

PRESS RELEASE — FOR IMMEDIATE DISTRIBUTION

IntegraGen Reports Results for 1st Half of 2020.

Company posts positive operating performance (EBITDA) for the second consecutive semester, supported by revenue growth (+5%)

Company confirms strong growth outlook for remainder of 2020

Financial results

- Sales revenue of 4.7€ million, up 13% vs. first half of 2019. +15% on a comparable basis (excluding diagnostic activities)
- Positive operating performance (EBITDA) of 0.2€ million compared to a loss of 0.3€ million in H1 2019.

Key operational advances

- Increase in sequencing services for research despite impact of COVID-19
- Renewal of the service contract with the Institut Pasteur until December 31, 2021

Friendly offer from OncoDNA for the capital of IntegraGen

- Merger project with OncoDNA launched in July 2020 as part of a friendly takeover bid

EVRY, FRIDAY, 18 SEPTEMBER 2020, 7H30 - IntegraGen (FR0010908723 – ALINT – Eligible PEA PME), a company specializing in the decryption of the human genome, which performs interpretable genomic analyzes for academic and private laboratories, today announced its financial results for the first half of 2020. The accounts were approved by the Board of Directors at a meeting held on 17 September 2020.

Primary indicators – IN THOUSANDS OF EUROS	H1 2020	H1 2019	Var. %
	(6 months)	(6 months)	
Sales revenue	4,706	4,165	13%
Total operating income	4,745	4,183	13%
Operating profit before tax, amort. and deprec. (EBITDA)	248	-325	
Operating profit before tax (EBIT)	132	-484	

	30 June 2020	31 December 2019
Cash situation - IN THOUSAND EUROS	5,730	2,583

Bernard Courtieu, Chairman and CEO of IntegraGen, said: "The results IntegraGen the first half 20 20 confirms the performance we achieved for the second half of 2019, with an EBITDA positive operating performance. We are also announcing business growth of 15% on a comparable basis to 2019 in an environment particularly complicated by the COVID-19 health crisis during the second quarter of this year. This performance confirms the soundness of our model of focusing on genomics and has been enabled by the trust and loyalty of our customers in our ability to meet their needs and by the efforts and dedication of all IntegraGen employees.

Finally, we are very happy to be able to lead the industrial and commercial merger project with the Belgian company OncoDNA. In fact, our complementary assets will enable us to create a European market leader in Genomic Services and to accelerate our international efforts while sustaining and developing jobs within the two companies."

FINANCIAL RESULTS

Income statement

<i>in thousands of euros</i>	H1 2020	H1 2019
Sales Revenue	4,706	4,165
Operating grants and other income	39	18
Total products	4,745	4,183
Gross operating income (EBITDA)	248	(326)
Depreciation and other provisions	(116)	(159)
Operating Results	132	(484)
Financial results	3	13
Exceptional results	(166)	(122)
Taxes (CIR)	47	54
Net result	17	(538)

Sales revenue for the first half 20 20 was up by 15 % to 4,706 thousand euros on a comparable basis against 4,102 thousand euros during the same period in 2019, excluding income of diagnostics related activities, the assets of which were sold at the start of 2020. After considering transfer charges and reversal of depreciation and amortization, revenues were 4,745 thousand euros compared to 4,183 thousand euros during the first half of 2019, which included 62 thousand euros in diagnostic revenue.

The **operating expenses** amounted to 4,613 thousand euros, down 1% compared to the first half of 2020. Optimization of resources enabled a second consecutive 6-month period to achieve balance. Reagent costs remain stabled. As of June 2020 the company had 47 employees.

The **operating profit before tax, depreciation and amortization (EBITDA)** was a positive 248 thousand euros during the first half 2020 compared to a loss of 325 thousand euros in the first half 2019. The operating profit before tax showed a gain of 132 thousand euros, also a very clear improvement compared to the same period of 2019 (-484 thousand euros).

Of note was the exceptional result of -166 thousand and Credit of Tax Innovation (CTI) related to the research conducted during the period. The **net result was a profit of 17 thousand euros**, compared to a loss of 538 thousand euros in the first half of 2020.

