



2018 Annual results

- Strategic partnership signed with LINDAL GROUP to promote the add-on device Inspair™
- Development agreement signed with FERRING for a customized cap
 - 2018 turnover: € 3.890k (+67%)
- Strong R&D investments: € 1.890k

Issoire, April 4th, 2019, 7:00 am CEST – BIOCORP (FR0012788065 – ALCOR / Eligible PEA-PME), a French company specializing in the development and manufacturing of innovative medical and drug delivery devices, announces today its annual results for the year that ended on December 31, 2018, as approved by the Board of directors on April 3rd (1).

"BIOCORP reached a milestone in 2018 with the first wave of industrial contract signing for some of connected products, including Mallya™ and Inspair™. This underscores the match between strong market demand and the relevance of BIOCORP solutions, and we are positioning ourselves today as a global leader in the field of connected drug delivery devices.

The opportunities offered by these markets are very important, especially in the field of chronic diseases such as diabetes. In this respect, Mallya™ is perfectly positioned to support a very dynamic growth of BIOCORP in the next months.

The traditional activity also experienced good momentum in fiscal year 2018 with a development contract signed with FERRING and the industrialization of a highly innovative product for closure and drug delivery with VIRBAC. Newguard™ has also benefited from strong demand from pharmaceutical customers, especially in the heparin field, and we have initiated the large-scale industrialization phase at our production site in Issoire. This is an outstanding recognition of our products' quality and our innovation strategy in targeted areas.

Sales of 2018 were up sharply: + 67%, partly thanks to development programs on the range of connected products, and secondly to the continued growth of traditional activities and, lastly, figure generated by industrialization contracts (VIRBAC and FERRING). Operating expenses decreased by € 1,435,000 over the period; this decrease is related to the € 2,371,000 provision for intangible assets recognized in 2017 following the termination of the Carpséal™ contract, Newseal™.

We are therefore successfully following our development strategy in our two business areas and the beginning of the commercialization of our connected products in 2019 with partners in Europe and the United States as a first step." commented Jacques Gardette, founder and CEO of BIOCORP.

(1) The audit procedures on the annual accounts have been carried out. The certification report is being issued.

2018 highlights

- Signed an industrialization contract with FERRING for the development of a customized closure system,
- Ordered feasibility and evaluation studies for non-connected and connected platforms (Newguard™, Datapen™, Mallya™ and Inspair™)
- Signed a strategic partnership with CHRONICARE for the US distribution of Mallya™
- Signed a distribution contract with LINDAL GROUP to promote the add-on Inspair™
- Strengthened intellectual property: 2 new patents, issuance of 4 patents including Canada, Russia, Japan and the US
- Capital increase of € 5 million and implementation of € 4 million convertible bonds allowing BIOCORP to further develop the proprietary products platform and prepare for the launch of Mallya™

Annual financial results highlight the development strategy continuation and activities structuring set up after the IPO in July 2015. International development dynamics is strong and fits the company expectations. BIOCORP confirms its innovation policy with the continuation of research projects, existing projects finalization and the widening of products range, as well as the intensification of commercial development with the signature of agreements and significant partnerships. Regarding the intensification of activities, BIOCORP still supports expenses in relation with the development of its products for several major clients, without benefiting from matching revenues.

Turnover reached € 3,890k in 2018, up 67% compared to € 2,321k in 2017, supported by development programs of connected products and by the continuation of contracts for industrialization of the traditional activity.

In 2018, **other operating income** amounted to (€ 120k) and were mainly composed of the variation in stored production (€ 218k) and expense transfers € 93k.

Operating expenses amounted € 9,039k, that is to say a 13% decrease compared to 2017, the R&D effort representing a 21% of expenses. This decrease is primarily due to provisioning for intangible assets amounting € 2,371k in 2017 as a consequence of broken partnership for Carpseal™ and Newseal™.

The € 936k residual increase results from the increase in the consumption of raw materials related to the turnover's growth for € 148k, outsourcing increase of tools manufacturing for € 196k, R&D external expenses for € 215k, patent fees for € 350k, the strengthening of the operating structure of BIOCORP over a full year amounts to € 374k.

Given these elements, the **operating result** is negative at (€ 5,269k) in 2018 against (€ 7,846k) in 2017.

The **financial result** shows a loss of (€ 262k) in 2018 against (€ 12k) in 2017, mainly due to financial charges related to convertible bond contracts.

Exceptional profit amounting to (€ 107k) vs. (€ 23k) last year, are mainly due to financial expenses related to convertible bond contracts.

In 2018, BIOCORP benefited from Research Tax Credit and Innovation Tax Credit for € 332k, compared to € 373k in 2017.

Considering this information, the 2018 **net result** is negative at (€ 5,305k) against (€ 7.508k) in 2017.

On December 31, 2018, BIOCORP posted free cash of € 1,341k vs € 691k on December 31, 2017. The level of equities is (€ 1.820k) against (€ 1.264k) on December 31, 2017.

In €	12/31/2018	12/31/2017
Sales	3 890 416	2 321 083
Other operating income	-120 312	306 221
Total operating income	3 770 104	2 627 304
Operating expenses		
External purchases and expenses	4 184 185	3 540 433
Taxes, duties and other levies	86 044	79 212
Wages and expenses	3 778 056	3 404 423
Other operating expenses	990 686	3 449 680
Total operating expenses	9 038 971	10 473 748
Net operating income	-5 268 868	-7 846 445
Net financial income	-261 566	-12 300
Exceptional item	-107 450	-22 974
Research Tax Credit and Innovation Tax Credit	332 450	373 019
Net profit	-5 305 433	-7 508 699

Objectives and outlook for 2019:

BIOCORP intends to continue its development on different strategic lines:

- Expand and intensify the development of its connected devices in the injectable devices field and expand them to new applications, whether in respiratory or ophthalmic fields,
- Commercial launch of Mallya™ in the first half of 2019,
- Submit a new injection device with highly original characteristics in the second half of 2019,
- Continue partnerships for developing and manufacturing its own devices,
- Initiate new development and industrialization programs thanks to specific developments and services on a project mode relying on BIOCORP know-how,
- Set up any alternative financing by the end of the first half of 2019 to ensure business continuity.

ABOUT BIOCORP

Founded in 2004 in Issoire (near Clermont-Ferrand), France, BIOCORP is a French company specializing in the development and manufacturing of medical devices and innovative drug delivery systems. It is listed as 'Innovative Company' by the French public investment bank Bpifrance. With twenty-five years of experience and more than 30 manufactured products, BIOCORP is a key player in the industry, providing drug delivery solutions that meet the evolving needs of patients. Today, BIOCORP continues to innovate in medical plastics, its core business, and to market traditional devices (alternative to aluminum capsules, syringe and vial administration systems) that have been an important source of recurring income. Its solid expertise and capacity to innovate have allowed the company to develop new Internet-connected products, including Mallya, a smart cap for pen injectors that captures injection data and automatically transmits data to a mobile app, helping patients to manage their treatment. The company has a team of 45 employees. BIOCORP is listed on Alternext since July 2015 (FR0012788065 – ALCOR).

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