



Theradiag publishes 2020 H1 results

- Robust resilience in revenues at €4.9 million driven by Theranostic up +16.5%
- Continued investment in R&D to drive future growth
- North America business accelerates
- Sound cash position at €1.7 million
- Launch of an antigen test in France to detect Covid-19 in less than 15 minutes

Theradiag will hold a conference call to present H1 2020 results at 9:00am on September 22.

To take part, please dial **+33 1 72 72 74 03** followed by participant PIN code **24 52 93 51#**
Click on the link below to view the slideshow:

<https://www.anywhereconference.com?Conference=418950313&PIN=24529351&UserAudioMode=DATA>

Croissy-Beaubourg, September 21, 2020, 5:45pm CEST – THERADIAG (ISIN: FR0004197747, Ticker: ALTER), a company specializing in *in vitro* diagnostics and theranostics, today presents its results for the six months ended June 30, 2020, as approved by the Board of Directors on September 17, 2020.

2020 H1 results

€000	H1 2020 (Company statements)	H1 2019 ⁽¹⁾ (Company statements)	H1 2019 (Reported conso. statements)
Revenue	4,871	4,978	4,978
<i>of which Theranostics</i>	2,410	2,070	2,070
<i>of which IVD</i>	2,461	2,908	2,908
Operating income/(loss)	(423)	(148)	(150)
Income/(loss) before tax and non-recurring items	(358)	(132)	(181)
Net income/(loss) before non-recurring items	(146)	75	28
Non-recurring items	(83)	652	612
Net income/(loss)	(229)	727	640

Notes: ⁽¹⁾ Theradiag company financial statements for 2019 restated for changes in consolidation, as subsidiary Prestizia has not been consolidated since 2019.

Theradiag CEO Bertrand de Castelneau said: “Thanks to the commitment of each employee and the flexibility of our teams, Theranostic sales grew by 16.5% and now represent 50% of the company's revenues compared to 40% over the same period in 2019. Global earnings held up well in the first half of 2020. These results confirm our position as leader in monitoring biotherapies in France and abroad. It is by accelerating our development thanks to our recognized and innovative solutions that we will make rapid progress towards financial breakeven.”

Board chairman Pierre Morgon added: *“I would like to thank and congratulate Theradiag’s teams for their unwavering commitment during this period impacted by unprecedented economic and health conditions. Everyone did their utmost to find solutions to organizational challenges and to preserve commercial efforts and Research and Development activities. Theradiag has once again demonstrated its capacity for innovation and agility, in particular by building a Covid test offer very quickly and preserving its growth capacity in monitoring biotherapies. Theradiag is fully focused on the future, making its fundamentals top-notch assets in a changing context that requires agility and audacity.”*

Strong resilience in revenue underpinned by robust momentum in theranostics

Theradiag posted first half 2020 revenue of €4.9 million, compared to €5 million in H1 2019. Achieved during the health crisis, this resilience proves the robustness and quality of the tests and solutions marketed by the Group.

Theranostics posted a further six months of strong growth (+16.5%), driven by LISA TRACKER® kits for routine use, for which sales exceeded €2.4 million in the first half of 2020 (versus €2.0 million in H1 2019).

Theranostics sales in France amounted to €1.0 million, up 13.5% from H1 2019 despite the introduction of the *plan blanc* emergency hospital plan in mid-March. US revenue rose 45.4% to €0.4 million. The export business continued to prosper, posting an entirely satisfactory growth of 8.9%. As seen over the past few six-month periods, theranostics is Theradiag’s strategic priority and, as such, accounts for its recurring business, boosting the Company’s visibility.

Meanwhile, *in vitro* diagnostics (IVD) revenue fell 15.2% from €2.9 million in H1 2019 to €2.4 million, mainly due to non-recurring sales generated with former partner HOB in H1 2019. This decrease is mainly the result of a base effect related to the impact of exceptional sales with the former HOB partner in the first half of 2019. Excluding this unfavorable basis of comparison, Theradiag revenue rose 1.6% in line with its expectations and forecasts, despite the global situation.

At company level, after eliminating the adverse comparative effect arising from non-recurring sales generated in 2019 with former partner HOB, revenue increased, an impressive achievement under the circumstances.

Reduction in operating income mainly due to the business slowdown caused by lockdown measures, the *plan blanc* emergency plan in French hospitals and continued investment in the USA and R&D in order to drive future growth

2020 H1 operating expenses were down €18K versus H1 2019, to around €6 million, illustrating Theradiag’s ability to control costs during the first six months of 2020 despite the costs of launching the new partnership in the USA, where business is just beginning to develop, and the decrease in capitalized R&D expenses (€399K in H1 2020 versus €496K in H1 2019).

Notwithstanding, operating income fell €276K versus H1 2019 due to investments in the future designed to drive R&D development and innovation and Theradiag’s international expansion, primarily in the USA.

