



GENOMICS | GENETICS | R&D | DIAGNOSTIC TESTS

FIRST-HALF 2019 RESULTS

- Sales of products and services up 37% to €631 thousand
- 28% decrease in the current operating loss to €2.4 million
- Additional €1.1 million in financing following the exercise of warrants by Winance in August

Bagneux (France) - Genomic Vision (FR0011799907 – GV), a company specialized in the development of in-vitro diagnostic (IVD) tests for the early detection of cancers and genetic diseases and applications for life sciences research (LSR), today announced its first-half financial results to June 30, 2019¹.

First-half 2019 results

<i>(in € thousands – IFRS, unaudited)</i>	H1 2019	H1 2018
Revenue from R&D collaboration with Quest Diagnostics	150	150
Sales of products and services	631	461
<i>Of which: life sciences research (LSR)</i>	<i>502</i>	<i>319</i>
<i>Of which: in-vitro diagnostics (IVD)</i>	<i>129</i>	<i>143</i>
Total revenue from sales	781	611
Other revenue	354	872
Total revenue from activity	1,135	1,484
Net current operating expenses (excluding share-based payments)	3,491	4,762
Current operating income before share-based payments²	-2,356	-3,278
Expenses relating to share-based payments	0	-57
Other operating income and expenses	40	0
Operating loss	-2,316	-3,335
Net loss	-2,314	-3,335

¹ Financial statements were examined by the Supervisory Board on September 23, 2019 and have been subject to a limited review by the Company's auditors.

² Current operating income before share-based payments is defined and presented in Note 14, Segment Information, to the interim IFRS financial statements to June 30, 2019, which will be available online within the regulatory timeframe.

Sales of products and services increased by +37% to €631 thousand in the first half of 2019, notably thanks to the sale of a FiberVision® platform to the University of Oxford's laboratories in the first quarter of the year.

By market, the sales analysis is as follows:

- on the LSR segment: +57% to €502 thousand thanks to the sale of the FiberVision® platform to the University of Oxford;
- on the IVD segment: -10% to €129 thousand, due to the temporary slowdown of the FSHD test at Quest Diagnostic, despite a substantial increase in sales in China via the Company's partner AmCare.

Total revenue from sales for the first half of 2019 was €781 thousand (+28%), including €75 thousand from Quest Diagnostics corresponding to the distribution throughout the year of license payments.

Total revenue from activity for the first half of 2019 was €1,135 thousand, once other revenue of €354 thousand corresponding to tax credits (research tax credit, innovation tax credit) and the end of the R&D subsidy relating to the H2020 BeyondSeq program are taken into account, down 24% compared with the first half of 2018.

Net current operating expenses (excluding share-based payments) decreased by 27% to €3.5 million, and included the following major items in addition to the cost of sales:

- €1.4 million in R&D expenses, down approximately 23%, reflecting their good control associated with the refocus on projects with greater added value. This expenditure is in line with the continuation of the ongoing clinical trial aimed at developing an HPV test in in-vitro diagnostics and the targeted development of new services and tools for the LSR market.
- €0.7 million associated with Sales & Marketing expenses, whose decrease of approximately 50% reflects the reorganization and refocusing of Genomic Vision's sales teams in the first half of 2019.
- €0.9 million in General & Administrative expenses, down 27% thanks to the restructuring and cost-reduction plan.

The current operating loss before share-based payments improved by 28%, from -€3.3 million at June 30, 2018 to -€2.4 million at June 30, 2019.

Once other operating expenses and income, which mainly corresponded to non-recurring costs of €373 thousand associated with the restructuring decided and provisioned at the end of 2018 and offset by the reversal of provisions, are taken into account, the **operating loss** at June 30, 2019 improved by 30% to -€2.3 million.

The net loss was -€2.3 million at June 30, 2019, versus -€3.3 million at June 30, 2018.

Strengthened financial structure

Genomic Vision had cash and cash equivalents of €0.6 million at June 30, 2019 compared with €3.2 million at December 31, 2018. This amount takes into account:

- the reimbursement of the interest-free loan from Quest Diagnostics in the fall of 2018 for €0.3 million;
- a €1.5 million bridging loan granted by Winance, repaid via a capital increase through the offsetting of loans subscribed to by Winance within the framework of the drawdown of the first €1.5 million tranche of the reserved ABSA (shares with equity warrants attached) issue in April 2019.

Cash burn over the half year was €3.8 million, including the social restructuring costs provisioned at December 31, 2018 for €0.4 million.

On July 9, 2019, Genomic Vision carried out a €1 million capital increase via the issuance of 10,000,000 new shares at a nominal price of €0.10 within the framework of the second tranche of ABSA warrants.

In August 2019, Winance exercised the warrants associated with the first and second tranches of the financing contract, resulting in a capital increase of €1.1 million.

The Company also has a remaining balance of €2.5 million on this equity financing line that can be exercised in accordance with the characteristics indicated in the Prospectus granted visa number 19-122 by the AMF French stock market authority on March 29, 2019, and notably under the contractual and legal conditions among which schedule and share price conditions which are described in paragraph 4.1 of the Prospectus. Furthermore, the Company has an outstanding CIR 2018 Research Tax Credit of €780 thousand whose reimbursement has been requested as an SME and should take place during the final quarter of 2019.

Based on revised sales growth and R&D, Sales & Marketing and General & Administrative spending hypotheses, as well as on associated working capital requirement assumptions, Genomic Vision has the necessary resources to continue its development over the coming 12 months.

