

IntegraGen reports 2020 annual results: 10% growth in revenue from current operations and achievement of breakeven operating profits

- **Gross operating surplus close to breakeven**
- **Continued improvement in operating income**
- **Increase in genomic service activities for each of the company's sequencing platforms**
- **Limited impact of the health crisis and obtaining a EMP of 1.8 M €**
- **Acquisition of the majority of the capital of IntegraGen by OncoDNA SA in November as part of a friendly takeover bid**

ÉVRY, FRANCE, APRIL 16 2021 – 07h30 – IntegraGen, a company specializing in the decryption of the human genome, which carries out interpretable genomic analyzes for academic and private laboratories and develops diagnostic tools in oncology, today announced its financial results for the year ending December 31, 2020. The annual accounts were approved by the company's Board of Directors which met on April 15, 2021.

Bernard Courtieu, CEO of IntegraGen said: *"2020 was an exceptional year for IntegraGen in several ways. Commercial activities achieved double-digit growth, results were close to breakeven for the second consecutive year, and the company's cash position was strengthened, despite the considerable impact of the health crisis. The merger with OncoDNA has been successfully concluded, positioning the new group as the European leader in innovative solutions, particularly in oncology. We now have a complete offering which not only combines laboratory tests and solutions for academic researchers, but also for clinicians and industry to assist with improving patient care. The operation also made it possible to launch several investment and recruitment programs guaranteeing growth in the coming years. In particular, investments in quality certifications will enable us to broaden our customer base and fully benefit from synergies with OncoDNA during 2021. Finally, I would like to again thank all of the company's employees, in particular the technicians based in Evry and Paris, for ensuring the continuity of our operations during the pandemic. Their efforts enabled the company to achieve its objectives and contributed to the value the company brought to researchers and clinicians whose ultimate goal is to improve patient care"*

ACTIVITY DISTURBED BY THE HEALTH CRISIS BUT SUSTAINED THROUGHOUT 2020

Increased sequencing for GCS SeqOIA

As a reminder, in 2018 the GCS SeqOIA (made up of Assistance Publique-Hôpitaux de Paris [AP-HP], the Institut Curie and the Gustave Roussy cancer center) accepted the offer of IntegraGen for the provision of an operating service for a high-throughput sequencing data production platform.

The platform's operations started in early 2019 and increased in 2020. This contract generated sales of 2,687 K€ during the year, compared to € 2,037 K€ in 2019.

Increasing genomic service activities

Genomic service activities, concentrated at our site in Evry, include services provided for research laboratories and teams in charge of clinical research. 2020 annual revenue amounts to 4,664 K€, up 3% compared to 2019. In addition, the company noted an increase in orders over the year as a whole which will also be reflected in the results for 2021.

In total, the genomic services teams have successfully completed more than 493 projects for 137 clients, academic and private entities.

Increase in services provided for the Institut Pasteur

IntegraGen continued its services for the shared microbiology (P2M) platform of the Institut Pasteur. The contract was renewed in March 2020 for a period of 22 months and amended in March 2021, taking into account the increase in activity, to extend it until December 2021. The IntegraGen teams closely support the experts of the various National Reference Centers (CNR) of the Institut Pasteur and especially during this period the Mutualized Microbiology Platform (P2M) mainly dedicated to the sequencing of the coronavirus.

In 2020, the platform operated by IntegraGen for the Institut Pasteur carried out nearly 22,000 microbial sequencings.

Increase in sales of genomic data interpretation solutions

The company offers three distinct software tools for interpreting genomic data which are available in the cloud as SaaS solutions. Mercury, which is utilized for the interpretation of data from patients with cancerous tumors; Sirius, for the analysis of research samples with a focus on research applications in constitutional genetics; and, Galileo, for RNA expression analysis. Despite having increased significantly compared to 2019, sales remained below expectations primarily as a result of the health crisis. For similar reasons, sale revenue for the GeCo consulting services decreased in 2020.

2020 FINANCIAL RESULTS

PRINCIPAL INDICATORS <i>IN MILLIONS OF EUROS</i>	2020	2019	Var. %
Total operating revenues	9 146	8 323	+ 10%
<i>Current income</i>	9 000	8 280	+ 9%
<i>Operating income</i>	146	43	+ 240%
EBIT	-28	-70	+ 61%
EBITDA	-254	-363	+ 30%
Pre-Tax CURRENT RESULT	-256	-302	+ 15%
NET RESULT	-375	-285	(32%)

Continued improvement in operating profit

The operating result continues to improve in 2020, the result of the commercial and scientific development efforts carried out in recent years as well as the rigorous management of resources.

Current income increased by 10%¹ while operating expenses increased by only 8% compared to 2019.

¹ At constant scope, after neutralizing income from diagnostics carried out in 2019 and whose assets were sold in 2020

Staff costs amounted to 3,797 K€, up 15%. The average workforce increased from 42 to 46 people in 2020 with the company having strengthened the IT development, technical teams and the quality department. Purchases of consumables amounted to 2,898 K€, an increase of 13% compared to the previous year. This increase was linked to the significant increase in services at the Evry and Pasteur sites, and additional specific projects delivered without results analysis services. Other operating expenses, in particular marketing and travel expenses, amounted to 2,483 K€, down 2% as a result of the health crisis.

