,033		

Statement of Operations

(In thousands, except earnings per share data)

(Unaudited)

		Three months ended September 30,					oths ended onber 30,	
		2019	,	2018		2019		2018
Product revenue	\$	999	\$	-	\$	1,198	\$	-
License and royalty revenue		17		10,000		17		10,011
Contract revenue		174		1,572		3,066		5,763
Total revenue		1,190	_	11,572	_	4,281	_	15,774
Cost of product revenue		2,039		1,434		3,352		1,998
Cost of contract revenue		33		1,211		1,786		4,201
Total cost of revenue		2,072		2,645		5,138		6,199
Gross margin		(882)		8,927		(857)		9,575
Research and development expense		3,566		6,386		15,484		17,905
Sales, marketing, general and administrative expense		1,697		2,253		6,851		6,953
Total operating expenses	_	5,263	_	8,639		22,335	_	24,858
Income (loss) from operations		(6,145)		288		(23,192)	((15,283)
Other expense, net		4		1		(7)		(19)
Net income (loss)	\$	(6,141)	\$	289	\$	(23,199)	\$	(15,302)
Net income (loss) per share - basic	\$	(0.05)	\$	0.00	\$	(0.21)	\$	(0.18)
Net income (loss) per share - diluted	\$	(0.05)	\$	0.00	\$	(0.21)	\$	(0.18)
Weighted-average shares outstanding - basic		114,874		93,073		107,953		84,388
Weighted-average shares outstanding - diluted		114,874		93,204		107,953		84,388

Investor Relations Contact

David H. Allen
Darrow Associates, Inc.
408.427.4463
dallen@darrowir.com



Source: MicroVision, Inc.