

TheraVet reports its 2022 half-year results and provides an update on the development of its activities

Gosselies (Wallonia, Belgium), September 09, 2022 – 7:30am CEST – TheraVet (ISIN: BE0974387194 - ticker: ALVET), a pioneering company in the management of osteoarticular diseases in pets, today announces **its financial results ended June 30, 2022 and provides an update on the development of its activities. The Company announces also the publication of its half-year financial report.**

Recent operational highlights

- ▼ Partnership agreement with Industrie Biomediche Insubri SA (IBI, Switzerland) broadening BIOCERA-VET® product line with a biological bone graft, BIOCERA-VET® SmartGraft
- ▼ Distribution agreement in France, United Kingdom, Ireland and Spain with leading companies in the distribution of veterinary products
- ▼ Commercial launch of the whole BIOCERA-VET® line in Belgium, France, The Netherlands, Spain, UK & Ireland
- ▼ Commercial launch of BIOCERA-VET® RTU and Granules in the United States of America with a focus of its marketing and commercial efforts on the states of Texas, Florida and the Carolinas
- ▼ Positive efficacy and safety results of BIOCERA-VET® - Bone Surgery in arthrodesis¹ confirmed and awarded in international congress VOS/WVOC² 2022
- ▼ Available cash of €3.50 million on June 30, 2022 covering operational activities until the second quarter 2024

¹ Surgical procedure to restore function and alleviate pain in carpal and tarsal joints with ligamentous injuries, bone fractures, joint luxation or subluxations

² VOS: Veterinary Orthopedic Society ; WVOC: World Veterinary Orthopaedic Congress

2022 half-year financial results

Financial information at June 30, 2022

en € (Belgian GAAP) ⁽¹⁾	30.06.2022 6 months	31.12.2021 12 months	30.06.2021 6 months
Turnover	42,753	12,348	1,943
Other operating income	1,158,057	2,181,390	1,065,438
<i>Variation of stocks of finished goods and work and contracts in progress</i>	142,359	54,843	36,585
<i>Produced fixed assets</i>	870,044	1,930,219	913,805
<i>Operating Grants</i>	46,665	54,199	39,090
<i>Other operating income</i>	98,989	142,129	75,958
Total Operating products	1,200,810	2,193,738	1,067,381
Operating charges	-2,223,199	-3,364,356	-1,709,367
<i>Goods for resale, raw materials and consumables</i>	-259,344	-63,972	-25,862
<i>R&D Expenses</i>	-342,316	-1,152,580	-628,092
<i>Expenses related to IPO</i>	-130,103	-174,932	-170,491
<i>Marketing and commercial expenses</i>	-130,309	-199,622	-97,899
<i>General & administrative expenses</i>	-325,291	-492,072	-207,187
<i>Consultants & Temporary staff</i>	-422,776	-517,790	-233,753
<i>Staff</i>	-611,756	-762,085	-345,615
<i>Other operating charges</i>	-1,304	-1,303	-468
Brutto Operation result	-1,022,389	-1,170,618	-641,986
Amortization & Depreciation	-193,509	-558,294	-336,472
Net Operating result	-1,215,898	-1,728,912	-978,458
Financial result	37,337	261,088	208,176
Result before taxes	-1,178,561	-1,467,824	-770,282
Income taxes		126,974	
Net result	-1,178,561	-1,340,850	-770,282
Net Cash & Cash equivalents at the end of the period	3,498,856	5,631,418	7,246,645

⁽¹⁾ The accounts presented have not been reviewed by the Statutory Auditors



During the first half of 2022, TheraVet generated €42,753 of revenues representing an increase of €30,405 as compared to December 31, 2021.

The revenues of the first half of 2021, during which the sales of the BIOCERA-VET® product had started on the Belgian market, then represented an amount of €1,943. During the second half of 2021, the French and Dutch markets were approached, allowing Theravet to reach a turnover of €12,348 as of December 31, 2021. At the end of the first half of 2022, the commercialization of the range BIOCERA-VET® in the United Kingdom, Ireland and Spain enable the company to significantly increase sales.