First-half 2019 highlights

Life Sciences Research (LSR) market

- **Acquisition of a FiberVision platform by the University of Oxford**

At the beginning of the year, the UK's prestigious University of Oxford acquired a FiberVision platform to study DNA replication in the context of a rare disease.

- **Gene editing quality control**

Genomic Vision has continued its participation in the consortium put together by the National Institute of Standards and Technology (NIST) to help the FDA (Food and Drug Administration, the US health authority) assess the requirements and standards to be established by these regulatory bodies for all stakeholders within the industry, academia, regulatory agencies and other players involved in using gene editing. Genomic Vision has developed quality control tools for gene editing and is working with a number of key industrial players in this field.

IVD portfolio

- **Human papilloma virus (HPV)**

The identification of a biomarker that enables the severity and progression of cervical lesions to be predicted is currently ongoing thanks to the clinical data obtained from a study carried out in the Czech Republic.

- **Facio Scapulo Humeral muscular Dystrophy (FSHD)**

The FSHD test is marketed in Europe, notably by the Timone hospital in Marseille within the framework of a 5-year multiannual public market contract to supply the test, and in China through the intermediary of its distributor, AmCare Genomics Laboratory, with a substantial development of its activity.

Implementation of the restructuring decided at the end of 2018

In the first half of 2019, Genomic Vision implemented a restructuring plan with a 20% reduction in its spending and its workforce. Within the framework of this restructuring, the Company is refocusing its activity on the Life Sciences Research industry's quality control market with industrial partners and continuing, in an opportunistic manner, the marketing of diagnostic tests that have already been or are currently being developed, principally via partnerships.

This restructuring plan generated non-recurring costs of €373 thousand mostly consisting of severance payments.

Recent events

Governance

The Combined Shareholders' Meeting of July 8, 2019, on the second call, approved the renewal of the mandates of Supervisory Board members Mrs. Isabelle Racamier and Mr. Stéphane Verdood for a further 6 years. In addition Mrs. Isabelle Racamier's mandate as Chairwoman of the Supervisory Board was renewed until the end of her mandate as a member of that Board.

The Combined Shareholders' Meeting of July 8, 2019 also appointed Mr. Florian Schôdel as a new member of the Supervisory Board for a 6-year mandate. The Supervisory Board henceforth has 6 members, four of them women, in line with the law governing gender parity within listed companies' governance bodies.

Research agreement with Sanofi in the field of gene therapy biomanufacturing

Gene and cell therapy are rapidly emerging as promising treatments for numerous illnesses such as viral infections, hereditary disorders and cancer. Multiple techniques are currently being used and developed to produce recombinant cell lines with the aim of making biomanufacturing procedures more reliable.

Genomic Vision's technology represents a promising quality control tool for the accurate characterization of the stability of recombinant cell lines compared with conventional methods. New quality control tools have thus been developed in order to visualize genetic modifications and verify the clonality of the cell lines used in biomanufacturing.

Within the framework of the agreement with Sanofi, Genomic Vision will undertake the genetic characterization of Sanofi cell lines from the Framingham research centre in Boston, Massachusetts.

Next financial publication

- Revenue for the 3rd quarter of 2019: Wednesday, October 30, 2019 (before market)

ABOUT GENOMIC VISION

GENOMIC VISION is a company specialized in the development of diagnostic solutions for the early detection of cancers and serious genetic diseases and tools for life sciences research. Through the DNA Molecular Combing, a strong proprietary technology allowing to identify genetic abnormalities, GENOMIC VISION stimulates the R&D productivity of the pharmaceutical companies, the leaders of the diagnostic industry and the research labs. The Company develops a robust portfolio of diagnostic tests (breast, ovarian and colorectal cancers, myopathies) and analysis tools (DNA replication, biomarkers discovery, gene editing quality control). Based near Paris, in Bagneux, the Company has approximately 30 employees. GENOMIC VISION is a public listed company listed in compartment C of Euronext's regulated market in Paris (Euronext: GV - ISIN: FR0011799907). For further information, please visit www.genomicvision.com

CONTACTS

Genomic Vision

Aaron Bensimon
Co-founder, Chairman & CEO
Tel.: +33 1 49 08 07 50
investisseurs@genomicvision.com

Ulysse Communication

Press Relations
Bruno Arabian
Tel.: +33 1 42 68 29 70
barabian@ulyse-communication.com

NewCap

**Investor Relations
& Strategic Communications**
Tel.: +33 1 44 71 94 94
gv@newcap.eu



Membre des indices CAC® Mid & Small et CAC® All-Tradable

FORWARD LOOKING STATEMENT

This press release contains implicitly or explicitly certain forward-looking statements concerning Genomic Vision and its business. Such forward-looking statements are based on assumptions that Genomic Vision considers to be reasonable. However, there can be no assurance that such forward-looking statements will be verified, which statements are subject to numerous risks, including the risks set forth in the “Risk Factors” section of the reference document dated March 28, 2017, available on the web site of Genomic Vision (www.genomicvision.com) and to the development of economic conditions, financial markets and the markets in which Genomic Vision operates. The forward-looking statements contained in this press release are also subject to risks not yet known to Genomic Vision or not currently considered material by Genomic Vision. The occurrence of all or part of such risks could cause actual results, financial conditions, performance or achievements of Genomic Vision to be materially different from such forward-looking statements.

This press release and the information contained herein do not constitute and should not be construed as an offer or an invitation to sell or subscribe, or the solicitation of any order or invitation to purchase or subscribe for Genomic Vision shares in any country. The distribution of this press release in certain countries may be a breach of applicable laws. The persons in possession of this press release must inquire about any local restrictions and comply with these restrictions.