



GENOMICS | GENETICS | R&D | DIAGNOSTIC TESTS

## 2016 ANNUAL RESULTS

- Successful execution of the new strategy in LSR market
  - Product and service revenue up 332% to €1.3 million
    - Total revenue of €3.4 million
    - Doubled installed base of FiberVision® platforms
      - Cash position of €6.9 million at year end
- Project to draw down up to €10 million in convertible notes with warrants
  - Appointment of Frederic Tarbouriech as new CFO

## 2017 OUTLOOK: SOLID GROWTH FROM LSR ACTIVITIES

**Bagneux (France) - Genomic Vision (FR0011799907 – GV)**, the pioneer of molecular combing technology for life sciences research (LSR) applications and in vitro diagnostics (IVD), announced today its full-year 2016 financial results.<sup>1</sup>

**Aaron Bensimon, CEO of Genomic Vision, said:** *“In 2016 Genomic Vision turned a corner as we successfully launched our strategy targeting the LSR market, a new and important autonomous growth area for the Company, while we continued to develop our IVD pipeline. With the ramp-up of our commercial efforts, we doubled our FiberVision installed base, and have seen strong interest from pharma and genome editing companies in using our sophisticated platform in their drug discovery efforts. Our DNA combing technology is ideally suited for applications in genome editing, and going forward, we expect to increase our footprint in this exciting space. In summary, we are confident that demand in the LSR market will remain brisk, while we continue the development and commercialization efforts of our IVD portfolio. Erwan Martin is leaving the company to pursue other opportunities. I thank Erwan for his commitment to the Company’s growth and success over the past years, and I wish him all the best with the next step in his career. Finally, I look forward to working with Frederic Tarbouriech, our new CFO, and the rest of our team to accelerate our development in the strategic LSR segment that will fuel our growth in 2017 and beyond.”*

<sup>1</sup> Audited accounts, reviewed by the Supervisory board on March 1st, 2017

## Full year 2016 results

<i>(In thousands of euros IFRS)</i>	<b>2016</b>	<b>2015</b>
Revenue from R&D collaboration with Quest Diagnostics	316	2,069
Product sales & services	1,257	291
<b>Total revenue from sales</b>	<b>1,573</b>	<b>2,360</b>
Other revenue	1,793	1,957
<b>Total revenue from activity</b>	<b>3,366</b>	<b>4,317</b>
Net operating expenses	(12,026)	(8,708)
Operating loss	(8,660)	(4,391)
<b>Net loss</b>	<b>(8,613)</b>	<b>(4,338)</b>

**Revenue from product sales & services** increased 332% to €1.3 million, mainly driven by:

- sales of instruments and consumables for the study of DNA replication;
- innovative solutions for quality control and optimization of genome editing; and
- the installation of five additional FiberVision® combing platforms at industrial and academic centers.

**Total revenue from sales** over the full year 2016 were €1.6 million, a decrease compared with €2.4 million in 2015 due to the completion of milestone payments from Quest Diagnostics, which was partially offset by a marked increase in sales from products and services.

**Revenue from activity** was €3.4 million in 2016, versus €4.3 million in 2015, including other revenue of €1.8 million from tax credits (research tax credit and innovation tax credit and R&D subsidies).

**Operating expenses** were €12 million in 2016. R&D expenses increased compared with the previous year as a result of the ongoing clinical studies in the IVD pipeline, and the development of new services and tools for the life sciences research market segment (LSR). General costs remained stable, while Sales & Marketing costs increased as a function of the build-up of the Company's commercial infrastructure.

At December 31, 2016, Genomic Vision had 63 employees, compared with 54 at December 31, 2015.

For the full year 2016, the Company reported a net loss of €8.6 million compared with a net loss of €4.3 million at December 31, 2015.

### Cash position at December 31<sup>st</sup>, 2016

At December 31, 2016, Genomic Vision had cash and cash equivalents of €6.9 million, compared with €15.6 million at December 31, 2015.

To cover its cash requirements for the next 12 months given the development plan envisaged and the anticipated operating expenses, Genomic Vision has its cash and cash equivalent at December 31, 2016 and a flexible financing line via the reserved issuance of convertible notes with warrants (OCABSA) for a nominal value of €10 million as announced on October 28, 2016 (subject to the fulfilment of usual conditions for the completion of this financing line, including the filing and approval of a prospectus (*document de référence*) with the French financial regulatory authority (AMF - *autorité des marchés financiers*)).

