

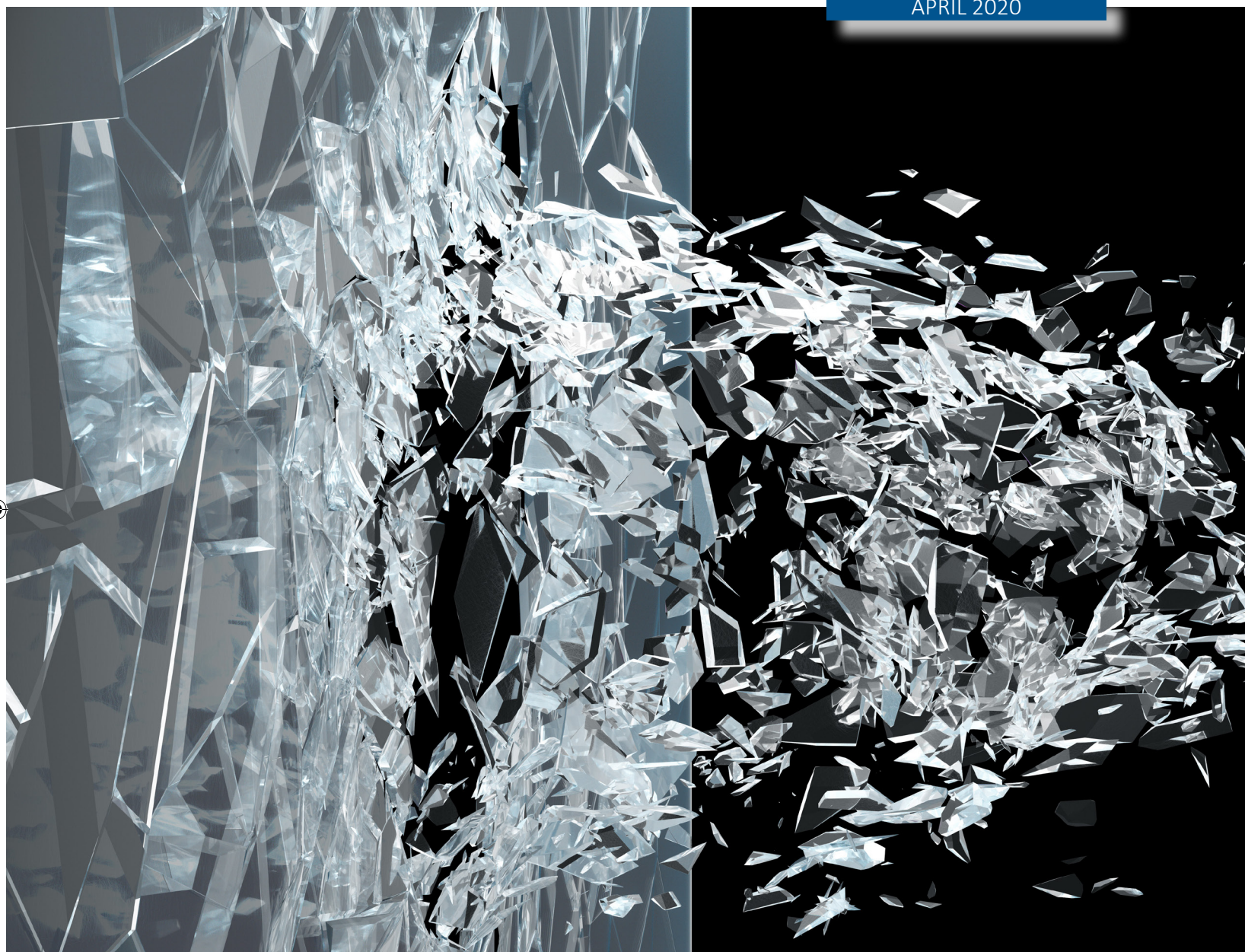


# LETTER TO OUR SHAREHOLDERS



*Vector of innovation.*

APRIL 2020



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## MESSAGE FROM THE CHAIRMAN

Philippe Genne, Chairman and CEO



*Every catastrophe brings with it the promise of reconstruction, and that's the direction we need to look in...*



### How much is a human life worth?

The SARS-CoV-2 virus is our “black mirror”. It was born out of certitudes shaped by human arrogance, with whole generations anticipating a future of Eden-like, luxurious and automated. Globalization has fostered this sense of invulnerability, with money slowly becoming the be-all-and-end-all of people’s lives, making them more selfish and self-centered. This has made the trauma caused by the pandemic all the more acute, and it has driven our politicians to make radical decisions that were unimaginable just a few months ago. And for once, they have put the health of their people ahead of the economy. To avoid going under amid the current emergency, we have had to refocus on solidarity, humility, and mutual respect.

Were it not for the assistance provided by the central banks and governments, capitalism would also be in a critical condition. Let’s be honest, though... who needs a trader at their bedside in their final moments? And yet when it comes to salaries, doctors working in hospitals do not have the upper hand, which is a great pity at a time when we need the very best.

France’s President said “whatever it takes”—you can’t put a price on a life. That has not prevented certain economists from making some rather cynical, if not plainly unethical calculations based on national GDP, age, profession, etc. And these calculations put the value of a life at between €3 million in France and \$10 million in the United States. Even though French comic Coluche’s theory that it’s better to be tall, handsome, and rich than short, ugly, and poor still holds water, the COVID-19 pandemic should not blind us to the fact that 150,000 people (over 12,000 per month) die of cancer every year. Though it receives much less media attention, this is another epidemic we need to fight with all the force we can muster.

