

## 2018 half-year results impacted by the company repositioning

**Chassieu, September 21<sup>st</sup>, 2018** – after the market trading close - **AMOEB**A (FR0011051598 - AMEBA), producer of a biological biocide capable of eliminating bacterial risk in water, plant protection and wound care applications, announced today its 2018 half-year results.

The Board of Directors approved the company's consolidated accounts for the 1<sup>st</sup> half of 2018 at their meeting held on September 21<sup>st</sup>, 2018.

The statutory auditors conducted a limited audit of the consolidated half-yearly financial statements on June 30<sup>th</sup>, 2018 and have not identified any significant discrepancies likely to call into question the compliance thereof. They proceeded to the report's signature.

The half-yearly report is currently being issued and will be available on the company's website ([www.amoeba-biocide.com](http://www.amoeba-biocide.com)) in the coming days.

(In K€)	30/06/2018	30/06/2017
<b>Turnover</b>	<b>62</b>	<b>75</b>
<b>Industrialisation costs</b>	(916)	(314)
R&D costs	(974)	(1,401)
Subsidies	154	278
Marketing & Sales	(298)	(473)
General costs	(1,257)	(1,309)
<b>Operational loss</b>	<b>(3,229)</b>	<b>(3,144)</b>
Non-Operational loss	(691)	
Financial loss	(577)	(96)
<b>Net loss</b>	<b>(4,497)</b>	<b>(3,240)</b>

### Operational results in line with the Group's expectations and a net income affected by restructuring expenses.

Operational results on June 30<sup>th</sup>, 2018 amount to K€-3,229, in line with the company's forecast.

The analysis of these results indicates:

- A turnover of K€ 62 on June 30<sup>th</sup>, 2018 mainly made up of the half-yearly licence fee paid by AQUAPROX.



- An increase in industrial deployment costs (K€916 versus K€314 last year) due to the reallocation of depreciation expenses initially recorded in General costs and to inventory reserves,
- A decrease in research and development costs (K€820 versus K€1,123 last year) and in marketing and sales expenses (K€298 versus K€ 473),
- General costs amount to K€ 1,257 on June 30<sup>th</sup>, 2018 and remain substantially in line with last year's expenses,
- On June 30<sup>th</sup>, 2018 non-operational expenses amount to K€691 and are mainly made of restructuring expenses,
- The financial result mainly represents interest fees paid on bank loans (K€534) and exchange losses (K€ 46),
- The half yearly net result is therefore K€-4,497.

On June 30<sup>th</sup>, 2018, the Company's shareholders' equity amounted to €8,087 million, compared to €12.5 million on June 30<sup>th</sup>, 2017. Cash flow is €6.3 million.

### **First half of the year strongly impacted by the adoption of the non-approval of the active substance in Europe.**

On April 26<sup>th</sup>, 2018, the Biocidal Products Committee adopted an opinion of non-approval of its active substance *Willaertia magna C2c Maky* for use in product-type 11 (PT 11 - Preservatives for liquid-cooling and processing systems).

As a result, the company was led to reconsider its road map and has focused on 3 priorities:

- The expansion of the commercial network in the United States with the implementation and follow up of new field tests at industrial and tertiary sites in partnership with our distributors
- The analysis and validation of options to pursue the regulatory process in Europe
- The development of the new application in biocontrol with the achievement of greenhouse trials and the search for new business partners.

### **Recent developments and perspectives**

Pending the market authorization in the United States, the company plans to continue field tests in the US during the second half of the year and to support its research and development activities in new applications such as biocontrol application for plant prevention.

The available cash flow, on June 30<sup>th</sup>, 2018 will permit the company to continue its activities until end of August 2019.

Subject to the shareholders' general meeting approval, the company will proceed with a 6 M€ bound issuance to pursue its development and has signed an issuing agreement with Nice & Green



SA, in order to set up a bond-convertible financing line up to a maximum of 300 convertible bonds with a par value of € 20,000 each (cf: July 26<sup>th</sup>, 2018 press release).

The issuance of bonds convertible into shares and the net income of this issuance is the preferred solution for the Group to fund its development activities and address the insufficient working capital during the next twelve months. In the case the financial operation would not be concluded, the company will seek other financials solutions including, if need be, a private placement.

The Shareholders' General Meeting, scheduled to meet on October 10<sup>th</sup>, 2018 at the headquarter as announced on September 3<sup>rd</sup>, 2018 in BALO (French Official Bulletin of Legal Notices) under number 106, has been postponed by decision of the Board of Directors today. A new General Assembly should be held before the end of 2018. The notification will be published in the BALO within the legal and regulatory timelines.



#### **About AMOEB:**

Amoéba's ambition is to become a major player in the treatment of bacterial risk in the fields of water, healthcare and plant protection. Our biological solution is an alternative to chemical products widely used today. Amoéba is currently focusing on the market of industrial cooling towers estimated at €1.7Bn <sup>(1)</sup> on a global chemical biocide market for water treatment, evaluated at €21Bn <sup>(2)</sup> and on the biocontrol market for plant protection estimated globally at €1.6Bn <sup>(4)</sup>. In the future, the Company is looking at developing new applications such as chronic wound care, estimated at € 751 million <sup>(3)</sup> in the USA. Sales of associated products with healthcare, biocides and plant protection are subject to the Company being granted local regulatory market authorizations.

Created in 2010, based in Chassieu (Lyon, France) with a subsidiary in Canada and in the United States, Amoéba is quoted on the compartment C of Euronext Paris. The Company is a member of the BPIfrance Excellence network and is eligible for the PEA-PME SME equity savings plan setup. More information on [www.amoeba-biocide.com](http://www.amoeba-biocide.com).

*(1): Amoéba data combined from sources: DRIRE 2013, Eurostat, ARHIA 2013*

*(2): Sources combined by Amoéba from water treaters, Freedonia, Eurostat et MarketsandMarkets*

*(3): BCC Research, "Markets for Advanced Wound Management Technologies," Wellesley, MA, 2017*

*(4): Biopesticides Worldwide Market 2013, CPL, Wallingford, UK*



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**Disclaimer**

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