The gross operating surplus (EBITDA) is close to balance: -28 K € compared to -70 K € in 2019.

The operating loss was therefore clearly down compared to previous years amounting to € 254K compared to € 363K in 2019 and € 1,179K in 2018.

The financial result represents a loss of 2 K€ against a gain of 61 K€ in 2019.

The exceptional result represents a net loss of 212 K€ against a loss of 136 K€ in 2019. This exceptional result includes 312 K€ in expenses related to the merger with OncoDNA and the gains related to the sale of the miRpredX activities in February 2020.

Research, development, and innovation efforts have resulted in a tax credit of 92 K€ compared to 153 K€ in 2019.

The tax audit covering the years 2014 to 2017 completed in 2020 led to a correction of 3 K€.

IntegraGen's net income in 2020 was a loss of 375 K€ compared to a loss of 285 K€ in 2019.

A solid balance sheet

<i>In K€</i>	31/12/2020	31/12/2019
Long-Term Assets	874	1 057
Stocks	238	290
Accounts Receivable	2 142	1 827
Other Receivables	444	767
Cash	5 124	2 807
Current Assets	7 948	5 691
Conversion Difference		0
TOTAL ASSETS	8 822	6 748

<i>In K€</i>	31/12/2020	31/12/2019
Shareholders' Equity	2 171	2 509
Other Equity	0	47
Contingency	53	139
Notes payable to banks	2 015	241
Accounts Payable	2 717	1 839
Other short term debts	1 865	1 971
Translation difference	1	2
TOTAL LIABILITIES	8 822	6 748

Net cash at the end of 2020 amounted to 5.0 M€ compared to 2.7 M€ at the end of 2019. This included:

- 5 124 K€ in cash and marketable securities;
- 62 K€ in financial debts of less than 1 year, linked to the loan taken out in 2018 for an amount of 300 K€ from Société Générale, repayable over 5 years.

The financial debt fell from 0.2 M€ to 2.0 M€ due to the obtaining of an EMP from Société Générale amounting to 1.8 M€, the repayment of which will begin in June 2022.

For the year 2020, the change in cash flow from operations is positive for amounts of 1.1 M€, including 0.7 M€ linked to the change in working capital requirement and 0.4 M€ to the repayment of loans Research tax and Innovation tax credit for the years 2018 and 2019.

The net cash position net of financial debts increased from 1,566 K€ at the end of 2019 to 3,109 K€ at the end of 2020.

CHANGE OF CONTROL

The friendly takeover bid launched by the Belgian company OncoDNA in September 2020 led to a takeover of the capital of IntegraGen in November 2020. OncoDNA is a recognized international leader in precision medicine for oncology. OncoDNA has developed an offer for clinicians that helps guide the choice of the best treatment for patients with advanced cancers. This merger makes it possible to become a European leader, operating in more than one hundred countries directly or through distributors, and employing more than one hundred employees exclusively in the service of genomics and its applications.

In January 2021, Bernard Courtieu, CEO of IntegraGen, was appointed CEO of the OncoDNA Group.

2021 PERSPECTIVES: CONTINUED GROWTH EXPECTED

IntegraGen intends to pursue revenue growth in 2021. Orders received during 2020 were increased compared to 2019 and this trend is expected to continue in 2021 enabling another year of continued growth.

The SeqOIA project will achieve a minimum turnover of 3.3 M€ in 2021 and is therefore anticipated to add to an overall growth in revenue for the year.

The contract with the Institut Pasteur was extended until December 2021 due to the increased level of service and the high sequencing needs linked to the health crisis.

The merger with OncoDNA will increase sales with the Belgian company having sales forces and a network of distributors deployed in Europe, Asia and America. The group is also developing new offers that will support the commercial offerings for laboratory services as well as with software.

The available cash will help finance operational and investment needs.

IMPACT OF THE HEALTH CRISIS

In 2020, the company fulfilled its commitments to its customers and employees by rigorously adjusting its resources. The teams based at the Evry laboratory and at the Institut Pasteur continued their activities

while the operations of the SeqOIA laboratory were suspended for a few weeks. The company has set up a continuity plan, including teleworking devices for all IT and sales teams, but also, for a few weeks beginning March 20, 2020, the implementation of partial unemployment measures for a few people as well as the deferral of payment of certain charges.

IntegraGen also obtained a State Guaranteed Loan from Société Générale, in the amount of 1.8 M€ in order to preserve cash flow and deal with any possible business risks linked to the pandemic. The repayment of the loan will not begin until June 2022 and will be spread over 5 years.

About IntegraGen

IntegraGen, an OncoDNA group company, specializes in the analysis of the human genome and performs adaptive and quickly interpretable analyses for academic and private laboratories. For the management of cancers, which are characterized by a genetic disruption of cells, IntegraGen provides researchers and doctors with universal and individualized therapeutic guidance tools allowing them to adapt the treatment to the patient's genetic profile.

IntegraGen has forty-six employees and generated revenue of 9,0 M€ in 2020. Based in the G enopole d'Evry, IntegraGen is also located in the United States in Cambridge, MA. IntegraGen is listed on Euronext Growth in Paris (ISIN: FR0010908723 - Mnemo: ALINT - Eligible PEA-PME).

For more information, visit www.integragen.com



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