The need for urgent action has led to unprecedented experimental activity, obliging us to draw major conclusions for the future. Some conclusions can already be drawn based on comparisons between the fatalities caused by the virus and the lives saved by the radical action governments have taken.

The fall in pollution levels since our economy came to a standstill to combat the pandemic will save many lives in our carbon-guzzling society. There has been a spectacular reduction in levels of fine particles and nitrogen dioxide in the atmosphere in affected countries and according to the WHO and its peers, these emissions cause several million deaths every year. Paradoxically, too, less economic activity means fewer accidents, and less movement, and that translates into fewer infections caused by the mingling of people from different areas. Could shrinking the economy save lives, too? In the future, we will need to focus on what really matters to give humankind some meaning again and avoid endlessly repeating the same scenario—resembling Bill Murray’s Groundhog Day but without the groundhogs or Andie MacDowell’s smile.

The list of the health-related implications of the climate change that has already occurred is long, scary, and irreversible, and that’s why we need to put our faith in human intelligence, and our ability to identify and address the real priorities very rapidly. The vast arsenal of resources currently being unleashed provides hope that this is possible. Will humankind continue to adapt to living on earth, or is it doomed to disappear? There’s no doubt that a post-coronavirus world will have to obey Darwin’s law to survive by switching allegiances from consumerism to humanism!



Every catastrophe brings with it the promise of reconstruction, and that's the direction we need to look at and search for a meaning for what we are doing and then set about rebuilding a more people- and planet-friendly world. We know it's possible and it's up to us to do it. Money should not be confused with value—it's merely a means to an end, to bring about these crucial changes.

Ever since its inception, Oncodesign has stayed on the same course, relentlessly pursuing our mission of discovering therapies delivering genuine health improvements for patients with diseases that have no known therapeutic solution. Isn't the key to success knowing why you are doing something, the direction in which you are headed, and having the freedom to take the time and use the resources you need? We can be very satisfied with our accomplishments in 2019. We laid the foundations for the future of the business and reconfigured our organization in January this year to help achieve our new medium- and long-term targets. Oncodesign is primed to meet the challenges posed by the new world order—even more so after this global test—with our resolve strengthened by our core values and the purpose we serve.

Two thousand and nineteen was a spectacular year for Oncodesign in many respects, illustrating the robustness of our strategy and our financial model. We recorded positive operating income and net income of €1.6 million, at the same time as investing €11 million—44% of our sales—in research. Our Service business again posted organic growth of 10% to reach €21 million. Investments in our Nanocyclix platform paid off, as reflected by the high-profile partnership deal with Servier in Parkinson's disease and the LRRK2 kinase inhibitor research. We also selected our first drug candidate, a first-in-class RIPK2 kinase inhibitor, with immuno-inflammatory applications. And the cherry on the cake is that our shareholders have not suffered any dilution since our IPO. Oncodesign's reconfiguration into three business units for the next five years has made us an innovative, multi-disciplinary pharmaceutical group specialized in precision medicine and ready to respond to the challenges of our time. As you are aware, the Artificial Intelligence BU, a driver powering our future innovation, will represent a core pillar of our strategy. Because our goal is to help patients, we will continue to invest in building a future that puts people first, which is our greatest wish.

During the time for reflection I have had recently, Albert Camus' *The Plague* seemed the natural choice of reading material. I would like to quote a line from this truly wonderful novel in the humanist tradition that is so relevant to the times we are living in today: "When this plague is over, we may find more to admire in people than to despise". I would like to dedicate it to all those who want to make the world a better place. May this quotation guide you, reassure you and spur you on.

On that uplifting note, which, I hope, strikes a chord, I'm delighted to be sending you this letter and I hope you enjoy reading it.

I wish you and yours the very best of health.

Best regards,

Philippe Genne







# ONCODESIGN: SERVICE BUSINESS UNIT

## Interview with Fabrice Viviani – Head of the Service BU

### CAN YOU GIVE US AN OVERVIEW ONCODESIGN'S SERVICE BU?

**Oncodesign Service** was established at the beginning of 2020. Its creation coincided with a leap forward in Oncodesign group's business, which posted highly impressive expansion in 2019. It was a game-changing year—in line with our original targets, which we fully lived up to. Our internal R&D projects came to fruition and achieved greater prominence as they moved onto the preclinical development stage. Our Service business consolidated and expanded its activities, with its sales rising over 60% from €13.5 million in 2017 to €20.9 million in 2019, reflecting the rapid and effective integration of the teams recently acquired from GlaxoSmithKline and Bertin Pharma. The case was compelling for splitting off the Service, Biotech and AI business activities into separate entities as it achieves greater clarity for internal organizational purposes, and for investors, clients, and partners.

Oncodesign Service houses all the operational scientific activities, as well as the dedicated business development and commercial activities. Its proven scientific expertise in key areas of *drug discovery*, such as medicinal chemistry, *in vitro* and *in vivo* pharmacology, DMPK modeling, bioanalysis and pharmacimaging, provides solid foundations. What's more, it possesses longstanding, highly respected experience in pharmaceutical research, especially in oncology and inflammatory diseases. Today slightly over 200 people work at our R&D facilities in Dijon, Paris, and Montreal, and we have a sales team based in North America.

Over the past 25 years, we have built a strong reputation in the preclinical evaluation of drugs for therapeutic purposes, and Oncodesign Service's goal is to harness this to achieve further robust growth, both organically and through the acquisition of contract research companies, and to build critical mass internationally in an innovative service business. At the same time, we aim to maximize our profitability and maintain an EBITDA in line with the sector average, without compromising on our scientific excellence.

