UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **August 30, 2022**

VIVANI MEDICAL, INC.
(Exact name of registrant as specified in its charter)

California	**001-36747**	**02-0692322**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

5858 Horton Street, Suite 280 **Emeryville, California**	**94608**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: **(818) 833-5000**

Second Sight Medical Products, Inc.
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	VANI	Nasdaq Capital Market
Warrants	VANIW	Nasdaq Capital Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Introductory Note

Background

On February 4, 2022, Vivani Medical, Inc., formerly known as Second Sight Medical Products, Inc. (the “Company”), entered into an Agreement and Plan of Merger (the “Merger Agreement”) with Nano Precision Medical, Inc., a California corporation (“NPM”), and upon the execution of a joinder, NPM Acquisition Corp., a California corporation and a wholly-owned subsidiary of the Company (“Merger Sub”), pursuant to which Merger Sub was to be merged with and into NPM, with NPM surviving as a wholly-owned subsidiary of the Company, as previously disclosed by the Company in the Current Report on Form 8-K filed with the Securities and Exchange Commission (the “SEC”) on February 8, 2022 (the “Original Report”). The information contained in (or incorporated by reference into) the Original Report is hereby incorporated herein by reference.

On June 15, 2022, NPM granted a waiver to the Company in connection with the Merger Agreement (the “Available Cash Waiver”) as disclosedin the Current Report on Form 8-K filed by the Company with the SEC on June 21, 2022.

Consummation of the Merger

On August 30, 2022 (the “Closing Date”), as contemplated by the Merger Agreement, following the satisfaction of the closing conditions set forth in the Merger Agreement, except those waived as described herein, the Company completed its business combination with NPM (the “Merger”). Accordingly, the Company issued an aggregate of 37,589,967 shares of the Company’s common stock, no par value (the “Common Stock”) to the former shareholders of NPM, as adjusted for the reverse stock split effected by the Company on August 19, 2022 (the “Reverse Stock Split”). The Common Stock immediately prior to the Reverse Stock Split was reduced into a smaller number of shares, such that every three shares of Common Stock held by a shareholder of the Company immediately prior to the Reverse Stock Split were combined and reclassified into one share of Common Stock. The shares of Common Stock issued to the former shareholders of NPM were registered with the SEC pursuant to the Registration Statement on Form S-4 (Reg. No. 333-264959), as amended, declared effective on June 24, 2022.

Immediately after the consummation of the Merger, there were approximately 50,726,329 shares of Common Stock outstanding. The former securityholders of NPM own, or hold rights to acquire, approximately 74.1% of issued and outstanding shares of Common Stock.

Closing Condition Waiver. Termination of the Legacy Shareholders Agreement

On the Closing Date, in connection with, and immediately prior to the completion of, the Merger, the Company waived the requirement that NPM shall have terminated the certain shareholders’ agreement (the “Legacy Shareholders Agreement”), dated February 25, 2016, by and among NPM and the holders of NPM’s outstanding shares of common stock, before closing the Merger (the “SHA Termination Waiver”). Because the consummation of the Merger eliminated the shares of former shareholders of NPM, no shares of NPM common stock that are subject to the Legacy Shareholders Agreement remain outstanding.

The foregoing description of the SHA Termination Waiver does not purport to be complete and is qualified in its entirety by reference to the SHA Termination Waiver, which is attached to this Current Report on Form 8-K as Exhibit 2.3 and is incorporated herein by reference.

Name Change

Effective as of the Closing Date, the Company changed its name to "Vivani Medical, Inc." by filing a Certificate of Amendment (the "Name Change Amendment") with the Secretary of State of the State of California pursuant to the California Corporations Code.

The foregoing description of the Name Change Amendment does not purport to be complete and is qualified in its entirety by reference to the Name Change Amendment, a copy of which is being filed as Exhibit 3.1 hereto and is incorporated herein by reference.

The Common Stock listed on the Nasdaq Capital Market, previously trading through the close of business on August 30, 2022 under the ticker symbol "EYES," commenced trading on the Nasdaq Capital Market, under the ticker symbol "VANI" on August 31, 2022. The Common Stock has a new CUSIP number, 92854B 109 . The warrants listed on the Nasdaq Capital Market, previously trading under the ticker symbol "EYESW" are projected to be voluntarily delisted from the Nasdaq Capital Market.

Item 1.01 Entry into a Material Definitive Agreement.

To the extent required by Item 1.01 of Form 8-K, the information contained in (or incorporated by reference into) the disclosure set forth in the "*Introductory Note*" above and in Item 2.01 of this Current Report on Form 8-K is hereby incorporated by reference into this Item 1.01.

Lockup Agreements

On the Effective Date, the Company and NPM's directors, officers, and holders of ten percent (10%) or more of the issued and outstanding shares of NPM common stock (the "Locked-Up Persons") entered into lockup agreements pursuant to which the Locked-Up Persons have agreed not to, except in limited circumstances, sell or transfer, or engage in swap or similar transactions with respect to, any shares of Common Stock, received for NPM common stock in the Merger or any securities convertible into or exercisable or exchangeable for Common Stock received in the Merger, until 180 days from the Effective Date (the "Lockup Agreements"). Separately, the Lockup Agreements of Aaron Mendelsohn and Dean Baker each exclude 90,559 shares of Common Stock from the terms of the lockup restrictions. A total of 18,002,685 shares of Common Stock are locked up pursuant to the Lockup Agreements.

The foregoing description of the Lockup Agreements does not purport to be complete and is qualified in its entirety by reference to the form of the Lockup Agreement, a copy of which is being filed as Exhibit 10.1 hereto and is incorporated by reference into this Item 1.01.

Item 2.01 Completion of Acquisition or Disposition of Assets.

To the extent required by Item 2.01 of Form 8-K, the information contained in (or incorporated by reference into) the disclosure set forth in the "*Introductory Note*" above is hereby incorporated by reference into this Item 2.01.

Certain directors of the Company had a pre-existing material relationship with NPM, including those that involved a potential or actual conflict of interests, as described in the section titled "*Related Party Transactions Of Directors And Executive Officers Of Second Sight*" beginning on page 239 of the Company's proxy statement/prospectus filed with the SEC on June 24, 2022 (the "Prospectus").

Item 5.01 Changes in Control of Registrant.

To the extent required by Item 5.01 of Form 8-K, the information contained in (or incorporated by reference into) the disclosure set forth in the "*Introductory Note*" above is hereby incorporated by reference into this Item 5.01.

In accordance with the terms of the Merger Agreement, each of the directors of the Company who would not be continuing as a director after the completion of the Merger resigned from the Board of Directors of the Company (the "Board") and any respective committees of the Board to which they belonged as of the closing of the Merger. In connection with the Merger, the size of the Board post-Merger was reduced to five members, and the Board was reconstituted as follows:

- Gregg Williams, who did not resign
- Dean Baker, who did not resign;
- Alexandra Larson, who did not resign;
- Aaron Mendelsohn, who did not resign; and
- Adam Mendelsohn, who was appointed by the remaining directors.

Adam Mendelsohn was appointed to the Board to serve until the next annual meeting of shareholders at which the members of the Board stand for election or until such director's earlier death, resignation, or removal or until such director's successor is duly elected and qualified.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

To the extent required by Item 5.02 of Form 8-K, the information contained in (or incorporated by reference into) the disclosure set forth in the "*Introductory Note*" above or in Item 2.01 of this Current Report on Form 8-K is incorporated by reference herein.

Resignation of Directors

Pursuant to the Merger Agreement, immediately prior to and effective upon the Merger,Jonathan Will McGuire and Matthew Pfeffer, resigned from the Board and any respective committees of the Board to which they belonged, which resignations were not the result of any disagreements with the Company relating to the Company's operations, policies or practices.

Resignation of Officers

Pursuant to the Merger Agreement, immediately prior to and effective upon the Merger, Scott Dunbar, Company's Acting Chief Executive Officer and Edward Sedo, the Company's Acting Chief Accounting Officer, resigned as officers of the Company. Their resignation letters did not contain any statements describing disagreements with the Company related to its operations, policies, or practices, nor did any disagreements lead to their resignations. Messrs. Dunbar and Sedo did not terminate their contractual relationship with the Company other than the aforementioned resignations as officers of the Company.

