



PRESS RELEASE

Stable revenue in the first half of 2017

- Solid growth in Service revenue (+9.7% at €5.31 million)
- Partnership revenue affected by the end of the LRRK2 collaboration
- Further cash generation (€600 thousand in the first half)
- Effective integration of the François Hyafil centre in Paris-Saclay

Dijon, France, July 20, 2017 – 6:30pm CEST– ONCODESIGN (FR0011766229 - ALONC), a biopharma company serving the pharmaceutical industry in the discovery of new therapeutic molecules to fight cancer and other serious illnesses with no known effective treatment, announces its revenue for the first half of 2017 and its cash position at June 30, 2017.

€ million <i>consolidated figures - unaudited</i>	H1 2017	H1 2016	Change
Service revenue	5.31	4.84	+9.7%
Partnership revenue	0.54	1.03	-47.6%
Total revenue	5.85	5.87	-0.3%
Cash position (as of June 30)	10.2	8.5	

Oncodesign's revenue was stable in the first half of 2017 compared with the year-earlier period. Solid growth in Service revenue was offset by lower Partnership revenue resulting from the end of the LRRK2 partnership, with Oncodesign taking over the development project and all associated rights and patents (see press release of March 15, 2017).

Service revenue

Service revenue rose 9.7% compared with the first half of 2016. The increase was driven in particular by the 5-year service contract signed in May 2016 with IPSEN in oncology, and the 4-year collaboration with GSK outside oncology.

At the same time, Oncodesign continued its international expansion and pursued its strategy of increasing the average value and length of its contracts, in order to generate more recurrent revenue and further strengthen its business model. In accordance with that strategy, order intake jumped 110% in North America, due in particular to a new long-term (18 months) collaboration with a major West Coast biotech company specialising in immuno-oncology. In addition, the collaboration with Synthron Biopharmaceutical, initiated in 2011, has been renewed again for a further three-year period as well as with EISAI for one additional year.

Partnership revenue

Partnership revenue fell 48% after the decision was taken with IPSEN to end the LRRK2 project in March 2017. As a result, the project is now being pursued by Oncodesign alone, and will benefit from the new expertise acquired by Oncodesign through its integration of the François Hyafil centre located in the heart of the Paris-Saclay biotech hub. Other Partnership revenue came from the reimbursement of costs incurred by Oncodesign as part of ongoing drug discovery collaborations with UCB and Bristol-Myers Squibb.

Cash position

Oncodesign had €10.2 million of available cash at June 30, 2017, an increase of €600 thousand relative to December 31, 2016. Oncodesign received a first funding from GSK at the start of the year, but had not yet received its 2016 research tax credit payment as of June 30, 2017.

Outlook and development projects

Oncodesign's first clinical study evaluating the EGFR radiotracer is underway, and the first results are expected by the end of the year. As regards partnerships, the research collaborations with UCB and Bristol-Myers Squibb are progressing well in respect of the various targets already identified, and are already benefiting from the new expertise contributed by the François Hyafil centre.

Seven months after the François Hyafil centre was acquired from GSK, it is now fully integrated, synergies are increasing and R&D expenditure has doubled on drug discovery programmes such as RIPK2 and LRRK2. In the first half of 2017, the integration of this centre also enabled Oncodesign to sign its first Service contracts outside of its original specialist field of oncology.

Alongside planned acquisitions – such as that with Bertin Pharma, which could be completed in the next few weeks – this means that Oncodesign is continuing to grow, and management is maintaining its 2020 objective of becoming a major biopharma company in the precision medicine field, with revenue of €40 million and positive results.

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 to fight cancer and other serious illnesses with no known effective treatment. 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, advanced animal modelling 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 165 employees and subsidiaries in Canada and the USA.

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