### WHAT DO YOU SEE AS THE KEY AREAS FOR GROWTH AND DEVELOPMENT?

Our efforts will focus chiefly on the development of multi-year *integrated drug discovery* service agreements through an IDDS (*Integrated Drug Discovery Services*) offering and platform.

A number of both up-and-coming and big pharma companies have outsourced certain research activities for many years under strategic service partnerships.

"Our efforts will focus chiefly on the development of multi-year *integrated drug discovery* service agreements through an IDDS offering and platform (*Integrated Drug Discovery Services*)."



Oncodesign Service is very well-placed to become a key player in the new chemical entity discovery market for third parties. Our IDDS offering currently extends from therapeutic target screening through to the generation of a drug candidate and its preclinical development for regulatory purposes to secure authorization for first-in-human clinical trials. As we pursue this goal, firmly supported by our established *drug discovery* expertise and know-how, our IDDS offering will get a boost over the coming weeks from new commercial agreements with strategic service partners. We will be able to tap into complementary, pioneering technologies to help us build a high-caliber platform for innovation that can shorten discovery and development times for new therapeutic drugs, especially for the treatment of cancer and chronic auto-immune and inflammatory conditions.

Over the next five years, Oncodesign Service aspires to reaching and has reconfigured itself to achieve its target of multi-year integrated service agreements gradually generating the lion's share of our sales—roughly 70% by 2023. These substantial revenue streams will be supported by our stand-alone preclinical proof of concept service offerings, which we will continue to develop in pursuit of scientific excellence, and we aim to achieve a growth target of 15% per year.

### HOW DO YOU PLAN TO INTERACT WITH YOUR BIOTECH AND AI BUSINESS UNITS?

We will naturally maintain very strong ties with the Biotech Business Unit insofar as the vast majority of R&D work for the Nanocyclix kinase inhibitor projects will be undertaken by Oncodesign Service's teams under an internal service agreement.

In addition to service delivery, both BUs will continue to harness their complementary *drug discovery* expertise to bring to fruition projects along similar lines to how in recent years we have developed the RIPK2 drug candidate and accelerated optimization of the LRRK2 program under a partnership with Servier. That represents the key to success for the Oncodesign group's flagship projects.

Oncodesign Service and the recently established AI Business Unit will rapidly look at joint areas of development concerning both plans to accelerate and optimize *drug discovery* processes and the translational application of data from clinical in-human trials, such as those we are conducting as part of the Oncosnipe® project, to help fulfill Oncodesign's goal of serving as a vector of innovation in precision medicine.

## Fabrice Viviani's career biography



Fabrice Viviani, Head of the Oncodesign Service Business Unit, has worked in the pharmaceutical industry for over 25 years. He has held senior R&D responsibilities at both Sanofi and GlaxoSmithKline during his international career in various therapeutic areas. Fabrice has been involved in the discovery and development of numerous preclinical and clinical drug candidates.

He joined the Oncodesign Biotechnology group in late 2016 as a result of Oncodesign's acquisition from GlaxoSmithKline of the François Hyafil research center, where he was a member of the Executive Committee and headed up the Experimentation division. Together with his teams, Fabrice has made a major contribution to the significant growth in Service sales over the past three years and to the development and major advances in the Nanocyclix® portfolio and its new kinase inhibitors.



# ONCODESIGN: BIOTECH BUSINESS UNIT

**By Jan Hoflack – Head of the Biotech BU**

Oncodesign first moved into the drug discovery arena in 2009 following Jan Hoflack's appointment as Chief Scientific Officer and then the 2010 acquisition of Johnson & Johnson's Nanocyclix® platform. The business brings hope in several different ways—to patients in search of effective, personalized treatments, and to society at large and to its investors. Our core business is battling cancer and serious illnesses with no known therapeutic solutions. Of course, it takes at least 10 years for such research projects to come to fruition, given the various preclinical and clinical R&D stages and regulatory approvals involved. These research activities burn a great deal of cash and carry high risks of failure—the attrition rate for this type of program stands at over 90% in clinical trials.

Back in 2011, we set up several programs in partnership with the pharmaceutical industry, demonstrating the interest in our next-generation kinase inhibitor technology. This approach also helped to lower the initial risk for our company. These partnerships—with Ipsen, UCB, Bristol Myers Squibb and Servier—were based on the biotech model, with payments upfront, for technology access, research funding and milestone payments, plus royalties on future sales.

In 2009, we launched the highly innovative Imakinib program based on imaging tracers using Nanocyclix® inhibitors with several academic and industry partners. The initial clinical results proved the value of our technology, which unlocked the necessary fund-ing to seal Nanocyclix®'s transformation from a chemistry technology to an innovation platform combined with a ground-breaking *drug discovery* concept. We set up internal programs to develop innovative, relatively unexplored kinase targets, such as RIPK2 and MNK1/2, using the probe-based *drug discovery* concept. Nanocyclix® technology differs from the target-based *drug discovery* technique adopted by most of our com-petitors and our partners/clients. It has given us access to very powerful and selective kinase inhibitors that have barely been explored and/or are notoriously difficult to work with at an early stage. What's more, our concept has also given access to probes—molecules that can be used to investigate the potential of these new targets from the outset in pharmacological models. The initial stages in these programs were undertaken in coordination with leading academics in the field, which helped us move ahead more rapidly.

Oncodesign's 2014 IPO on the Euronext Growth market helped to fund the advancement of these programs in the Probe to Lead phase. Oncodesign's *drug discovery* unit got a major boost from the integration of GSK's Les Ulis R&D facility and the 4-year funding package provided since 2016. During this early research stage, very substantial synergies were unlocked between the Biotech activities and our internal research platforms, which are commercialized as a Service.