Appointment of Officers

As of the Effective Time, the Board appointed Adam Mendelsohn, as Chief Executive Officer of the Company, Brigid A. Makes, as Chief Financial Officer of the Company, Truc Le, as Chief Operating Officer of the Company, Donald Dwyer, as Chief Business Officer of the Company, and Lisa Porter, as Chief Medical Officer of the Company. Aaron Mendelsohn is Adam Mendelsohn's father.

The biographies of the aforementioned executive officers are included in the Prospectus in the section titled "*Management Following the Merger*" beginning on page 228 and are incorporated herein by reference. Information with respect to the compensation of the Company's named executive officers and directors is set forth in the Prospectus in the sections titled "*Nano Executive Compensation*" beginning on page 236 and "*Nano Director Compensation*" beginning on page 238 , and that information is incorporated herein by reference.

Election of New Directors

On and as of the Effective Date, the Board appointed Adam Mendelsohn as a director of the Company.

On and as of the Effective Date, the Board appointed its members to join the Audit, Compensation, and Nominating and Corporate Governance Committee, as illustrated in the table below.

Name, Current Position and Occupation	Year First Became Director	Age	Independent	Audit Committee	Compensation Committee	Nominating and Governance Committee
Gregg Williams, *Director, Chairman of the Board*	2009	63	Yes	✓*	✓	✓, Chairman
Aaron Mendelsohn, *Director*	1998	71	No			
Adam Mendelsohn *Director*	2022	41	No			
Dean Baker, *Director*	2021	80	Yes	✓, Chairman*	✓, Chairman	✓
Alexandra Larson, *Director*	2021	42	Yes	✓	✓	✓

*Audit Committee Financial Expert

The biographies of Adam Mendelsohn, Dr. Dean Baker, Gregg Williams, and Aaron Mendelsohn are included in the Prospectus in the section titled "*Management Following the Merger*" beginning on page 228 and are incorporated herein by reference.

Alexandra Larson, JD, MBA: Ms. Larson has been a director at the Company since 2021. Ms. Larson serves as Senior Vice President and General Counsel of Williams International, a privately-held designer and manufacturer of turbine engines in the aerospace and defense industry, since January 2019. Prior to Williams International, from 2013 to January 2019, Ms. Larson was Legal Director and Associate General Counsel at Amcor Rigid Packaging, a division of Amcor, the global NYSE-listed packaging company. Ms. Larson has also served as Corporate Counsel at Compuware Corporation, a formerly-publicly traded company focusing on mainframe software for large businesses, from 2012 to 2013, and Associate in the mergers & acquisitions practice of the global law firm Baker McKenzie, in its New York office, from 2008 to 2012. Ms. Larson has also held roles at the New York Stock Exchange, Enforcement Division, and the United States Department of Justice, Antitrust Division. Ms. Larson is a graduate of the University of Michigan Law School (Ann Arbor), Hamilton College in Clinton, New York, and the University of Tennessee, Knoxville Haslam College of Business's Aerospace & Defense MBA Program. The Board believes Ms. Larson is qualified to serve on the Board due to her legal experience and leadership skills.

Indemnification Agreement

On the Closing Date, the following officers and directors entered into the Company's standard form of indemnification agreement with the Company the description of which is hereby incorporated by reference to the Prospectus: Adam Mendelsohn, Don Dwyer, Brigid A. Makes, Truc Le, and Lisa Porter.

Item 5.03 Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

To the extent required by Item 5.03 of Form 8-K, the information contained in (or incorporated by reference into) the disclosure set forth in the "*Introductory Note*" above is incorporated by reference herein.

Item 7.01 Regulation FD Disclosure.

On the Closing Date, the Company issued a press release announcing, among other things, the closing of the Merger and its intent to voluntarily delist its warrants from Nasdaq. A copy of the press release is furnished herewith as Exhibit 99.1.

Item 9.01 Financial Statements and Exhibits.

(a) Financial Statements of Business Acquired

The audited financial statements of NPM as of December 31, 2021 and 2020 and for the years ended December 31, 2021 and December 31, 2020 and the related notes included in the Prospectus beginning on page F-B-2 are incorporated herein by reference.

The unaudited condensed consolidated financial statements of NPM as of June 30, 2022 and for the three and six months ended June 30, 2022 and 2021 and the related notes are set forth herein as Exhibit 99.2 and are incorporated herein by reference.

(b) Pro Forma Financial Information

The unaudited pro forma condensed combined financial information as of and for the six months ended June 30, 2022, and for the year ended December 31, 2021 is set forth herein as Exhibit 99.3 and is incorporated herein by reference.

(d) Exhibits.

Exhibit No.	Description
2.1	Merger Agreement, dated February 4, 2022, between Registrant and Nano Precision Medical, Inc. (incorporated by reference to registrant's current report on Form 8-K filed with the Securities and Exchange Commission on February 8, 2022)
2.2	Waiver of Available Cash Requirement to the Merger Agreement dated June 15, 2022 (incorporated by reference to registrant's Current Report on Form 8-K filed with the Securities and Exchange Commission on June 21, 2022)
2.3*	Waiver of SHA Termination Closing Condition dated August 30, 2022
3.1*	Certificate of Amendment, filed August 25, 2022, and effective August 30, 2022 changing the name of the Company to "Vivani Medical, Inc."
10.1	Form of Lock-Up Agreement (incorporated by reference to the registrant's proxy statement/prospectus on Form S-4, file no. 333-264959, originally filed with the Securities and Exchange Commission on May 13, 2022)
99.1*	Press Release, dated August 30, 2022
99.2*	The unaudited condensed consolidated financial statements of NPM as of June 30, 2022 and for the three and six months ended June 30, 2022 and 2021
99.3*	The unaudited pro forma condensed combined financial information as of and for the six months ended June 30, 2022, and the year ended December 31, 2021
104*	The cover page of this Current Report on Form 8-K, formatted in Inline XBRL

* Filed or furnished herewith

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

VIVANI MEDICAL, INC.

Date: September 2, 2022

By: */s/ Donald Dwyer*
Donald Dwyer
Chief Business Officer

Exhibit 2.3

WAIVER OF CLOSING CONDITION
UNDER MERGER AGREEMENT

Reference is made to that certain Agreement and Plan of Merger, dated as of February 4, 2022 (the "**Agreement**"), by and among Second Sight Medical Products, Inc., a California corporation (the "**Company**"), Nano Precision Medical, Inc., a California corporation ("**NPM**"), and NPM Acquisition Corp., a California corporation. Capitalized terms used but not otherwise defined herein shall have the respective meanings ascribed to them in the Agreement.

In accordance with Section 7 of the Agreement and in consideration of the mutual covenants and agreements contained therein, the Company hereby waives the requirement, pursuant to Section 7.8 of the Agreement, that NPM shall have terminated the shareholders' agreement, dated February 25, 2016, by and between NPM and the holders of NPM's outstanding shares of common stock.

This Waiver shall not constitute an amendment or waiver of any other provision of the Agreement not expressly referred to herein and shall not be construed as a waiver of, or consent or estoppel with respect to, any failure to comply with any other obligation, covenant, agreement, or condition contained in the Agreement, except as expressly provided for herein.

IN WITNESS WHEREOF, the undersigned has caused this Waiver to be duly executed as of the 30th day of August, 2022.

[*Signature Page Follows*]

SECOND SIGHT MEDICAL PRODUCTS, INC.

By: */s/ Scott Dunbar*
Name: Scott Dunbar
Title: Acting Chief Executive Officer

[*Signature Page to Waiver of Closing Condition*]

California Secretary of State

Business Programs Division
1500 11th Street, Sacramento, CA 95814

Request Type: Certified Copies
Entity Name: SECOND SIGHT MEDICAL PRODUCTS, INC.
Formed In: CALIFORNIA
Entity No.: 2536744
Entity Type: Stock Corporation - CA - General

Issuance Date: 08/25/2022
Copies Requested: 1
Receipt No.: 002438198
Certificate No.: 040203220

Document Listing

Reference #	Date Filed	Filing Description	Number of Pages
B1050-1683	08/25/2022	Amendment	1

** **** ****** ******** End of list ******** ****** **** **

I, SHIRLEY N. WEBER, PH.D., California Secretary of State, do hereby certify on the Issuance Date, the attached document(s) referenced above are true and correct copies and were filed in this office on the date(s) indicated above.

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California on August 25, 2022.

SHIRLEY N. WEBER, PH.D.
Secretary of State

To verify the issuance of this Certificate, use the Certifcate No. above with the Secretary of State Certification Verification Search available at **biz**fileOnline.sos.ca.gov.