- **Balance Sheet**

<i>In K€</i>	6/30/2020	6/30/2020
Long-Term Assets	964	1,057
Stocks	455	290
Accounts Receivable	1,927	1,827
Other Receivable	387	767
Cash	5,774	2,807
Current Assets	8,544	5,691
Translation difference		0
TOTAL ASSETS	9,508	6,748

<i>In K€</i>	6/30/2020	12/31/2019
Shareholders' Equity	2,525	2,509
Other Equity	47	47
Contingency	193	139
Reserve	2,207	241
Notes payable to banks	2,027	241
Accounts Payable	3,055	1,839
Other short-term debts	1,646	1,971
Translation difference	13	2
TOTAL LIABILITIES	9,508	6,748

The **net cash** of IntegraGen as of June 30, 2020 totaled 5,730 thousand euros compared to 2,749 thousand euros at the end of December 2019.

This variation is mainly explained by the obtaining of a State Guaranteed Loan (PGE) of 1,800 thousand euros through the implementation of various adaptation measures aimed at preserving cash flow during the COVID-19 pandemic and by cash flow generated by day-to-day operations.

ACTIVITY

- **Genomic Services**

Sales growth resulted from an increase in all sequencing activities, in particular the SeqOIA platform (+33%), activity relating to outsourced platforms (+18%), and, finally, services dedicated to laboratories, research and the teams responsible for clinical research (+9%).

- **Software**

As a reminder, the company sells interpretive software and consulting services to its customers. The sales of software are growing but showed limited development during the first half of 2020 due to the impact of the COVID-19 pandemic which affect results and planned of projects.

In March the company announced that the Dana-Farber Cancer Institute, a leading cancer referral center in the United States, would begin using MERCURY™, IntegraGen's proprietary software, to support the efforts to analyze and report tumor sequencing data for patients with cancer.

▪ **Impact of COVID-19**

The company has fulfilled its commitments to its customers and employees by rigorously adjusting its resources. The team based at the laboratory of Evry and one based at the Institut Pasteur have continued their activities. The operations of SeqOIA laboratory were suspended for a few weeks but now have resumed. The company has set up a continuity plan, including teleworking devices for all IT and sales teams, but also, since March 20th, the company implemented short term working measures for several employees and the deferral of payment for some charges. The company also obtained a \$1,800 thousand euros loan guaranteed by the State to Société Générale in order to save cash and reduce risk.

▪ **Perspectives 2020: Confirmed growth**

IntegraGen has succeeded in maintaining high activities for both research services and with the company's industrial sequencing platform for clinical use over the past several months. The company expects an acceleration of software sales in the coming months and the continuation its sales efforts to implement new and strong partnerships and sustain business with leading research institutes, as developed with the Dana-Farber Cancer Institute, whose collaboration has been in place since March 2020.

FRIENDLY PUBLIC TENDER OFFER OF ONCO DNA

On July 9, 2020, OncoDNA SA and IntegraGen SA announced that they had signed an agreement on July 8, 2020 under which the Belgian company OncoDNA filed a draft friendly cash tender offer relating to IntegraGen shares, including securities trading on the Euronext Growth market of Euronext Paris, at a unit price of € 2.20, valuing 100% of IntegraGen securities for €14.5m.

The Autorité des Marchés Financiers (AMF) and the Ministry of the Economy in charge of enforcing the regulations applicable to foreign investments in France have approved this offer which was launched as of September 17, 2020.

OncoDNA is a Belgian company who has an international business related to precision medicine for oncology. The company has developed products for clinicians that helps guide the choice of the best treatment for patients with advanced cancers. OncoDNA also provides liquid biopsy monitoring solutions to better track the progression of the disease.

The merger between the two companies will, among other things, create a European leader in genomic services, present in France, Belgium and Spain, employing more than 100 individuals.

About IntegraGen

IntegraGen is a company specializing 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 € 8.3 million in 2019. 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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