

## Acceleration in growth in the first half of 2019, with sales rising 52% to €14 million

- Service sales: up 15% to €10 million on the back of the ramp-up in multi-year service agreements (IDDS<sup>1</sup> and DDSA<sup>2</sup>)
- New partnership: strategic deal sealed with Servier in March 2019 worth up to €320 million overall excluding sales royalties
- €13 million in cash held at June 30, 2019, up 36%

Dijon, France, July 25, 2019 at 6:00pm (CEST) – ONCODESIGN (ALONC – FR0011766229), a biopharmaceutical group specialized in precision medicine, is today reporting very strong sales growth and its cash position at June 30, 2019.

€ million	H1 2019	H1 2018	Change
<i>Consolidated unaudited figures</i>			
Service sales	10.01	8.66	+15.5%
Partnership sales	4.00	0.57	+600.1%
<b>Total sales</b>	<b>14.02</b>	<b>9.24</b>	<b>+51.7%</b>
Other revenue <sup>(1)</sup>	3.96	3.96	=
<b>Total operating revenue</b>	<b>17.98</b>	<b>13.20</b>	<b>+36.2%</b>
<b>Cash position (at June 30)</b>	<b>13.26</b>	<b>9.74</b>	<b>+36.1%</b>

<sup>(1)</sup> The subsidy received from GSK on a pro rata basis. For the full year, it amounted to €7.92 million. The payment will be made in January every year until January 2020.

“By the mid-way point of the year, we had again generated very strong growth in our sales, keeping us on track to meet our ambitious sales target of at least €40 million in 2020—€25-30 million from Services and €10 million from Partnerships. We have built on the momentum we achieved in 2018 by sealing several multi-year service agreements (Galderma, Eisai, Ipsen, etc.) as a result of the expansion of our offering and our growing reputation in this market segment”, commented **Philippe Genne, CEO and founder of Oncodesign**. “At the same time, the strategic partnership established with Servier in March, which is already fully operational in our labs, has delivered a substantial boost to our Partnership sales, and we now possess first-class visibility for the next few years (€3 million p.a. funding the research activities related to the project), not to mention the €3 million upfront payment received. Lastly, the recent identification of a pre-candidate inhibiting RIPK2 reflects our ability to keep pace with the objectives for our proprietary drug discovery programs. Our objective is to select a drug candidate by the end of 2019.”

<sup>1</sup> Integrated Drug Discovery Services

<sup>2</sup> Drug Discovery Service Agreement

### **H1 2019 Service sales: Further strong growth**

Service sales moved up 15% to break above the €10 million mark in the first six months of the year. The driving force for this came from the strategic agreements in place with companies including Galderma (IDDS) and Erytech Pharma (DDSA in oncology). Performance in North America (United States and Canada) was encouraging, with its contribution growing 12% in the first half. The region represents a source of future growth for the Group, as the customer base there expands. Oncodesign's total addressable market has grown to around \$14.5 billion, up from €500 million three years ago, as a result of the expansion of its range of products and services.

The order intake rose 6% to €10.2 million as a result of new multi-year agreements and the extension of the deal with Ipsen for a further two years, following on from three years of mutually beneficial cooperation.

### **Partnership sales: Sevenfold increase to €4 million**

The sales generated by the Partnership business grew sevenfold to €4 million in the first half of 2019. They reflect the sales contributed by Servier under the strategic partnership agreed in March 2019 to develop LRRK2 kinase inhibitors as a treatment for Parkinson's disease.

On a full-year basis, Oncodesign will receive around €3 million in sales p.a. (pro rated in 2019, i.e. €2.5 million) covering the full extent of the project's research expenses, the burden of which Oncodesign had borne on its own since 2017. The partnership could potentially be worth up to €320 million, excluding sales royalties.

The partnership agreement with Servier also included a €3 million upfront payment, which was received in full during the first half of 2019.

### **Cash held at June 30, 2019: up 36% at €13.3 million**

Available cash at June 30, 2019 totaled €13.3 million, a hefty increase of 36% compared to the €9.8 million held at June 30, 2018. It includes the substantial R&D investments that paved the way for identification of a drug pre-candidate for the RIPK2 program.

In addition, the cash position includes the GSK subsidy of €7.92 million paid during January in respect of 2019 as a whole. Oncodesign will receive a similar amount in January 2020 (final payment). Note also that the €3.3 million research tax credit in respect of 2018 had not been received by June 30, 2019.

### **Next report: First-half 2019 results on September 26, 2019 (after market close)**

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About ONCODESIGN: [www.oncodesign.com](http://www.oncodesign.com)

Founded over 20 years ago by Dr. Philippe Genne, the Company's CEO and Chairman, Oncodesign is a biopharmaceutical company dedicated to precision medicine. With its unique experience acquired by working with more than 600 clients, including the world's largest pharmaceutical companies, along with its comprehensive technological platform combining state-of-the-art medicinal chemistry, pharmacology, regulated bioanalysis, medical imaging and Artificial Intelligence, Oncodesign is able to predict and identify, at a very early stage, each molecule's therapeutic usefulness and potential to become an effective drug. Applied to kinase inhibitors, which represent a market estimated at over \$46 billion in 2016 and accounting for almost 25% of the pharmaceutical industry's R&D expenditure, Oncodesign's technology has already enabled the targeting of several promising molecules with substantial therapeutic potential, in oncology and elsewhere, along with partnerships with pharmaceutical groups such as Bristol-Myers Squibb and UCB. Oncodesign is based in Dijon, France, in the heart of the town's university and hospital hub, and within the Paris-Saclay cluster. Oncodesign has 232 employees and subsidiaries in Canada and the USA.

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