"2019 was a key year, as our portfolio matured, and drug candidates were selected for both our own proprietary and partnership projects"





2019 was a key year, as our portfolio matured, and we developed drug candidates for both our own proprietary and partnership projects for clinical or near-clinical phases—the mutated anti-EGFR radiotracer (phase I completed), the RIPK2 and LRRK2 inhibitors, the MNK1/2 inhibitors in oncology. Our goal is to move three of these programs forward into clinical trials by 2023.

This advanced-stage portfolio requires even more investments than before, but its potential increases as each key drug development stage is successfully negotiated. The programs now face regulatory hurdles: chemical, manufacturing and costs (CMC), toxicology studies, IND filings—stages that Oncodesign does not handle. Our Program Leaders thus work with highly respected specialist companies to complete them.

The introduction in early 2020 of the new independent BU-based organization structure is a natural consequence of our spectacular accomplishments in 2019.

The growth in the Service business and the emergence of a more mature portfolio, prompted us to review our organization structure and to establish three Business Units: Service, Biotech and Artificial Intelligence. The aim of the new structure is to make the Group's business activities clearer for our employees, customers, partners, and investors. Each of the BUs was given its own objectives and resources in early 2020, while Artificial Intelligence, the third BU, will be set up during 2020 to support the *drug discovery* of the future. Needless to say, the three BUs will continue to cooperate significantly, and we will be able to harness the expertise each one possesses to meet our objectives, with a governance and corporate support framework that is still just as visionary.

Here's to the success of Oncodesign's three BUs!

## Jan Hoflack's career biography



Jan Hoflack was awarded a PhD in organic chemistry from the University of Ghent in Belgium before gaining solid experience and taking on executive positions at Marion Merrell Dow in Strasbourg (France), AstraZeneca in Gothenburg (Sweden), Novartis in Basel (Switzerland).

He was then appointed Vice President, Medicinal Chemistry and Biosciences at Johnson & Johnson Pharmaceutical R&D (Janssen) in Beerse (Belgium). He joined Oncodesign in 2009 as an Associate and Chief Operating Officer and was tasked with setting up and developing the Drug Discovery business unit.

Drawing on his 30 years of R&D experience, including 22 years in the pharmaceutical sector, Jan also devised the Nanocyclix chemistry technology that has unlocked access to next-generation kinase inhibitors.

## DIFFERENT PERSPECTIVES, AN INTERVIEW WITH JAN HOFLACK, CSO



***An innovative approach that has yielded first-in-class substances for treating inflammatory illnesses.***

***A new form of drug has achieved promising preclinical results in the treatment of various forms of irritable bowel syndrome, which are linked to immune system disorders, such as Crohn's disease and colitis.***

### WHY IS IT IMPORTANT TO FIND TREATMENTS FOR AUTOIMMUNE DISEASES?

No fewer than 5% to 7% of the West's population suffer from autoimmune diseases. As a result, they account for a very large share of the market. There are various different types of inflammatory and autoimmune diseases, but they all stem from disruption of the human immune system. The body reacts to substances in the body, giving rise to inflammation. Known forms include rheumatoid arthritis, Crohn's disease, ulcerative colitis, psoriasis, asthma, and multiple sclerosis.

Galàpagos shortly plans to launch a drug in the market based on the JAK1 kinase, which accounts for the big rally in its share price on the Brussels stock exchange.

At Oncodesign, we are working on the RIPK2 kinase, a brand new drug. Our first-in-class drug candidate has the potential to be more effective and safer than existing drugs. With this RIPK2 poised for a bright future, we are following the same path that Galàpagos took during the 2010-2015 period. In December 2019, we selected our RIPK2 kinase inhibitor drug candidate.

### WHAT THERAPIES ARE ALREADY AVAILABLE ON THE MARKET?

Glucosteroids were the first therapies available for treating inflammatory and autoimmune diseases, and they are still used today. Unfortunately, they are effective only for a short period of time in a minority of patients and have various side effects. So, they are not the most suitable type of treatment.

Since the late 1990s, anti-tumor necrosis factor alpha (TNF) antibodies have been developed. Just a few years ago these drugs were the top sellers worldwide, generating annual sales totaling approximately €38 billion. The problem with these costly substances is that they are antibodies that have to be administered intravenously, so patients have to go to hospital for each treatment. In addition, they have major side effects and can lead to opportunistic infections as they completely knock out the immune system. Their half-life is very short, so the treatment is not effective for very long.

### WHAT NEW TREATMENT OPTIONS HAVE BEEN DEVELOPED RECENTLY?

Kinase inhibitors were introduced onto the market several years ago. This new category of chemical compounds used in the treatment of autoimmune diseases are small molecules, which can be administered orally. They tend to be cheaper, given they are easier to produce. What's more, they potentially have fewer side effects.







### CAN YOU TELL US THE STORY BEHIND THIS DRUG CANDIDATE?

In 2012, we had already identified incredibly powerful and selective RIPK2 inhibitors. But at that time, we were not yet aware of the possible applications. Fortunately, we met Prof. Derek Abbott, the world's leading authority on RIPK2 research and we started working together very soon after that. In late 2016, the project really gained momentum after we purchased a GSK research facility in the Paris region. Its team of drug hunters soon became excited about the prospects for the drug, and so the next stage in the development of our RIPK2 project was given the go-ahead.