The loss before tax and non-recurring items amounted to €358K compared to €132K in first half 2019.

Net income before non-recurring items was down €221K compared to H1 2019.

As stated in previous press releases, the difference between non-recurring items in the two periods is due to the high volume of non-recurring instrumentation sales generated with HOB in H1 2019 and the reversal of provisions recorded to cover the dispute between HOB and Theradiag, which has now been settled.

Including the aforementioned non-recurring items, the Group posted a net loss of €229K for H1 2020 compared to net income of €727K in H1 2019.

Cash position

At June 30, 2020, net cash stood at €1.7 million, compared to €2.9 million at December 31, 2019. The Company's present cash position is in line with its roadmap despite the Q2 slowdown and late payments. The Company continues to prepare for the future and must continue to step up development of the theranostics business by building inventories and investing in i-Track¹⁰ machines, which will be progressively brought to market.

Theradiag has obtained an agreement in principle on the grant of a PGE state-guaranteed loan, which it will use as and when required.

Lastly, a €34K compensation payment has been received in respect of the furlough scheme implemented from March until end June 2020, corresponding to 3,121 hours of downtime involving several categories of staff.

Theradiag launches antigen test in France to detect Covid-19 in less than 15 minutes

During this exceptional period, Theradiag showed its capacity for innovation and product development in the field of Covid tests. In addition to the test ranges already developed and marketed by Theradiag, the Company will also be marketing antigen tests, known as Sars-CoV-2 rapid diagnostic tests, following an order officially authorizing such tests published in the French Official Journal on Wednesday September 16, 2020. The tests can be incorporated into nationwide Covid testing campaigns.

Outlook

Theradiag has indicated a likely impact of around 10% on 2020 full-year revenue. This estimate is cautious with regard to first half performance but is still appropriate in view of the lack of visibility and contrasting situations currently observed with regard to the resumption of business, particularly overseas. At this stage of the year, the Company does not have a sufficiently clear view of upcoming changes in economic and health conditions in order to evaluate the impact on full-year earnings. Notwithstanding, Theradiag will do its utmost to stay the course, meet its financial targets and return to breakeven over a period extended until 2021 in light of developments observed to date.

2020 highlights to date

- February 2020: Theradiag publishes excellent results for the new TRACKER® range i-Tracker® kits at the ECCO Congress.
- February 2020: Theradiag helps establish new WHO international standard for biotherapy monitoring.
- March 2020: Theradiag announces the CE marking for the first four i-Tracker® test kits in its TRACKER® range.
- April 2020: Theradiag joins the fight against Covid-19.
- May 2020: Theradiag announces the validation of an initial Covid-19 test, the 'RT-PCR'.
- June 2020: Update on Covid-19 test business and CE marking of new Theradiag-labeled tests.

- July 2020: The University of Tours and Theradiag sign two agreements: an exclusive licensing agreement for the production of Covid-19 viral proteins and a global collaboration agreement that could lead to the creation of further partnerships.
- September 2020: Launch of four new tests designed for use with the IDS-iSYS automated analyzer.
- September 2020: Launch of antigen test in France to detect Covid-19 in less than 15 minutes

Upcoming financial conference attended by Theradiag:

- October 1, 2020: Digital Portzamparc BNP Paribas Healthcare/Biotech Seminar

About Theradiag

Theradiag is the market leader in biotherapy monitoring. Capitalizing on its expertise in the diagnostics market, the Company has been developing, manufacturing and marketing innovative *in vitro* diagnostic (IVD) tests for over 30 years.

Theradiag pioneered “theranostics” testing (combining therapy with diagnosis), which measures the efficacy of biotherapy in the treatment of chronic inflammatory diseases. Going beyond mere diagnosis, theranostics aims to help clinicians set up “customized treatment” for each patient. This method favors the individualization of treatment, evaluation of its efficacy and the prevention of drug resistance. In response to this challenge, Theradiag develops and markets the CE-marked TRACKER® range, a comprehensive solution of inestimable medical value.

The Company is based in Marne-la-Vallée, near Paris, has operations in over 70 countries and employs over 60 people. In 2019, the Company posted revenue of €9.6 million. The Theradiag share is listed on Euronext Growth Paris (ISIN: FR0004197747) and is eligible for the French PEA-PME personal equity plan.

For more information about Theradiag, please visit our website: www.theradiag.com



Theradiag
Bertrand de Castelnaud
 CEO/Managing Director
 Tel.: +33 (0)1 64 62 10 12
contact@theradiag.com

NewCap
 Financial Communications &
 Investor Relations
Sandrine Boussard-Gallien
Quentin Massé
 Tel.: +33 (0)1 44 71 94 94
theradiag@newcap.eu

NewCap
 Media Relations
Nicolas Mérigeau
 Tel.: +33 (0)1 44 71 94 98
nmerigeau@newcap.fr