## **FY 2016 highlights**

### **Life Sciences Research Market**

#### **FiberVision® platform – doubling of installed base**

The company's fully automated FiberVision platform was installed at five industrial and academic sites in 2016. The pharmaceutical industry has expressed keen interest in the capabilities of the FiberVision platform to elucidate DNA replication damage and repair that play an increasingly important role in drug discovery. The FiberVision platform gives researchers a unique insight into these mechanisms, and constitutes an industrially robust technology platform that yields reproducible results to help them hone their discovery efforts.

#### **Products & services**

To complement Genomic Vision's high-end FiberVision platform, the company has successfully launched a number of products and services to target industrial and academic labs to broaden access to and the application of molecular combing (such as FiberPrep, FiberStudio, EasyScan and EasyComb). These services offer a mix of hardware and software solutions, and rely on different levels of automation. These have allowed Genomic Vision to gain a foothold in the rapidly emerging field of genome editing where it started collaborating with one of the leading companies that is looking to molecular combing as a reliable quality control tool to verify the accuracy of their interventions. Discussions with a number of genome editing companies active in therapeutics and crop sciences are ongoing.

### **IVD Portfolio**

#### **Ovarian and breast cancer (BRCA)**

The joint study between Genomic Vision and Quest Diagnostics, BRCA 1000 initiated in 2016 is ongoing. The results of this study are expected in 2018 and will guide decisions on the further development and commercialization of the test.

#### **HNPCC & SMA**

Quest and Genomic Vision collaborate intensively on tests for HNPCC (Lynch Syndrome, a rare and hereditary form of colon cancer) and spinal muscular atrophy (SMA), a devastating muscle wasting disease, and expect to announce a number of milestones with these tests throughout 2017.

#### **Facioscapulohumeral dystrophy (FSHD)**

FSHD testing continued apace and demonstrated growth in the U.S. as a result of Quest Diagnostics' strong position in FSHD testing. The Company has stepped up its outreach efforts to FSHD Centers of Excellence in Europe to better showcase the significant advantages of using DNA combing to diagnose this rare disease.

#### **Human papilloma virus (HPV)**

The Company is conducting two studies to validate its test for the diagnosis of cervical cancer caused HPV in France and the Czech Republic respectively. Together, the studies will enroll approximately 2,200 patients. An interim readout is expected in mid-2017. While originally more than 3,000 patients were to be enrolled, the test was optimized in 2016 to allow for a study protocol with equal statistical power with lower enrollment.

## **Governance**

### **Supervisory Board**

In 2016, the Shareholders' Meeting appointed two new independent Board members, Mrs. Beth Jacobs, and Mrs. Isabelle Racamier, both with solid track records in banking and the pharmaceutical industry, respectively.

### **Management board**

On December 13, 2016, the Supervisory Board appointed Stephane Altaba, VP of Corporate Development, to the Management Board of the Company.

Erwan Martin, the Company's CFO, is leaving the Company to pursue other opportunities. The Company has appointed Frederic Tarbouriech as his successor.

Frédéric joins the Company from Labco/Synlab, the European leader in clinical diagnostics, where he was Group Consolidation, Internal Control & Accounting director since 2010. In this capacity, he established a robust reporting process, supported Labco's strong growth, and was closely involved in a number of strategic projects, notably the Labco IPO project, and high yield bond issuances. Frédéric started his career as a financial auditor and transaction services advisor. He was at Arthur Andersen and Ernst & Young for 11 years. He earned an MBA from Essec Business School.

### **Financial calendar 2017 (all dates tentative)**

- Revenue Q1      Tuesday May 9, 2017
- AGM              Tuesday June 20, 2017
- Results H1      Tuesday July 25, 2017
- Revenue Q3     Tuesday October 24, 2017

### **Preliminary calendar financial conferences**

- 10th Annual European Life Sciences CEO Forum, Zurich      March 6-7, 2017
- Conférence Portzamparc Midcaps, Paris                              March 21-22, 2017
- BioEquity, Paris    May 22-23, 2017

## **ABOUT GENOMIC VISION**

Genomic Vision (Euronext: GV) leverages its proprietary DNA molecular combing platform in the life sciences research and IVD markets. DNA combing is an extremely powerful tool for the direct visualization of individual DNA molecules at a very high resolution to uncover quantitative and qualitative genome variations that are telltale signs of cancer and other severe diseases. The Company's IVD portfolio includes a commercial test for facioscapulohumeral dystrophy (FSHD), as well as others in development for breast and colon cancer, spinal muscular atrophy (SMA) and human papilloma virus (HPV). In the life sciences research market, the Company deploys its FiberVision® platform, supporting academia, and the pharma, biotech, and crop sciences industries in their drug discovery and development efforts. For further information, please visit [www.genomicvision.com](http://www.genomicvision.com)

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**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 annual financial report dated April 29, 2016, available on the web site of Genomic Vision ([www.genomicvision.com](http://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.

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