RIPK2 is a target (kinase) involved in the innate immune system. It interacts with the receptors recognizing bacteria, prompting our immune system to cleanse all the cells infected by these bacteria. That's how it helps combat bacterial infections. Mutations in the receptors involved can cause a number of different inflammatory and autoimmune gastro-intestinal diseases.

### IN YOUR OPINION, WHAT POTENTIAL IS THERE FOR THIS APPROACH?

We firmly believe that with the RIPK2 inhibitor we can help to treat these inflammatory and autoimmune diseases and we have proven this since the substance was identified in mid-2019. The toxicity tests we have conducted over the past six months have shown that our substance is potentially very safe.

What's more, we have been able to demonstrate using a new pharmacology model that our substance is effective at treating ordinary colitis and the colitis caused by immunotherapy, and thus in its acute and chronic stages."

We hope to enter the market by 2028-2029. Our therapy could be combined with existing treatments or even replace them. To date, we have not observed any toxicity linked to the RIPK2 target. Our substance has a regulating function on the immune system and does not knock it out directly.

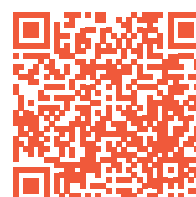
The first-in-class drug can also be used to treat other autoimmune diseases. Research on this is only just getting underway.

### IS THIS FOCUS ON INNOVATION HELPING YOU TO ATTRACT TALENT?

Oncodesign's core mission is to look for new treatments delivering major patient benefits. Our loyal employees use creative and innovative techniques whenever they can to achieve this goal. Researchers and fresh young talent are keen on companies such as Oncodesign as they are great places to begin or develop their career. The success we achieved last year has already enhanced our appeal.

**View the press release about the selection of our ODS-101 drug candidate**

Scan this QRcode to access the Press releases section of our website.





## DIFFERENT PERSPECTIVES, AN INTERVIEW WITH STÉPHANE GERART, APPOINTED IN APRIL 2020 TO HEAD UP THE AI BU



*Stéphane Gerart, a graduate of the prestigious École Polytechnique and INA-PG and previously Head of Business Development at SOPHiA GENETICS, was appointed as Head of the new Artificial Intelligence BU in April 2020. We talked to him about starting his new role.*

### CAN YOU TELL US ABOUT YOUR CAREER AND HOW YOU BECAME INTERESTED IN AI?

My passion for the health sciences has really been the thread that holds my career together. After training as an engineer at the École Polytechnique research school and then specializing in biology at the INA-PG life sciences institution, I wrote an academic research thesis on immunology at the Necker-Enfants Malades hospital in Paris concerning immune deficiencies of genetic origin under the supervision of Prof. Alain Fisher.

My desire to make a difference for patients prompted me to add business know-how to my scientific knowledge. After this turning point in my career, I learned all about the finer points of business and finance, which are critical for the development of drugs, during my time at the consulting firm Novoptim, a partner of choice for high-growth life sciences companies looking for strategic, marketing and business support.

After a period spent building up the firm's business from Toronto in Canada, a country at the forefront of artificial intelligence research, I naturally took an interest in the potential for applying these technologies to healthcare, especially as a tremendous means of accelerating the identification of pathologies and therapeutic developments. When the chance came to join SOPHiA GENETICS, the world leader in the analysis of sequencing data for patients and health professionals, I jumped at the opportunity to be part of the adventure, and it gave me another way of having a concrete impact on patients' lives. My role as head of business development in Canada of this pioneering company taught me a great deal about artificial intelligence and related technologies, and how to harness them effectively in service offerings. On returning to France as head of corporate business development for SOPHiA GENETICS, I experienced at first hand the effervescent ecosystem of new technologies for health applications. Following that highly enriching experience, I was keen to find a role harnessing the full array of fundamental, strategic, and technological skills I have acquired for the benefit of a patient-oriented, AI-enhanced precision medicine project.



And so the opportunity to oversee the development of Oncodesign's AI business unit following my meeting with Philippe Genne seemed to be a perfect fit given the values we share.

### COULD YOU EXPLAIN WHAT YOUR ROLE AS HEAD OF THE AI BU WILL ENTAIL? WHAT OBJECTIVES HAVE YOU SET YOURSELF?

Oncodesign has already taken steps to exploit the wealth of data it has acquired, including via the OncoSnipe® project. It is not a newcomer to artificial intelligence. What has changed is that it has set up a whole new business unit to speed up the consolidation of its vast data pool and optimize its analytical processes by harnessing the most effective technologies. The goal is to develop the most effective algorithms to identify therapeutic targets and future drug candidates.

So, our roadmap is clear: find therapeutic solutions for diseases with no effective treatment or for diseases where treatments are failing (resistance mechanisms, etc.). To start with, we will focus on "consolidating" existing data sets. This phase of data cleansing and standardization is crucial for any AI strategy. The other essential point is the depth of the databases because this is vital for effective AI algorithms.







Oncodesign has been actively working in this area. Nanocyclix, OncoSnipe® and Imodi possess tremendous data pools from the various projects and partnership projects to develop chemical compounds in which they have participated. Put another way, Oncodesign needs to tidy up its databases and possibly generate some additional data to enrich its knowledge and enhance its ability to find new targets and new molecules. It will be able to harness the development over recent years of technologies facilitating granular classification (sequencing, digital pathology, radiomics, transcriptomics, etc.) to bring patients the benefit of personalized medicine.

Practically speaking, we aim to harness insights from artificial intelligence to shorten all the development times for the molecules produced by Oncodesign's precision medicine platform so they can move on to the drug-candidate stage as rapidly as possible for the benefit of our clients and our partners.