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B1050-1683 08/25/2022 2:43 PM Received by California Secretary of State

STATE OF CALIFORNIA
Office of the Secretary of State
CERTIFICATE OF AMENDMENT
CA CORPORATION

California Secretary of State
1500 11th Street
Sacramento, California 95814
(916) 653-3516

For Office Use Only

-FILED-

File No.: BA20220734153
Date Filed: 8/25/2022

Corporation Details

Corporation Name	SECOND SIGHT MEDICAL PRODUCTS, INC.
Entity No.	2536744

Amendment Details

Article I of the Articles of Incorporation is amended to read:

Corporation Name	Vivani Medical, Inc.
Future Effective Date	08/30/2022

Approval Statements

Approval Statements

1) The Board of Directors has approved the amendment of the Articles of Incorporation.
2) Share approval was by the required vote of shareholders in accordance with California Corporations Code section 902. The total number of outstanding shares of the corporation entitled to vote is 39,409,176. The number of shares voting in favor of the amendment equaled or exceeded the vote required. The percentage vote required was more than 50%.

Signatures

☒ We declare under penalty of perjury under the laws of the State of California that the matters set forth herein are true and correct of our own knowledge.

Officer Title	Officer Signature	Date
Chairperson of the Board	*Gregg Williams*	*08/25/2022*
Secretary	*Scott Dunbar*	*08/25/2022*

Certificate Verification No.: 040203220 Date: 08/25/2022

Exhibit 99.1

FOR IMMEDIATE RELEASE

Vivani Announces Trading under New Ticker Symbol (Nasdaq: VANI)

Emeryville, CA – (BUSINESS NEWSWIRE) – August 31, 2022 – Vivani Medical, Inc., formerly Second Sight Medical, Inc., (NASDAQ: VANI) (the “Company” or “Vivani”) announced that trading of the Company’s common stock on The Nasdaq Capital Market under the symbol “VANI” will commence today.

Vivani is the combination of Nano Precision Medical, Inc. (“NPM”) and Second Sight Medical Products, Inc. Closing of the merger was completed and announced yesterday, August 30, 2022. Vivani leverages proprietary technologies to develop and commercialize drug and device implants that treat patients with chronic diseases with high unmet medical need.

Vivani has approximately $55 million in cash to advance the development of its portfolio, which includes lead asset NPM-119 (exenatide implant), approaching clinical-stage development for the treatment of patients with Type 2 diabetes and to identify and execute strategic options to facilitate advancement of its clinical-stage Orion visual prosthetic device to treat individuals with blindness due to a wide range of underlying causes.

The Company operates under the leadership of Adam Mendelsohn, Ph.D., former NPM CEO, and his leadership team of seasoned industry veterans. “Vivani’s trading debut on The Nasdaq Capital Market under the ticker symbol “VANI” is an exciting milestone for the new company and allows us important access to the capital markets as we advance our proprietary technologies and emerging product portfolio. Our progress with NPM-119 will provide further validation of our proprietary NanoPortal implant technology and its ability to address medication non-adherence, a major challenge in the treatment of chronic diseases today. We anticipate being ready to begin evaluation of NPM-119 in patients with Type 2 diabetes around the end of this year. In addition, we remain committed to identifying a sustainable path forward for our Orion Visual Cortical Prosthesis System for blind individuals. The future of Vivani is bright and we are thrilled with the opportunity to advance our portfolio and ultimately aid in the treatment of patients with chronic diseases.” said Adam Mendelsohn, Ph.D., Chief Executive Officer of the Company.

About Vivani Medical, Inc.

Vivani Medical, Inc., (Nasdaq: VANI), is the combination of Nano Precision Medical, Inc. and Second Sight Medical Products, Inc. The Company leverages proprietary technologies to develop and commercialize drug and device implants that treat patients with chronic diseases with high unmet medical need.

The Drug Implant division is developing a new portfolio of miniature drug implants which utilize its proprietary NanoPortal drug implant technology. These drug implants, designed to deliver minimally fluctuating drug profiles, will address drug non-adherence which is a leading reason for sub-optimal clinical benefit associated with oral and injectable products that treat chronic diseases. The company's lead product, NPM-119, is a GLP-1 receptor agonist under development to treat patients with Type 2 diabetes. More information is available at www.nanoprecisionmedical.com.

The Visual Protheses division is developing implantable visual prostheses devices that are intended to deliver useful artificial vision to blind individuals. Vivani is a recognized global leader in neuromodulation devices for blindness and committed to identifying and executing the best strategic options that will enable its innovative technologies to treat the broadest population of sight-impaired individuals. More information is available at secondsight.com.

Vivani headquarters are located in Emeryville, California. More information for investors is available at investors@vivani.com.

Safe Harbor

This press release contains certain "forward-looking statements" within the meaning of the "safe harbor" provisions of the US Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by words such as: "target," "believe," "expect," "will," "may," "anticipate," "estimate," "would," "positioned," "future," and other similar expressions that in this press release concern the Company's business prospects and post-merger strategy. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on the Company's current beliefs, expectations, and assumptions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Actual results and outcomes may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements. Important factors that could cause actual results and outcomes to differ materially from those indicated in the forward-looking statements include, among others, the following: (1) our ability to recognize the anticipated benefits of the merger; (2) risks related to the development and commercialization of NPM-119 (exenatide implant); (3) legal claims or proceedings relating to the termination of the Memorandum of Understanding with Pixium Vision and costs relating thereto; (4) delays and changes in applicable laws, regulations and guidelines including potential delays in submitting required regulatory applications to the U.S. Food and Drug Administration ("FDA"); (5) our history of losses and the Company's ability to achieve or sustain profitability in the future; (6) the possibility that the Company may be adversely affected by other economic, business, and/or competitive factors; (7) the impact of COVID-19 on the Company's business; (8) potential setbacks in the Company's research and development efforts including negative or inconclusive results from its preclinical studies and future clinical trials; and (9) various other risks and uncertainties. There may be additional risks that the Company considers immaterial, or which are unknown. A further list and description of risks and uncertainties can be found in the Company's most recent Annual Report on Form 10-K, and any subsequent quarterly filings on Form 10-Q filed with the Securities and Exchange Commission (the "Commission"), and the Company's final proxy statement/prospectus filed with the Commission on June 24, 2022. Any forward-looking statement made by us in this press release is based only on information currently available to the Company and speaks only as of the date on which it is made. The Company undertakes no obligation to publicly update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of added information, future developments or otherwise, except as required by law.

Company Contact:
Don Dwyer
Chief Business Officer
info@vivani.com
(818) 833-5000

Investor Relations Contact:
Brigid Makes
Chief Financial Officer
investors@vivani.com
(818) 833-5000

Exhibit 99.2

FINANCIAL INFORMATION

Financial Statements (unaudited)

Nano Precision Medical, Inc.
CONDENSED BALANCE SHEETS
(UNAUDITED)
As of June 30, 2022 and December 31, 2021
(in thousands, except share data)

	June 30, 2022	December 31, 2021
Assets		
Current assets:		
Cash and cash equivalents	$ 3,450	$ 2,178
Prepaid expenses and other current assets	472	291
Total current assets	3,922	2,469
Property and equipment, net	1,119	1,173
Operating lease right-of-use assets, net	1,176	1,611
Deposits	200	200
Total assets	$ 6,417	$ 5,453
Liabilities and Stockholders' Equity (Deficit)		
Current liabilities:		
Accounts payable	$ 644	$ 281
Accrued expenses	1,158	895
Operating lease right-of-use liability, current portion	1,103	910
Total current liabilities	2,905	2,086
Long-term liabilities:		
Operating lease right-of-use liability, net of current portion	328	902
SAFE obligation	8,000	-
Total liabilities	11,233	2,988
Commitments and contingencies (Note 10)		
Stockholders' Equity (Deficit)		
Common stock, no par value - 20,000,000 shares authorized at June 30, 2022 and December 31, 2021, respectively, 12,202,824 and 12,191,667 shares issued and outstanding at June 30, 2022 and December 31, 2021, respectively	54,662	54,649
Additional paid-in capital	7,447	6,713
Accumulated deficit	(66,925)	(58,897)
Total stockholders' equity (deficit)	(4,816)	2,465
Total liabilities and stockholders' equity (deficit)	$ 6,417	$ 5,453

See accompanying notes to financial statements.

