



Press
release

Montpellier (France), February 5, 2019 - 5:45 pm CET

Intrasense 2018 annual results bear first fruits of its new strategy

Strong growth, reaching operating balance

- Increase of revenues by +38% to 3 M€
- Accelerating growth led with multi-year partnerships in Chinese, US and European markets
- Normative EBITDA: +182 K€
- Suspension of financing contract of OCA

Intrasense (FR0011179886 - ALINS), specialist in medical imaging software solutions and Myrian® 's creator, announces today its annual results for the year ended on December 31, 2018 and approved by the Board of Directors' meeting of February 5, 2019.

« 2018 marks the achievement of operational balance for Intrasense. As a result of our new strategy, a savings plan and all staff efforts, this performance was accomplished in a long-lasting development dynamic. » says Nicolas Reymond, Chief Executive Officer of Intrasense.

« The good commercial and financial results are fully the results of the repositioning of our offer, which values our technological capital on BtoB high-potential new markets. We benefit now from recurring revenues with long-term agreements with our partners. Moreover, a strict savings plan enabled us to go forward on our operating cost control.

To face present and future challenges in medical imaging, in which artificial intelligence is now a part, to strengthen our leading position on innovation, we have continued to invest 30% of our revenues in R&D and expanded our research collaborations.

With the achievement of balance and armed with our new offers Myrian® Imaging Layer and Myrian® Studio, Intrasense will broaden its market and is actively pursuing its growth in 2019, addressing the increasing need in medical imaging of its new industrial customers.



The development potential of American and Chinese markets remains still huge, our partnerships already developed in 2018 represent an excellent springboard to pursue our growth. » Nicolas Reymond concludes.

2018 financial results

<i>In k€ (Dec. 31)</i>	2018	2017	Evol
Net sales	3,063	2,222	+38%
Operating costs	-3,905	-4,274	- 9%
EBITDA	-39	-1,075	+96%
<i>Restatement PSE costs</i>	+221	-	NS
Normative EBITDA (*)	+ 182	NA	NA
EBIT	-1,275	-2,311	+45%
Research tax credit	+310	+349	- 39
Net income	-1,509	-2,103	+28%

(*) The savings plan in 2018, resulting in the departure of 6 employees and staff reduction, impacted the 2018 accounts. « Compensations for departures » are compatibilized for 221 k€ in operating profit.

Success of new solutions, accelerating growth

Nicolas Reymond, appointed Chief Executive Officer in February 2018 introduced a new strategy which is generating growth, focused on 3 axes:

- Implement a B2B partnership strategy with industrial players supported by the deployment of new offers, Myrian® Studio and Myrian® Imaging Layer.
- Accelerate business growth on Chinese and US markets by capitalizing on the multi-year agreements recently signed with industrial companies such as Kangda Medical Equipment, MinFound Medical Systems and 12 Sigma Technologies and Apollo Enterprise Imaging Corp.
- Keep on enriching Myrian® clinically to consolidate its market position.

At December 31, 2018, the turnover of Intrasense strongly grows by +38% and comes to 3,063 K€ versus 2,222 K€ in the previous financial year.

Confirming the relevancy of Myrian® Imaging Layer et Myrian® Studio offers, **the key account activity with industrials** now represents the major driver of growth, with 60% of the turnover and an increase of +19 points in 2018. The creation of long-term partnerships with industrial players generates a recurrence of revenues and is a very high leverage, a key condition for sustainable growth.



Business in Europe strengthens with a turnover of 1,227 K€, versus 1,174 K€ in 2017, representing 40% of business in 2018, led with several partnerships with major actors of the market, among Evolucare, European leader in hospital expert information systems, for a 5-years contract.

The turnover in Asia, second world market, **reaches the record part** of 49% of total sales against 32% in 2017, also dynamized by several multi-year contracts signed with leading industrials. The position of the company, present now in more than 500 major hospitals, is strengthening on this market. The exclusive cooperation contracts for 5 and 4-years signed with leading medical imaging manufacturers in China such as Kangda and MinFound Medical Systems, are leveraging and accelerating the diffusion of Myrian® on this very high potential market.