While establishing the BU will be our main task in 2020, we also aim to be profitable in the short term. That will also lead to the integration of new business solutions directly related to AI within the Service business.

### CAN YOU TELL US MORE ABOUT THE STRUCTURE OF THE BU AND EQUIPMENT IT WILL NEED TO RISE TO INTRINSIC CHALLENGES POSED BY AI?

We have all the hardware we need for the time being but are considering a cloud architecture better suited to our needs and our ambitions, while putting in place safeguards to retain ownership of the intellectual property of the models we develop. A dedicated team of around 15 members will be put in place by the end of the year, including data analysts, as well as some employees who previously worked for Oncodesign's IT department. The BU will be largely based at our new Dijon headquarters, with a smaller team at Les Ulis to help harness the synergies with Oncodesign's other departments.

More broadly, we will also consider building up cooperative and partnership ventures in AI by harnessing the unit's impressive track record of creating value by working with partners. This is an area in which I will look to harness the personal and professional network my international experience has given me, especially in Canada where the healthcare AI ecosystem is one of the most advanced in the world. The BU's development strategy will explore various different paths including external growth, which will help us to save precious time on technological and commercial aspects. Oncodesign's presence at a leading-edge open innovation campus will also give it access to

new technologies and scarce skills. In addition to my own knowledge of the ecosystem in Canada, the fact that Oncodesign has been present in Montreal—currently the place to be in AI—for over 20 years is a major advantage.

### WHY DID YOU CHOOSE TO MOVE TO ONCODESIGN?

Oncodesign's core mission is to "discover innovative new therapies effective against cancer and serious illnesses with no known treatment". That could very well have been the motto for my own professional and personal life given the turns it has taken. All it took was for me to hear the story of the company as recounted vividly by Philippe Genne to persuade me to be a part of this tremendous adventure. But ultimately it was more than just words that won me over because I soon realized that Oncodesign has the resources it needs to realize its ambitions. It possesses a large and ultra-high-quality database and also the possibility of generating new data *in vitro* or *in vivo* to validate and challenge the models it develops.

Recent achievements in the area show the potential for applying artificial intelligence to *drug discovery*. In January 2020, Exscientia, a UK-based start-up working together with Japanese pharmaceutical group Sumitomo Dainippon Pharma, discovered a molecule solely using artificial intelligence that can be used to treat patients with obsessive-compulsive disorder (OCD). The methods they employed to discover this molecule are similar those we will be using at Oncodesign—based on algorithms that analyze potential compounds by screening a large quantity of parameters. Advances are being made all the time in this field, which is really taking off, and given the quality of Oncodesign's assets, I'm in no doubt that great things await us.



## LATEST NEWS



### INVESTIR – TUESDAY, APRIL 15, 2020

#### **Profitability finally arrives for Oncodesign**

The pharmaceutical company has managed to record earnings as a result of a substantial increase in its operating revenue. Its shares leapt over 10% higher in Tuesday's trading after benefiting from the group's decision to leave its short- and medium-term targets unchanged despite the current health crisis. Further gains look likely.

### BFM BOURSE RADIO – MONDAY, APRIL 14, 2020

#### **Oncodesign reiterates its targets despite the Covid-19 pandemic**

The Burgundy-based biotech company broke even in 2019, ahead of schedule. Oncodesign has reiterated its medium-term outlook, with the pandemic having little impact on its business activities. Its management has stated that it possesses "now more than ever" everything it needs thanks to its model focused primarily on services rather than (higher-risk) development.

### LE QUOTIDIEN DU MÉDECIN – MONDAY, MARCH 2, 2020

#### **A new drug candidate for autoimmune diseases**

Oncodesign has announced the selection of the first-in-class drug candidate, a RIPK2 kinase inhibitor targeting autoimmune and inflammatory diseases.

**Oncodesign, a biopharmaceutical group specialized in precision medicine, has announced that it has selected ODS-101 as the first orally administered RIPK2 inhibitor to commence regulatory preclinical development trials. The goal is to file IND submissions for phase 1 clinical trials in 2021.**

*"This discovery originating from our labs shows the ability of our Nanocyclix technology to generate drug candidates", explained Dr. Philippe Genne, Chairman and CEO.*

### BOURSIER.COM – MONDAY, FEBRUARY 17, 2020

#### **Oncodesign and Servier reach another milestone in their collaboration to combat Parkinson's disease**

Oncodesign and pharmaceutical group Servier have announced they have reached a major milestone under their strategic partnership to conduct research and develop potential drug-candidates in the treatment of Parkinson's disease.





## LATEST NEWS (continued)



### MIND HEALTH — WEDNESDAY, JANUARY 29, 2020

#### **Oncodesign sets up an Artificial Intelligence BU**

French group Oncodesign, a contract oncology research company, announced on January 20 that is establishing three business units (BUs): Service, Biotech and Artificial Intelligence. While the Service and Biotech BUs were up and running in early 2020, the company indicated that the AI BU will be “set up during the course of the year” and will be tasked with “supporting the *drug discovery* of the future”. It will be housed together with the Biotech BU and management in a new building that Oncodesign will move into in December 2020 (work commenced in November 2019) next to the company’s research facility in Dijon. The head of the new BU is currently being hired, the group stated. Oncodesign has coordinated the Oncodesign public/private partnership harnessing AI technologies since 2017.

#### **N.B.**

Par la même occasion, Oncodesign a annoncé une hausse de 33% de son chiffre d'affaires par rapport à 2018, à 26,7 M€.