Nano Precision Medical, Inc.
CONDENSED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS (UNAUDITED)
(in thousands, except share and per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	**2021**	**2022**	**2021**
Costs and expenses				
Research and development expenses	$ 3,203	$ 2,753	$ 5,883	$ 5,159
General and administrative expenses	884	555	2,112	1,121
Total costs and expenses	4,087	3,308	7,995	6,280
Loss from operations	(4,087)	(3,308)	(7,995)	(6,280)
Other expense	(16)	(4)	(33)	(20)
Gain from forgiveness of PPP loan	-	637	-	637
Net loss and comprehensive loss	$ (4,103)	$ (2,675)	$ (8,028)	$ (5,663)
Basic and diluted net loss per share	$ (0.34)	$ (0.24)	$ (0.66)	$ (0.53)
Weighted-average shares used in computing net loss per share, basic and diluted	12,202,824	10,944,746	12,200,270	10,777,040

See accompanying notes to financial statements.

Nano Precision Medical, Inc.
Condensed Statements of Shareholders' Equity
For each of the Three Months and Six Months Ended June 30, 2022 and 2021
(in thousands, except share data)

	Common Stock		Additional	Accumulated	Total Stockholders'
	Shares	Amount	Paid-In Capital	Deficit	Equity
Balances at December 31, 2021	12,191,667	$ 54,649	$ 6,713	$ (58,897)	$ 2,465
Exercise of common stock options for cash	1,641	1	-	-	1
Net exercise of 10,000 common stock options	7,716	-	-	-	-
Stock-based compensation	-	-	340	-	340
Net loss	-	-	-	(3,924)	(3,924)
Balances at March 31, 2022	12,201,024	54,650	7,053	(62,821)	(1,118)
Exercise of common stock options for cash	1,800	12	-	-	12
Stock-based compensation	-	-	394	-	394
Net loss	-	-	-	(4,104)	(4,104)
Balances at June 30, 2022	12,202,824	$ 54,662	$ 7,447	$ (66,925)	$ (4,816)

See accompanying notes to financial statements.

	Common Stock		Additional	Accumulated	Total Stockholders'
	Shares	Amount	Paid-In Capital	Deficit	Equity
Balances at December 31, 2020	$ 10,666,002	$ 43,029	$ 5,045	$ (46,124)	$ 1,950
Issuance of common stock, net of issuance costs of $0.5	228,074	2,166	-	-	2,166
Exercise of common stock options for cash	12,130	24	-	-	24
Stock-based compensation	-		450	-	450
Net loss	-		-	(2,987)	(2,987)
Balances at March 31, 2021	10,906,206	45,219	5,495	(49,111)	1,603
Issuance of common stock and warrants, net of issuance costs of $160	218,568	2,076	-	-	2,076
Exercise of common stock options for cash	30	-	-	-	-
Stock-based compensation	-	-	394	-	394
Net loss	-	-	-	(2,675)	(2,675)
Balances at June 30, 2021	11,124,804	$ 47,295	$ 5,889	$ (51,786)	$ 1,398

See accompanying notes to financial statements.

Nano Precision Medical, Inc.
CONDENSED STATEMENTS OF CASH FLOWS (UNAUDITED)
(in thousands)

	Six Months Ended June 30,	
	2022	2021
Net cash used in operating activities		
Net loss	$ (8,028)	$ (5,663)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	170	173
Stock based compensation	734	844
Non-cash lease expense	54	(32)
PPP loan forgiveness	-	(637)
Changes in assets and liabilities:		
Prepaid expenses and other current assets	(181)	(23)
Accounts payable	363	182
Accrued expenses	307	230
Other long term liabilities	-	(4)
Net cash used in operating activities	(6,625)	(4,930)
Cash flows used in investing activities		
Purchase of property & equipment	(116)	(264)
Net cash used in investing activities	(116)	(264)
Cash flows from financing activities		
Proceeds from issuance of common stock and warrants	13	4,266
Proceeds from SAFE note	8,000	-
Net cash provided by financing activities	8,013	4,266
Net change in cash and cash equivalents	1,272	(928)
Cash and cash equivalents at beginning of period	2,178	2,081
Cash and cash equivalents at end of period	$ 3,450	$ 1,153

See accompanying notes to financial statements.

Nano Precision Medical, Inc.
Notes to condensed financial Statements
(Unaudited)

1. ORGANIZATION AND NATURE OF OPERATIONS

Organization

Nano Precision Medical, Inc. ("NPM") is a biopharmaceutical business which develops miniaturized, subdermal drug implants utilizing its proprietary NanoPortal™ technology to enable long-term, near constant-rate delivery of a broad range of medicines to treat chronic diseases. NPM plans to use this platform technology to develop and commercialize innovative, long-term drug implants, alone or in collaboration with pharmaceutical company partners to address a leading cause of poor clinical outcomes, medication adherence. NPM's drug implants, unlike oral and injectable medicines, are able to address adherence by delivering minimally fluctuating drug plasma levels targeting for up to 6 months or the life of the implant. NPM was incorporated in California on December 14, 2009. NPM's development and commercialization of novel, proprietary therapeutic implants represents the sole operating and reporting segment.

Definitive merger agreement

On February 4, 2022, Second Sight Medical Products, Inc. ("Second Sight") entered into an agreement and plan of merger (the "Merger Agreement") with NPM. The Merger was approved by the shareholders of Second Sight on July 27, 2022 and closed on August 30, 2022. Upon consummation of the Merger, NPM became a wholly-owned subsidiary of Second Sight. Prior to the Merger, Second Sight changed its name to Vivani Medical, Inc. and changed its trading symbol from EYES to VANI, and will trade under the ticker VANI on the NASDAQ market.

Under the terms and conditions of the Merger Agreement, the securities of NPM converted into the right to receive shares of Second Sight's common stock representing 77.32% of the total issued and outstanding shares of common stock of Second Sight on a fully converted basis, including, without limitation, giving effect to the conversion of all options, warrants, and any and all other convertible securities assuming net settlement. Second Sight filed a Registration Statement on Form S-4 on May 13, 2022 in connection with the Merger to register the merger shares effective June 24, 2022.

The Merger involved a change of control and is expected to be accounted for as a reverse merger in accordance with accounting principles generally accepted in the United States of America ("GAAP"). Under this method of accounting, Second Sight is expected to be treated as the "acquired" company for financial reporting purposes with NPM as the acquirer. The assets acquired and liabilities assumed by NMP are expected to be recorded at fair value under Accounting Codification Standard ("ASC 805"), *Business* Combinations.

Certain investors and members of the NPM board of directors are also investors and members of the board of directors of Second Sight.

SAFE Agreement

On February 4, 2022, in connection with the Merger, Second Sight and NPM also entered into a Simple Agreement for Future Equity ("SAFE") whereby Second Sight provided to NPM an investment advance of $8 million. If the Merger were to be terminated without completion, NPM would issue to Second Sight that number of shares of NPM common stock equal to not less than 2.133% of the issued and outstanding shares of NPM common stock assuming exercise or conversion of all outstanding vested and unvested options, warrants, and convertible securities. The agreement provided that the SAFE would termination if the Merger were to be successfully completed.

Under the terms of the SAFE, upon successfully completion of the Merger on August 30, 2022, the investment advance was eliminated. Under the accounting for a business combination, the $8 million will adjust the purchase consideration. See Note 6, *SAFE Obligation,* for further information.

Going Concern

NPM incurred operating losses for the six months ended June 30, 2022, and the year ended December 31, 2021 of $8.0 million and $12.8 million, respectively; and negative cash flows from operations of $6.6 million and $11.0 million, respectively, during the same time periods. Since inception, NPM has relied primarily on the proceeds from equity offerings, and most recently, debt arrangements to finance operations. These conditions resulted in substantial doubt regarding NPM's ability to continue as a going concern.

The ability of NPM to continue as a going concern prior to the Merger was dependent on successful implementation of management's plans to raise additional capital. With the Second Sight merger as of August 30, 2022, the combined entity now has access to over $50 million of cash which is expected to be adequate to fund its operation for at least twelve months from the date these financial statements were made available and management believes the substantial doubt has been alleviated.

However, the ability of Vivani to fund its business plan long-term will likely require additional capital which cannot be assured.

Risks and uncertainties

NPM continues to monitor the ongoing COVID-19 global pandemic which has resulted in travel and other restrictions to reduce the spread of the disease. To date, we have not experienced significant disruptions from the ongoing COVID-19 pandemic. All clinical and chemistry, manufacturing and control activities are currently active.

