

Very strong revenue growth of 58% to €9.2 million in the first half of 2018

- Service revenue up 63.2% to €8.7 million, including robust momentum in the North American business (growth of 254%)
- Teams from the François Hyafil research center and Bertin Pharma's service activities successfully integrated

Dijon, France, July 24, 2018 at 6:30pm CEST – ONCODESIGN (ALONC – FR0011766229), a biopharmaceutical group specialized in precision medicine, is today announcing very strong revenue growth during the first half of 2018 and its cash position at June 30, 2018.

€ million Consolidated unaudited figures	H1 2018	H1 2017	Change	Like-for-like change ¹
Service revenue	8.66	5.31	+63.2%	+21.4%
Partnership revenue	0.57	0.54	+5.8%	+5.8%
Total revenue	9.23	5.85	+57.9%	+20%
Operating subsidies ²	3.96	3.96	=	=
Cash position (at June 30)	9.74	10.2		

“The strong growth in our revenue keeps us right on track to meet our ambitious target of revenue of at least €40 million in 2020. With our headcount kept firmly under control over the period, that demonstrates the solid progress we have made towards integrating teams at the François Hyafil research center and at Bertin Pharma since 2017,” said Philippe Genne, Oncodesign’s CEO and founder. “Specifically, we have stepped up the development of our Service business in France and around the world by expanding the range of solutions we offer outside oncology. We have also accelerated our internal Drug Discovery programs, such as for LRRK2 and RIPK2, to make progress towards our goal of selecting a drug candidate and preparing for a phase III trial to evaluate our first radiotracer in collaboration with our partners.”

Service revenue – robust momentum maintained outside France

Service revenue recorded a very strong increase of 63.2% to €8.7 million. Major new contracts were the key factor behind this increase, such as the oncology agreement with Erytech Pharma. The North American (United States and Canada) business, which posted growth of 254%, also provided a real boost. This very strong growth reflected the takeover of full control of the Canadian joint venture in February 2018 and the stronger sales coverage established in the United States following the hire of a Chief Operating Officer based in Boston. North America represents a major growth priority for Oncodesign.

At comparable basis (excluding Bertin Pharma’s service activities acquired in September 2017), Oncodesign’s Service revenue also grew by a strong 21.4% to €6.44 million during the first six months of the year.

¹ Excluding Bertin Pharma operations

² Grant received from GSK. For a full year, it is taken into account for €7.92 million. The payment will be made every year until January 2020.

Orders intakes also recorded a strong increase of 48% to €9.6 million. Major new contracts, such as the oncology agreement with Erytech Pharma, and the first-time consolidation of Bertin Pharma's service activities were the key factors behind this increase.

Overall, the order backlog stood at €10.8 million at June 30, 2018, compared with €9.4 million at December 31, 2017 and €9 million at June 30, 2017. Discussions are also underway concerning several other Service partnership agreements in the second half of the year, including in IDDS (Integrated Drug Discovery Services).

Partnership revenue

Partnership revenue rose 5.8% in the first half of 2018 to €0.57 million thanks to a contribution from the various ongoing partnerships.

In drug discovery, Oncodesign also released the results of the second stage of its clinical trial demonstrating the potential for its innovative anti-mutated EGFR radiotracer in patients with non-small cell lung cancer. The full results from the first two stages of this phase I study will be presented at the EANM conference in October 2018. Should the final results from phase I (3 stages) be positive, they would enable Oncodesign's partner to move directly on to a Phase III clinical trial, with the end goal of obtaining marketing authorization.

Cash position at June 30, 2018

Oncodesign had €9.74 million in cash at June 30, 2018, almost stable compared with June 30, 2017 despite ongoing major investments in R&D that consume significant amounts of cash. This figure includes the €7.92 million grant received in respect of 2018 and paid in January 2018 from GSK. Oncodesign will be paid a similar amount each year for the next two years (final payment to be made in January 2020). Note also that the €3.3 million research tax credit in respect of 2017 had not been received by June 30, 2018.

Next financial report: first-half 2018 results on September 26, 2018 (after market close)

About ONCODESIGN: www.oncodesign.com

Founded over 20 years ago by Dr Philippe Genne, the Company's CEO and Chairman, Oncodesign is a biopharma company dedicated to the 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 and medical imaging, 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 227 employees and subsidiaries in Canada and the USA.

Contacts

Oncodesign
Philippe Genne
Chairman and CEO
Tel: +33 (0)3 80 78 82 60
investisseurs@oncodesign.com

NewCap
Investor & Media Relations
Julien Perez / Arthur Rouillé
Tel: +33 (0)1 44 71 98 52
oncodesign@newcap.eu