### INDUSTRIE PHARMA — WEDNESDAY, JANUARY 22, 2020

#### **Oncodesign’s two-stage strategy**

The Dijon-based biotech group has reorganized its activities into two business units dedicated to services and development. This hybrid model has generated positive results. We review its 2019 performance and the outlook for 2020.

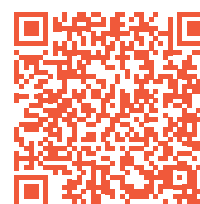
### INVESTIR — WEDNESDAY, JANUARY 22, 2020

#### **Oncodesign delivers growth and profits**

The biotech specialized in the discovery of new drugs recorded a substantial increase in its sales last year. It also reported its first profits, one year earlier than originally anticipated.






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## BROKERS' RATING



Broker	Analyst	Date	Rating
 <b>LCM</b> LOUIS CAPITAL MARKETS	Gilbert Ferrand	April 14, 2020	Buy
 <b>CM-CIC</b> Market Solutions	Fanny Meindre	April 14, 2020	n/a
 <b>BRYAN, GARNIER &amp; CO</b>	Gary Waanders	April 14, 2020	Buy
 <b>PORTZAMPARC</b> BNP PARIBAS GROUP	Christophe Dombu	April 14, 2020	n/a
 <b>GENESTA</b>	Jean-Pierre LOZA	July 23, 2019	Buy



### BUSINESS CONTINUITY PLAN - COVID-19 PANDEMIC

As the global COVID-19 pandemic sadly reminds us, there are still plenty of diseases with no known treatments.

Oncodesign remains firmly committed to its core mission of "Discovering innovative new therapies effective against serious illnesses with no known treatment".

On March 17, we informed you of the arrangements we had taken to keep our operations running by activating our "Pandemic Crisis Management Plan" and thus to safeguard the continued delivery of our services in line with any additional guidelines imposed by the health authorities. So far our teams have been able to perform all their tasks with the same commitment and effectiveness as normal, while staying in close touch with our clients.

Our crisis management unit is reviewing the measures we take on a daily basis. We have tweaked our organization, not only to continue delivering our services, but also to provide the highest possible standard of service quality, while keeping our employees safe.

We have made adjustments to our IT infrastructure to facilitate homeworking possible wherever employees' jobs make this feasible. We have also upgraded our IT network so that it can host web conferences.

Lastly, maintaining our supply lines so that work in progress or soon to be undertaken can be completed is one of our top priorities.

Oncodesign's switchboard remains open (tel.: +33 (0)3 80 78 82 60) for emergencies.

"Solidarity between all the planet's inhabitants is the solidarity we need the most",  
Albert Jacquard, biologist, geneticist (1925-2013)

#ThankYouCarers #StayHome



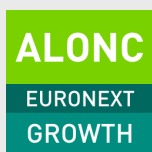
## THE NOTEBOOK OF SHAREHOLDER



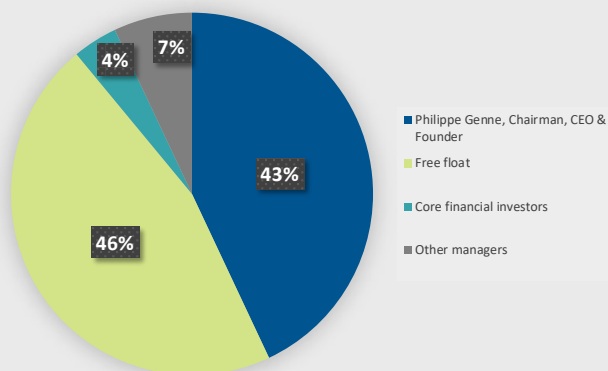
### ONCODESIGN & THE STOCK MARKET

Euronext Growth Paris	
ISIN Code	FR0011766229
Number of shares	6,818,412
Market capitalization	€84 million*
Share price	€12.3*
12 month high/low	€13.5 - €5.94

\*Data at April 14, 2020



### ONCODESIGN CAPITAL STRUCTURE at December 31, 2018



\*Sur la base des titres détenus au nominatif

## 2020 CALENDAR



**Publication of first-half 2020 revenues: July 23 after market close**

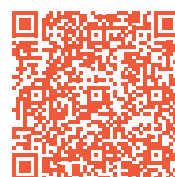
### Scientific conferences

- Microbiome and Probiotics R&D & Business Collaboration Forum, Rotterdam, May 18-20
- 14th WRIB (Workshop on Recent Issues in Bioanalysis)- Bioanalysis, Biomarkers, Immunogenicity, GeneTherapy & Vaccines, Phoenix, June 22-26
- RICT, Bordeaux, July 1-3

## DOCUMENTATION



Our annual financial report for 2019 is available from the investor section of our website:



Flash this QRCode to access the investor section.

## A TEAM ATTENTIVE TO OUR SHAREHOLDERS



### NewCap Agency

**Louis-Victor Delouvrier/ Mathilde Bohin**

Shareholders Relations

oncodesign@newcap.eu

Tel: +33 (0)144 719 494

### AT ONCODESIGN, WE TAKE THE PRIVACY OF YOUR PERSONAL DATA VERY SERIOUSLY

You have received this newsletter because you have given your consent and details to Oncodesign or by delegation to NewCap, its agency. The data gathered by Oncodesign is processed by Oncodesign for marketing and investor relations purposes to keep you up to speed on the Company's latest developments. The data will be held for a maximum of three years from the time of our most recent contact.

In line with the French Data Protection Act of January 6, 1978 as amended, you have a right to access and amend the data held concerning you.