The safety, health and well-being of all patients, medical staff and internal and external teams is the paramount and primary focus. As the pandemic and its resulting restrictions evolve in jurisdictions across the country, the potential exists for further disruptions to projected timelines. NPM is in close communication with clinical teams and key vendors and is prepared to take action should the pandemic worsen and impact the business in the future.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting and financial statement presentation

These unaudited condensed interim financial statements have been prepared in accordance with GAAP and following the requirements of the United States Securities and Exchange Commission ("SEC") for interim reporting. As permitted under those rules, certain footnotes or other financial information that are normally required by GAAP can be condensed or omitted. In our opinion, the unaudited condensed interim financial statements have been prepared on the same basis as the audited financial statements and include all adjustments, which include only normal recurring adjustments, necessary for the fair presentation of our financial position and our results of operations and cash flows for periods presented. The balance sheet as of December 31, 2021 has been derived from our audited balance sheet included in the Registration Statement on Form S-4 filed with the SEC on May 13, 2022 (the "Proxy and Registration Statement). These unaudited interim condensed financial statements do not include all disclosures required by GAAP and should be read in conjunction with our annual financial statements and accompanying notes for the fiscal year ended December 31, 2021. The results of the interim periods are not necessarily indicative of the results expected for the full fiscal year or any other interim period or any future year or period.

Use of estimates

The preparation of financial statements requires management of NPM to make a number of estimates and assumptions related to the reported amount of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of expenses during the period. Estimates are based on historical experience and on various other assumptions that are believed to be reasonable under the circumstances. Some of the more significant estimates include useful lives of long-lived assets, the fair value of equity-based compensation and evaluation of going concern. Actual results could differ materially from those estimates.

Concentration of risk

Financial instruments that subject to concentrations of credit risk consist primarily of cash. Cash funds are maintained with financial institutions that management deems credit worthy, and at times, cash balances may be in excess of FDIC insurance limits of $250,000. To date, NPM has not experienced any credit loss relating to its cash and cash equivalents.

Comprehensive Loss

Comprehensive loss is the change in equity of a business enterprise during a period from transactions and all other events and circumstances from non-owner sources. NPM did not have components of other comprehensive loss, and as a result, comprehensive loss is the same as net loss.

Research and development, and patent costs

Research and development ("R&D") activities are focused on pharmaceutical R&D, device R&D, regulatory consulting and manufacturing; the related costs consist primarily of clinical trial related costs, compensation expense, contractor costs, professional fees and R&D related depreciation which are charged to operations in the period incurred. Due to uncertainty associated with the successful development of one or more commercially viable products based on research efforts and any related patent applications, all patent costs through 2022, including patent-related legal, filing fees and other costs, including internally generated costs, were expensed as incurred.

General and administrative expenses

General and administrative expenses consist primarily of compensation, professional fees, occupancy, office, technology and non-R&D depreciation.

Stock-based compensation

The Company recognizes stock-based compensation expense for service-based stock options on a straight-line basis over the requisite service period.

The fair value of option-based awards is estimated using the Black-Scholes valuation model. The Black- Scholes valuation model requires the use of highly subjective and complex assumptions, including the option's expected term and the price volatility of the underlying stock. For inputs into the Black-Scholes valuation model, the expected stock price volatility for the common stock is estimated by taking the average historic price volatility for industry peers based on daily price observations over a period equivalent to the expected term of the stock option grants. Industry peers consist of several public companies in the Company's industry which are of similar size, complexity and stage of development. The risk-free interest rate for the expected term of the option is based on the U.S. Treasury implied yield at the date of grant. The expected dividend yield is nil as the Company has not paid and does not anticipate paying dividends on its common stock.

The fair value of common stock underlying grants is determined by considering a number of objective, subjective and highly complex factors including independent third-party valuations of the Company's common stock, operating and financial performance, the lack of liquidity of capital stock and general and industry specific economic outlook among other factors.

The Company has elected to use the "simplified method" to determine the expected term which is the midpoint between the vesting date and the end of the contractual term because it has insufficient history upon which to base an assumption about the term; the Company believes the simplified method approximates a term if it were to be based on expected life.

Income Taxes - Interim Periods

In calculating the provision for interim income taxes, in accordance with ASC 740,*Income Taxes* an estimated annual effective tax rate is applied to year-to-date ordinary income. At the end of each interim period, the Company estimates the effective tax rate expected to be applicable for the full fiscal year. This differs from the method utilized at the end of an annual period.

Recent Accounting Pronouncements

In August 2020, the FASB issued ASU No. 2020-06, Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging-Contracts in Entity's Own Equity. This ASU simplifies the accounting for certain financial instruments with characteristics of liabilities and equity, including convertible instruments and contracts on an entity's own equity. This ASU is part of the FASB's simplification initiative, which aims to reduce unnecessary complexity in U.S. GAAP. The Company adopted the standard effective January 1, 2022, with no impact on prior periods.

There are no other pronouncements not yet adopted that could have a material effect on future results of operations or financial position.

3. NET LOSS PER SHARE

Basic net loss per share is computed using net loss attributable to common stockholders divided by the weighted-average number of shares of common stock outstanding during the period.

Diluted net loss per share represents net loss attributable to common stockholders divided by the weighted- average number of common shares outstanding during the period, including all potentially dilutive common stock equivalents. Common stock equivalents consist of shares subject to warrants and share-based awards with exercise prices less than the average market price of NPM's common stock for the period, to the extent their inclusion would be dilutive.

The following table presents information necessary to calculate basic and diluted net loss per share for the three and six months ended June 30, 2022 and 2021:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Net loss for period	$ (4,103)	$ (2,675)	$ (8,028)	$ (5,663)
Weighted-average shares of common stock outstanding for basic and diluted EPS	12,202,824	10,944,746	12,200,270	10,777,040
Earnings per share, basic and diluted	$ (0.34)	$ (0.24)	$ (0.66)	$ (0.53)

Since NPM was in a loss position for the three and six months ended June 30, 2022 and 2021, basic net loss per share was the same as diluted net loss per share for the periods presented since the inclusion of common stock equivalents would have an anti-dilutive effect.

The computation of the weighted-average shares of common stock outstanding for diluted EPS excludes the following potential common shares as of June 30, 2022 and 2021:

	June 30, 2022	June 30, 2021
Shares underlying warrants outstanding	3,006,086	2,233,175
Shares underlying stock options outstanding	1,533,847	2,184,787

The shares underlying the SAFE obligation were issuable only if the Merger is terminated. Accordingly, since the Merger was successfully completed in August 2022, these contingently issuable shares as of June 30, 2022 have been excluded from the computation of diluted EPS.

4. LEASES

Total Right of Use (ROU) assets, net of accumulated amortization, were $1.2 million and $1.6 million as of June 30, 2022 and December 31, 2021, respectively. The current portion of lease liabilities was $1.1 million and $0.9 million, and the long-term portion of lease liabilities was $0.3 million and $0.9 million, as of June 30, 2022 and December 31, 2021, respectively.

Operating lease costs included in general and administrative and research and development expenses were $0.2 million and $0.2 million, for the three months ended June 30, 2022 and 2021; and $0.5 million and $0.4 million, for the six months ended June 30, 2022 and 2021, respectively. Cash paid for amounts included in operating cash flows from operating leases was $0.2 million and $0.2 million, for three months ended June 30, 2022 and 2021, respectively and $0.4 million and $0.4 million, for six months ended June 30, 2022 and 2021, respectively. As of June 30, 2022, the weighted-average remaining lease term in years was 1.35 years, and the weighted-average discount rate was 4.83%. No impairment losses have been recognized through June 30, 2022.

The aggregate future minimum lease payments under long-term non-cancelable operating leases with remaining terms greater than one year as of June 30, 2022 are as follows:

July 1 - December 31, 2022	$ 557
2023	922
Total rental payments	1,479
Less amount representing interest	49
Total principal	1,430
Less current portion	1,104
Long-term portion	$ 326

5. PROPERTY AND EQUIPMENT, NET

Property and equipment, net, consisted of $3,321 and $3,204 at cost as of June 30, 2022 and December 31, 2021, respectively, less accumulated depreciation and amortization of $2,202 and $2,031, respectively, as of the same dates.