Intrasense is entering a decisive stage in its development on a high potential US market, with some first notable commercial successes, such as a long-term partnership with Apollo Enterprise Imaging Corp, a leading US company in healthcare imaging data archive.

The deployment of the Myrian® Studio new offer has enabled to sign and extend some multi-year partnerships contracts dealing with the development of innovative products: the partnership contract signed in 2017 with the American actor 12 Sigma Technologies, a pioneer in Artificial Intelligence, is now enriched by an exclusive agreement for distribution in Europe for its whole portfolio signed in October 2018. Its collaboration with the Dutch spin-off Quantib will also be participating in expansion of the distribution of Myrian®.

Operating balance, savings plan and investment

The company reaches the operating balance in 2018, with an EBITDA of -39 K€ (+182 K€ without the job-saving plan), a great improvement compared to last year (-2.3 M€ in 2017).

This result has been achieved thanks to a strong development of sales, but also to a savings plan set up in the 1st quarter 2018.

The savings plan enabled to control operating costs which amount 5,316 K€ versus 5,598 K€ in 2017, decreasing by -5%. However, the fall in this item has been greatly reduced, notably by costs associated with 6 departures (**+ 221 K€ on operating costs**).

General expenses are decreasing again by -5% (-67 K€) compared to 2017 (already reduced by -19%), in particular thanks to the rationalization of travel expenses.

Wages and salaries were reduced by -268 K€ (-10%), after the departure plan and the optimization of the organization set up in the beginning of 2018.

R&D investments increase by +3% versus 2017, aiming at enriching the technological competitive advantage of Myrian® on its new markets. Moreover,



the collaboration with artificial intelligence actors such as 12 Sigma Technologies reinforces its functional scope.

After taking into account the financial and exceptional income and the research tax credit (CIR), the result for the financial year is -1.5 M€. The exceptional costs were impacted in 2018 by savings plan's severance pay, by -211 K€.

Suspension of financing contract of OCA

Thanks to the operating balance and results of the financial year reached in 2018, the company has visibility on cash situation for the following period, what should consolidate in 2019. In this context, Intrasense has requested the suspension on January 28, 2019 of the global financing contract of OCA signed in August 27, 2018 with the Luxembourg European High Growth Opportunities Securitization Fund.

This suspension is a strong positive sign of its healthier financial situation.

Strategy et growth perspectives in 2019

Driven by its strategy, Intrasense is starting to reap the benefits of its sales policy to industrials in 2018 and should continue its growth in 2019.

Intrasense starts 2019 positively, with a differentiated offer on its markets, able to meet industrial needs.

Intrasense offers a relevant response to the imaging actors with its offers Myrian® Imaging Layer and Myrian® Studio, one of the few and most attractive independent solutions for industrials, for a very quick integration of Intrasense technology into their offer, to differentiate in the market.



About Intrasense

Founded in 2004, Intrasense develops and markets a unique medical device called Myrian®, a software platform that facilitates diagnosis, decision-making and therapeutic follow-up and makes them more secure. Thanks to Myrian®, more than 800 health institutions spread over 40 countries use a unique and integrated platform supporting all types of imaging modalities (MRI, scanner...). Enriched with expert clinical modules dedicated to specific pathologies, Myrian® also provides a universal image treatment solution that can be fully integrated in any health information system. Intrasense includes 40 employees among which 20 are dedicated to Research & Development. Intrasense has been labelled 'innovative company' by the BPI and invested more than 10 million euros in Research & Development since its creation.

More information on www.intrasense.fr.

Contacts

Intrasense
Nicolas Reymond
Chief Executive Officer
Montpellier - FRANCE
Tel: +334 67 130 130
investor@intrasense.fr

NewCap
Investor Relations and
Financial Communication
Valentine Brouhot - Pierre Laurent
Tel: +331 44 71 94 96
intrasense@newcap.eu