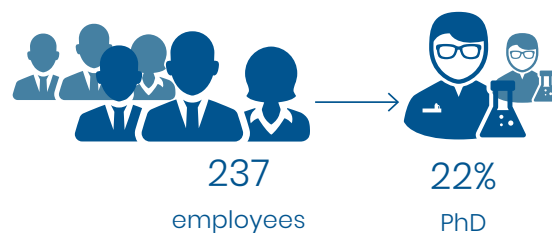
You can access the information we hold about you by contacting us at oncodesign@newcap.eu

CNIL reference 2102182 v 0.

# ONCODESIGN AT A GLANCE

Oncodesign, a vector of innovation, is a biopharma company whose mission is to find new avenues of treatment using precision medicine based on its unique patient-centered innovation model.

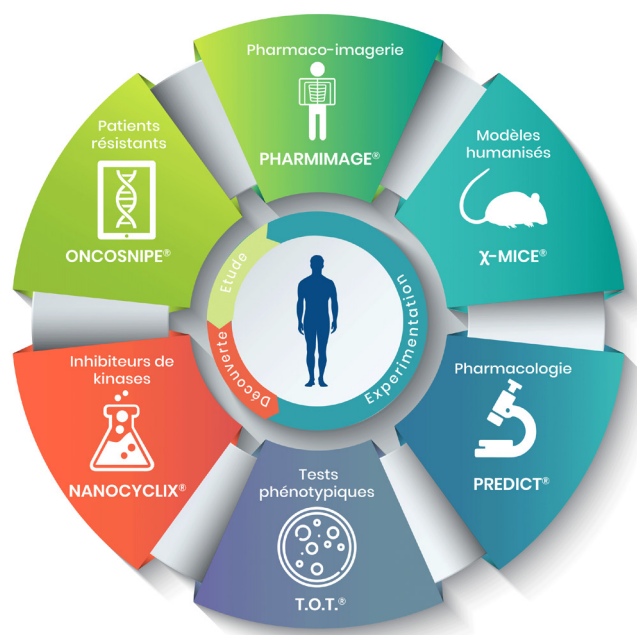
## KEY FIGURES



## OUR MISSION AND OUR TECHNOLOGICAL STRENGTH

*"Discover innovative new therapies effective against cancer and serious illnesses with unmet medical needs."*  
Philippe Genne - Oncodesign Chairman & CEO.

Oncodesign's specific strength lies in its technology continuum, which covers the entire molecule discovery cycle from identification of resistant patient populations right through to the drug candidate. Oncodesign puts the patient at the heart of its technology continuum to target the problem of inherent or acquired therapeutic resistance. This innovation model sets us apart.



It is based on our three strategic activities:

- 1- Etiology of diseases
- 2- Discovery of new therapeutic target/  
molecule combinations
- 3- Experimentation of new treatments.



## OUR STRATEGIC SUPPORT SERVICES

### 1- Corporate Business Development Unit | Xavier Morge | Head of Business Development & Marketing

For 25 years now, Oncodesign has built up its technological prowess through a policy of active collaboration in ambitious research projects co-financed by public and private funds, private partnerships, and acquisitions.

That has given it a unique position and perspective through which it has gained a comprehensive overview of the industry and informed insights into potential opportunities that may arise or should be taken. Its unique innovation model built around its three core activities—Experimentation, Discovery, and Research—provides the foundations for its precision medicine platform. It shapes its development strategy, both for acquisitions or the development of new technologies, and for new therapeutic products.

Corporate Business Development functions as the beating heart maintaining the organization's skills. Its role is to identify and coordinate external acquisitions of new products, new technologies and/or businesses in line with our policy of expanding service sales or building up its oncology pipeline.



We will select drugs at an early stage, prior to the drug candidate stage, based on experiments we conduct in our labs, either in collaboration with Service BU clients or in relation to the new technology platforms (e.g., STRT), then progress them to the drug candidate stage using equity capital after completing Oncodesign's preclinical POC. We will integrate new tech companies under a progressive acquisition strategy incorporating a test phase (technological and scientific robustness, market positioning of products and services, synergies with Oncodesign's precision medicine platform), then a reconfiguration stage. This entails providing the relevant human resources and investment to achieve pre-agreed revenue and earnings targets.

We are currently tweaking the business model for this new activity and putting financing arrangements in place, so we can make it an innovation and growth driver for Oncodesign in the future.

### 2- Human Resources department | Thierry Billoué | Head of Human Resources

Resources department contributes to Oncodesign's growth and development in three ways:

- It oversees the business aspects of Oncodesign's teams: it rewards performance, makes organizational changes and plans ahead for the future
- It brings in additional resources and scientific skills where required and acquires/develops new expertise required for expansion and technological innovation
- It takes a lead in people management, while giving a free rein to the managerial function to retain agility and efficiency in what is a fast-moving industry. It acts as the guardian of Oncodesign's corporate values and also makes arrangements for employees to share in the fruits of the group's development.



### 3- Finance & Administration department | Arnaud Lafforgue | Chief Financial and Administrative Officer

Oncodesign's finance department performs several business-critical roles—accounting, management control, M&A, and investor and market relations.

Nine of us work in the department on a daily basis to meet a very precise schedule of monthly, interim, and annual closes, and of reporting and business performance analysis tasks, which provide our front-line managers with critical insights helping them to steer the business. We also have shorter-term projects, such as the roll-out of a new Enterprise Resource Planning (ERP) suite.



The finance department plays a key role in most businesses, and perhaps even more so in a biotech, where the utmost discipline is needed to make sure our resources are allocated effectively to our research efforts



## CONTACT

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