Depreciation and amortization expense was $0.1 million and $0.1 million for the three months ended June 30, 2022 and 2021; and $0.2 million and $0.2 million for the six months ended June 30, 2022 and 2021, respectively. No impairment losses have been recognized through June 30, 2022.

6. SAFE OBLIGATION

On February 4, 2022 and in connection with the Merger discussed in Note 1,*Organization and Nature of Operations,* NPM and Second Sight entered into an agreement ("SAFE") whereby Second Sight provided to NPM an investment advance of $8 million. If the Merger were to be terminated without completion, NPM would issue to Second Sight that number of shares of NPM Capital Stock equal to not less than 2.133% of the issued and outstanding shares of NPM capital stock assuming exercise or conversion of all outstanding vested and unvested options, warrants, and convertible securities. In the event NPM were to complete an equity financing within one year from the date of termination of the merger at a lower valuation, Second Sight would have been eligible to receive additional shares of NPM capital stock as set forth in the SAFE. If the Merger is completed, the SAFE will terminate. The agreement provided that the SAFE would termination if the Merger were to be successfully completed.

Under the terms of the SAFE, upon successfully completion of the Merger on August 30, 2022, the investment advance was eliminated.

As of June 30, 2022, the SAFE has been classified as a marked-to-market liability pursuant to ASC 480,*Distinguishing Liabilities from Equity*, due to the potential variability at the time of share settlement. The carrying value of the SAFE was determined to approximate fair value, using Level 3 inputs in the fair value hierarchy, due to proximity to the issuance date and current probability of a successful merger.

Under the accounting for a business combination, the $8 million will adjust the purchase consideration.

7. STOCKHOLDERS' EQUITY

Common stock

NPM is authorized to issue 20,000,000 shares of common stock with no par value. At June 30, 2022, 12,202,824 shares of authorized common stock were issued and outstanding. Each holder of common stock is entitled to one vote for each share of common stock. Common stockholders have no pre-emptive rights to acquire additional shares of common stock or other securities. The common stock is not subject to redemption rights and carries no subscription or conversion rights. Dividends are at the discretion of the Board.

Warrants

NPM issued common stock and warrants (collectively, the "unit" or "units") in 2019, 2020 and 2021 for $9.50 per unit. Outstanding warrants to purchase common stock were 3,006,086 as of June 30, 2022 and December 31, 2021, which are classified in equity. Each warrant is exercisable into one share of common stock at $9.50 per share in whole or in part subject to typical adjustments for anti-dilution. The warrants expire 5 years from the date of issue and may be exercised on a cashless basis. The warrants qualify for an exception to derivative accounting and, accordingly, their value has not been bifurcated from the total unit purchase price.

8. EQUITY INCENTIVE PLAN

The following table summarizes the stock option activity for the six months ended June 30, 2022:

	Total shares under option	Weighted Average Exercise Price
Balance, December 31, 2021	**1,504,624**	$ 8.75
Granted	-	$ -
Exercised	(13,441)	
Forfeited	(16,042)	
Expired	(15,294)	
Other adjustment	74,000	
Balance, June 30, 2022	**1,533,847**	$ 8.15
Total vested and expected to vest	**1,533,847**	$ 8.15

The total fair value of shares vested during the quarter ended June 30, 2022 was $394. The weighted-average remaining contractual term of options currently exercisable in years was 6.68 as of June 30, 2022.

Total compensation expense for stock option grants is included in expenses in the statements of operations and comprehensive loss and is allocated as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Research and development	$ 324	$ 326	$ 514	$ 649
General and administrative	$ 70	$ 68	220	195
Total	$ 394	$ 394	$ 734	$ 844

As of June 30, 2022, total compensation cost related to unvested option awards not yet recognized was $1.18 million and the weighted-average period over which the compensation is expected to be recognized is 2.33 years.

Since options represent equity awards of NPM, such awards are fair valued as of the grant date for the purposes of measurement and recognition under GAAP. To measure the fair value of an option, the Black Scholes valuation model was utilized. The valuation model requires the input of highly subjective assumptions. No options were granted for the quarter ended June 30, 2022.

9. EMPLOYEE BENEFIT PLAN

NPM offers a 401 (k) Plan that is administered through a third-party and allows voluntary contributions by eligible employees. Employees may elect up to the maximum allowed under the Internal Revenue Service regulations. NPM had matching contributions of $0.1 million and $0.1 million to the 401 (k) Plan during the six months ended June 30, 2022 and 2021, respectively. Plan administrative costs have not been significant.

10. COMMITMENTS AND CONTINGENCIES

From time to time, NPM has been and may again become involved in legal proceedings arising in the ordinary course of its business. NPM is not aware of any pending or threatened litigation against NPM that it believes could have a material adverse effect on its business, operating results, financial condition or cash flows.

11. SUBSEQUENT EVENTS

NPM has evaluated subsequent events through September 02, 2022, the date which the financial statements were available to be issued, and determined that no matters required disclosure except as follows:

- As discuss in Note 1, *Organization and Nature of Operations*, the Merger was successfully completed on August 30, 2022, and Second Sight changed its name to Vivani Medical, Inc.
- As discuss in Note 1, the SAFE was eliminated upon the Merger. Under the accounting for a business combination, the $8 million will adjust the purchase consideration.
- From July 1, 2022 through August 30, 2022, investors exercised their warrants to purchase 439,764 shares of common stock, and employees exercised their options to acquire 750 shares of common stock.

Exhibit 99.3

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

Unless the context otherwise requires, all references in this section to Second Sight refer to Second Sight Medical Products, Inc. and all references to NPM refer to Nano Precision Medical before giving effect to the Agreement and Plan of Merger and Reorganization, dated as of February 4, 2022. References to Vivani refers to the combined entity, Vivani Medical, Inc., the new name for Second Sight Medical Products, Inc., after giving effect to the Agreement and Plan of Merger and Reorganization and application for the name change.

The unaudited pro forma condensed combined financial statements of Vivani have been prepared in accordance with Article 11 of Regulation S-X, as amended, and presents the combination of the historical financial information of NPM and Second Sight adjusted to give effect to the consummation of the merger contemplated by the Agreement and Plan of Merger and Reorganization, dated as of February 4, 2022 (the “Merger Agreement” or the “Merger”).

The unaudited pro forma condensed combined balance sheet as of June 30, 2022, combines the historical unaudited condensed consolidated balance sheet of Second Sight with the historical unaudited condensed balance sheet of NPM as of June 30, 2022, on a pro forma basis as if the Merger and other related events had been consummated on June 30, 2022.

The unaudited pro forma condensed combined statements of operations for the six months ended June 30, 2022 and for year ended December 31, 2021, combines the historical unaudited condensed consolidated statements of operations of Second Sight with the historical unaudited condensed statement of operations of NPM for the six months and the year then ended, respectively, on a pro forma basis as if the Merger Agreement and other related events had been consummated on January 1, 2021, the beginning of the earliest period presented. The unaudited pro forma condensed combined statements of operations include application of the reverse 3:1 stock split effective August 19, 2022 as if such reverse stock split were effective January 1, 2021 for the purposes of computation of pro forma net operating loss per share.

The unaudited pro forma condensed combined financial information was derived from, and should be read in conjunction with, the following historical financial statements and the accompanying notes, which are included elsewhere in this Form 8K or incorporated here-in by reference:

- The historical unaudited condensed consolidated financial statements of Second Sight as of June 30, 2022 and for the six months then ended;
- The historical audited consolidated financial statements of Second Sight as of December 31, 2021 and for the year then ended;
- The historical unaudited condensed financial statements of NPM as of June 30, 2022 and for the six months then ended;
- The historical audited financial statements of NPM as of December 31, 2021 and for the year then ended;

- Other information relating to Second Sight and NPM included elsewhere in this Form 8K or incorporated here-in, including the Merger Agreement;

Description of the Agreement and Plan of Merger and Reorganization dated February 4, 2022 (the "Merger") and Presentation in these Pro Forma Financial Statements

At the effective time of the Merger, the securities of each NPM security-holder will be converted into the right to receive the Pro Rata Portion of the Merger Shares using an exchange ratio as described in the Merger Agreement (the Exchange Ratio), and subject to the adjustment to account for the reverse 3:1 Second Sight Reverse Stock Split effective August 19, 2022, as follows:

- Exchange of all issued and outstanding shares of NPM common stock for shares of Second Sight common stock adjusted using the exchange ratio and stock split (the combined exchange ratio and stock split adjustment is referred to here-in as the "Conversion Ratio";

- Exchange of shares underlying all NPM outstanding unexercised options of common stock for options of Second Sight common stock on a like-for-like basis, except for the number of shares exercisable and the exercise price each adjusted using the Conversion Ratio;

- Exchange of all outstanding warrants convertible into shares of NPM common stock for warrants convertible into shares of Second Sight common stock on a like-for-like basis, on a like-for-like basis, each adjusted using the Conversion Ratio.

As a result of the Merger, the holders of NPM's common stock, and options and warrants to purchase NPM's common stock calculated on an as-converted basis (assuming net exercise of options and warrants of NMP), are expected to own, or hold rights to acquire, in the aggregate approximately 77.32% of the total equity securities of the combined company after the Merger; and, the holders of Second Sight's common stock, and options and warrants to purchase Second Sights' common stock calculated on an as-converted basis (assuming net exercise of options and warrants of Second Sight), are expected to own, or hold rights to acquire, in the aggregate approximately 22.68% of the total equity securities of the combined company after the Merger.

It is currently expected that the Exchange Ratio would be one NPM security for 9.056 Second Sight securities as then adjusted for the 3:1 reverse stock split, resulting in an effective Conversion Ratio of 3.012. The exercise price of each warrant and option will also be adjusted using the Conversion Ratio. The following summarizes the Vivani securities expected to be outstanding after the Merger as of the date of Close prior to cash settlement of any fractional shares:

	NPM				
	Per Merger	Conversion ratio	**Post merger**	**SSMP**	**Total Vivani as adjusted**
Shares	12,452,554	3.0187	37,590,035	13,136,392	50,726,427
Shares under warrants	2,566,322	3.0187	7,746,855	2,563,688	10,310,543
Shares under stock options	1,512,814	3.0187	4,566,672	48,860	4,615,532
	16,531,690		49,903,562	15,748,939	65,652,502

Assuming all NPM and Second Sight warrants and options on common stock presented in the preceding table were converted on a net settlement basis (using an agreed-upon fair value per share of NPM common stock of $21.90 excluding the impact of the exchange and stock split adjustments to compute NMP dilution), relative ownership of all securities would be as follows:

Relative ownership table (fully diluted assuming net settlement):

	Securities	Percent
NPM securities	44,783,154	77%
Second Sight securities	13,136,392	23%
Total Securities	57,919,546	100%

Second Sight has no significant warrants or options "in-the-money" that would adjust its outstanding securities for the purposes of this computation.

Expected Accounting Treatment of the Merger

We expect the Merger to be treated as a reverse acquisition in accordance with accounting principles generally accepted in the United States ("U.S. GAAP"). Under this method of accounting, Second Sight is expected to be treated as the "acquired" company for financial reporting purposes. Accordingly, the historical financial statements of NPM, as the acquirer, will represent a continuation of the financial position and results of operations of NPM, with the Merger being treated as the equivalent of NPM issuing stock for the net assets of Second Sight, accompanied by a recapitalization. The net assets acquired and liabilities assumed of Second Sight by NPM will be recorded at fair market value in accordance with ASC 805, *Business Combinations*, due to the change in control and operating activity (i.e., Second Sight does not qualify as a "shell" company) of Second Sight. Operations prior to the Merger will be those of NPM in future reports of the combined company. Post-merger, the combined company will reflect the name change to Vivani.

In a reverse merger, the equity structure (that is, the number and type of equity interests issued) is restated to reflect the equity structure of the legal parent (Second Sight as the accounting acquiree), including the equity interests the legal parent issued to effect the combination. Accordingly, the equity structure of the legal subsidiary (NPM as the accounting acquirer) is restated using the exchange ratio established in the acquisition agreement to reflect the number of shares of the legal parent (the accounting acquiree) issued in the reverse acquisition.

NPM has been determined to be the accounting acquirer based on evaluation of the following facts and circumstances:

- NPM's stockholders will have majority of the voting power after the Merger;
- the board of directors of Viviani will initially have five members, and NPM will have the ability to nominate the majority of the initial members of the board of directors;
- NPM's senior management will be the senior management of Vivani after the Merger and be responsible for day-to-day operations;
- the intended strategy and operations of Vivani will primarily continue NPM's current strategy and operations.

Basis of Pro Forma Presentation

The unaudited pro forma condensed combined financial information has been prepared in accordance with Article 11 of Regulation S-X, as amended. The adjustments in the unaudited pro forma condensed combined financial information have been identified and presented to provide relevant information necessary for an illustrative understanding of Vivani upon consummation of the Merger. Assumptions and estimates underlying the unaudited pro forma adjustments set forth in the unaudited pro forma condensed combined financial information are described in the accompanying notes.

The unaudited pro forma condensed combined financial information has been presented for illustrative purposes only and is not necessarily indicative of the operating results and financial position that would have been achieved had the Merger and other related events occurred on the dates indicated, and does not reflect adjustments for any anticipated synergies, operating efficiencies, tax savings or cost savings. Any cash remaining after the consummation of the Merger and the other related events are expected to be used for general corporate purposes. The unaudited pro forma condensed combined financial information does not purport to project the future operating results or financial position of NPM following the completion of the Merger. The unaudited pro forma adjustments represent management's estimates based on information available as of the date of these unaudited pro forma condensed combined financial information and are subject to change as additional information becomes available and analyses are performed. Second Sight and NPM have not had any historical relationship prior to the transactions except for the $8 million SAFE, some common members of their boards of directors, and some common shareholders. Accordingly, no other pro forma adjustments were required to eliminate activities between the companies.

Unaudited Pro Forma Condensed Combined Balance Sheet
As of June 30, 2022
(In thousands)

	Second Sight Historical	NPM Historical	Pro Forma adjustments	Pro forma combined
Assets				
Current assets:				
Cash and cash equivalents	$ 56,377	$ 3,450	$ (1,624) (c)	$ 58,203
Other current assets	1,012	472		1,484
Total current assets	57,389	3,922	(1,624)	59,687
Property & equipment, net	103	1,119		1,222
SAFE advance	8,000		(8,000) (a)	-
Right-of-use assets	140	1,176		1,316
Other	17	200		217
Total assets	$ 65,649	$ 6,417	$ (9,624)	$ 62,442
Liabilities and Stockholders' Equity				
Current liabilities	$ 2,591	$ 2,905	$ (984) (c)	$ 4,512
SAFE		8,000	(8,000) (a)	-
Long-term liabilities		328		328
Total liabilities	2,591	11,233	(8,984)	4,840
Stockholders' Equity				
Common stock - no par	347,940	54,662	57,275 (b)	111,937
			(347,940) (d)	
Additional paid-in capital	49,415	7,447	(49,415) (d)	7,447
Accumulated other comprehensive Income	(424)		424 (d)	-
Accumulated deficit	(333,873)	(66,925)	5,783 (b)	(61,782)
			(640) (c)	
			333,873 (d)	
Total equity	63,058	(4,816)	(640)	57,602
Total liabilities and equity	$ 65,649	$ 6,417	$ (9,624)	$ 62,442

See accompanying notes to pro forma financial statements.

Unaudited Pro Forma Condensed Combined Statement of Operations
For the Six Months ended June 30, 2022
(In thousands, except share and per share data)

	Historical		Pro forma		Pro forma
	Second Sight	NPM	adjustments		combined
Net sales	$ -	$ -			$ -
Cost of sales	-	-			-
Gross profit		-			-
Operating expenses:					
Research and development, net of grants	1,488	5,883	$ (10)	(aa)	7,361
Clinical and regulatory	266		(6)	(aa)	260
General and administrative	3,591	2,112	(10)	(aa)	4,104
			(1,589)	(bb)	
Total operating expenses	5,345	7,995	(26)		11,725
Loss from operations	$ (5,345)	$ (7,995)	$ 26		$ (11,725)
Net operating loss per common share – basic and diluted on a pro forma basis				(cc)	$ (0.23)
Weighted average shares outstanding – basic and diluted on a pro forma basis					49,964,867

See accompanying notes to pro forma financial statements.

Unaudited Pro Forma Condensed Combined Statement of Operations
For the Year Ended December 31, 2021
(In thousands, except share and per share data)

	Historical		Pro forma adjustments		Pro forma combined
	Second Sight	NPM			
Net sales	$ -	$ -			$ -
Cost of sales (recovery of cost)	(130)	-			(130)
Gross profit	130	-			130
Operating expenses:					
Research and development, net of grants	2,370	11,002	$ (22)	(aa)	13,350
Clinical and regulatory	378	-	(35)	(aa)	343
General and administrative	6,315	2,321	(18)	(aa)	10,847
			2,229	(bb)	
Total operating expenses	9,063	13,323	(75)		24,540
Loss from operations	$ (8,933)	$ (13,323)	$ 75		$ (24,410)
Net operating loss per common share – basic and diluted on a pro forma basis				(cc)	$ (0.55)
Weighted average shares outstanding – basic and diluted on a pro forma basis					44,030,361

See accompanying notes to pro forma financial statements.

NOTES TO UNAUDITED PRO FORMA CONDENSED
COMBINED FINANCIAL INFORMATION
(In thousands, except share and per share data)

1. Basis of Presentation

The unaudited pro forma condensed combined balance sheet as of June 30, 2022, gives effect to the Merger and other events as if they occurred on June 30, 2022. The unaudited pro forma condensed combined statements of operations for the six months ended June 30, 2022 and for year ended December 31, 2021, give effect to the Merger as if it had been completed on January 1, 2021, the beginning of the earliest period presented.

Management has made significant estimates and assumptions in its determination of the pro forma adjustments. As the unaudited pro forma condensed combined financial information has been prepared based on these preliminary estimates, the final amounts recorded may differ materially from the information presented as additional information becomes available. Management considers this basis of presentation to be reasonable under the circumstances.

The Merger will be accounted for as a reverse recapitalization in accordance with U.S. GAAP. Under this method of accounting, Second Sight will be treated as the “acquired” company for financial reporting purposes. Accordingly, for accounting purposes, the Merger will be treated as the equivalent of NPM issuing stock for the net assets of Second Sight, accompanied by a recapitalization. The net assets of Second Sight will be adjusted to their estimated fair value in accordance with ASC 805, *Business Combinations.*

The unaudited pro forma condensed combined financial information does not give effect to any anticipated synergies, operating efficiencies, tax savings, or cost savings that may be associated with the Merger.

The unaudited pro forma adjustments, which are described in the accompanying notes, may be revised as additional information becomes available and is evaluated. Therefore, it is likely that the actual adjustments will differ from the pro forma adjustments, and it is possible the difference may be material. The unaudited pro forma condensed combined financial information is not necessarily indicative of what the actual results of operations and financial position would have been had the Merger taken place on the dates indicated, nor are they indicative of the future consolidated results of operations or financial position of the post-combination company.

2. Adjustments to Unaudited Pro Forma Condensed Combined Financial Information

Adjustments to Unaudited Pro Forma Condensed Combined Balance Sheet

The pro forma adjustments included in the unaudited pro forma condensed combined balance sheet as if the Merger and other related events had been consummated on June 30, 2022, are as follows:

a) Eliminates the SAFE amount upon the Merger as if the Merger occurred on June 30, 2022; the amount also adjusts the purchase consideration presented in Adjustment (b).

b) Recognizes the assumed fair value of equity securities “deemed” issued by NPM to acquire the assets and assume the liabilities of Second Sight as follows (in thousands except share and per share data):

Shares “deemed” issued in merger		13,136,392
Fair value per share as of August 25, 2022	$	4.36
Total equity issued	$	57,275
Fair value of vested Second Sight options projected as of closing		-
Total consideration		57,275
Fair value of net assets acquired		55,058
Adjustment for cancellation of NPM’s SAFE obligation		8,000
Fair value of net assets acquired and SAFE adjustment		63,058
Gain from bargain purchase	$	5,783

For the purposes of this pro forma presentation, the fair value of shares “deemed” issued as consideration is based on the traded value of Vivani shares as of August 25, 2022, the date of preparation of these pro forma financial statements, which was $4.36 per share. The $8,000 SAFE obligation recorded by NPM is added to the purchase consideration in lieu of settlement. In accordance with ASC 805, *Business Combinations,* the fair value of Second Sight vested stock options measured as of the Merger date is added to the purchase price, and is expected to be inconsequential to this calculation.

For the purposes of this pro forma presentation, the fair value of the net assets acquired is assumed to equal book value due to the significant components of assets being cash, current assets and current liabilities which typically approximate fair value. A final determination of these estimated fair values, which cannot be made prior to the completion of the transaction, will be based on the actual net tangible and intangible assets of Second Sight that exist as of the date of completion of the Merger.

Because the fair value of the consideration is less than the fair value of the net assets, the difference is presented as a gain from a bargain purchase. The gain is deemed reasonable and represents, in the view of management, a market participant’s discount for costs to continue the business affairs of Second Sight until the Merger is completed and the expected synergies of the combination are realized.

c) Represents estimated direct and incremental transaction costs incurred by NPM and Second Sight accrued as of June 30, 2020 and to be incurred subsequent to June 30, 2022, related to the Merger for legal, auditing, professional and printing which are to be expensed on the merger date, which is assumed to be June 30, 2022, for the purposes of this pro forma balance sheet presentation. The adjustments are composed of the following:

Estimate future costs as of June 30, 2022	$	640
Costs accrued as of June 30, 2022		984
Cash payment of costs accrued and expected to be incurred	$	1,624

d) Adjusts NPM common stock and additional paid-in-capital to reflect the legal structure of Second Sight. Only NPM’s accumulated deficit carries forward to Vivani after the Merger.

Adjustments to Unaudited Pro Forma Condensed Combined Statements of Operations

The pro forma adjustments included in the unaudited pro forma condensed combined statements of operations as if the Merger and other related events had been consummated on January 1, 2021, the beginning of the earliest period presented, are as follows:

(aa) Adjusts the stock-based compensation of Second Sight stock options remeasured to fair value as of the date of the Merger which is assumed to be January 1, 2021, in accordance with ASC 805, *Business Combinations,* using Black-Scholes inputs. Due to the significant differences in the strike prices over the assumed fair value of $4.36 as of August 25, 2022, the amount of expense upon remeasurement is de minimis.

(bb) For the six months ended June 30, 2022, represents reversal of NPM and Second Sight direct and incremental merger transaction costs related to legal, auditing, professional and printing totaling $1,589 recognized for the six months ended June 30, 2022 which are assumed to be recognized on January 1, 2021, for the purposes of the pro forma statements of operations presentation.

For the year ended December 31, 2021, represents total NPM and Second Sight estimated direct and incremental transaction merger costs of $2,229 incurred, or to be incurred, by NPM and Second Sight related to the merger which is assumed to be January 1, 2021, for the purposes of this pro forma statement of operations presentation.

(cc) Net operating loss per share has been calculated using the basic and diluted weighted average shares of common stock outstanding of NPM as a result of the pro forma adjustments. As the Merger and other related events are being reflected as if they had occurred on January 1, 2021, the calculation of weighted average shares outstanding for basic and diluted net loss per share adjusts the historical weighted average shares outstanding for the NPM Conversion Ratio and Vivani stock split.

The following summarizes the calculation of pro forma weighted average shares outstanding for the purposes of EPS:

	Year-to-date June 30 2022	Year ended December 31 2021
Nano (as adjusted for exchange and reverse 3:1 stock split)	36,828,475	33,091,361
SSMP (as adjusted for reverse 3:1 stock split)	13,136,392	10,939,000
Total as adjusted	49,964,867	44,030,361

The following post-merger common stock equivalents were excluded from the net loss per share computation for all presentations because their impact would be antidilutive:

Shares under warrants	10,310,543
Shares under options	4,615,532
	14,926,075

3. Income taxes

The pro forma presentation assumes that the merger will qualify as a “reorganization” within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended. It is also assumed that there will be no tax consequence to the unaudited pro forma combined condensed balance sheet or statement of operations due to the significance of the net operating loss carryforward expected to be available to Vivani after the Merger for which a full valuation allowance would be provided.

4. Items excluded from income from operations in the unaudited combined condensed statement of operations

In accordance with Article 11 of Regulation S-X, as amended, the statements of operations exclude items of income and expense which are not related to operations. Items excluded for the year ended December 31, 2021 related to NPM were $649 gain from forgiveness of the PPP loan, $99 of other expenses, and $5,783 gain from the bargain purchase as a pro forma adjustment; the only item excluded related to Second Sight was $12 of interest income. An item excluded for the six months ended June 30, 2022 related to NPM was $33 of other expense; an item excluded related to Second Sight was $57 of other income.