The Company also generated €870,044 of “capitalised production” as a result of the activation of development expenses related to the BIOCERA-VET® and VISCO-VET® programs during the first half of 2022, representing a decrease of €43,761 as compared to the first half of 2021.

The inventory change of finished products and work in progress increases by €142,359 during the first half of 2022, bringing the inventory from €54,843 at December 31, 2021 to €197,202 as of June 30, 2022. This increase is resulting of the constitution of inventories in marge of the commercial expansion in new market and the expected increased demand.

Other operating income of €98,989 as of June 30, 2022, compared to the amount of €75,958 as of June 30, 2021, represents an increase of €23,031 as a result of the increase in payroll and the financial contributions received in this context.

In accordance with the roadmap presented at the time of the IPO, the increase in “Purchases and expenses” reflects the development of preclinical and clinical programs, the commercialization of BIOCERA-VET® products and the structuring of the Company:

- **COGS** are significantly increased due to the commercialization of the BIOCERA-VET® products in Belgium, France and the Netherlands as well as the launch of the commercialization in new countries in march 2022 (United Kingdom, Ireland and Spain). A stock of products from the new BIOCERA-VET® products (BIOCERA-VET RTU, Granules and SmartGraft has also been constituted.
- **R&D expenses** of €342,316 as from June 30, 2022 decreased by €285,776 compared to the first half of 2021.

This diminution is explained by the particularly important R&D activities made in 2021:

- o The expenses linked to the development of VISCO-VET® reached €453,099 as of June 30, 2021 (to reach €841,757 at the end of 2021) and covered



preclinical studies (on the mechanism of action), clinical developments and the validation of the GMP manufacturing process.

- The expenses linked to the development of BIOCERA-VET® reached €135,831 as of June 30, 2021 (to reach €298,822 at the end of 2021) and covered the validation of the manufacturing process, the development of analytical methods and the clinical case collection in order to gather safety and efficacy results on the products.

In 2022, activities related to the development of VISCO-VET® represent €241,043 and cover mainly the activities related to the pivotal European clinical study and the manufacturing process validation whereas the activities related to the BIOCERA-VET® product range represent €99,034 mainly covering the clinical case collection.

- **Listed company expenses** are amounting to €130,103 which represents a decrease of €40,388 compared to the first half of 2021 and resulting from the stock market communication activities.
- **Marketing & Sales expenses** amount to €130,309 representing an increase of €32,410 as compared to first half of 2021, resulting from the effort of the Company to prepare the commercial launch of the BIOCERA-VET® products on the European and American markets.
- **G&A expenses** increased by €118,104 as compared to the first half of 2021 and represent €325,291 mainly as a result of
 - the lawyers support in the preparation of the different partnership agreements negotiated and signed over 2021 and early 2022,
 - the fixed structural expenses related to the employees (increase of its staff from 7 to 12 employees between June 2021 and 2022).
- The costs of **consultants and interims** are to be analyzed in parallel with the staff expenses since they are operational consultants to structure and strengthen the Company. These costs, representing an amount of €422,776 as of June 30, 2022, increased by €189,023, or 81%, compared to the amount of €233,753 in June 2021. This increase is linked to the increase of the expert consultants as well as a punctual strengthened of the team to prepare the commercial launches and add the new products in the BIOCERA-VET range
- **Staff expenses** reached €611,756 in June 2022, compared to €345,615 in June 2021. This increase of €266,141 is explained by the hiring of 5 new employees as part of the structuring and development of the Company and represent an increase of the payroll of 77%.



Finally, the amortization of development expenses related to the BIOCERA-VET® Bone Surgery and VISCO-VET® programs represents €193,509 in June 2022 and resulted in an operating loss of €1.2 million compared to €978,458 as of 30 June 2021 and a net loss of €1.1 million compared to €770,282 at June 30, 2021.

The Company's cash and cash equivalents at June 30, 2022 amounted to €3,498,856 allowing to fund operation until second quarter of 2024.

Post-closing event as of June 30, 2022

In July 2022, the Company received approval from the subsidizing authority of the Walloon Region on 2 development projects submitted for assessment during the period.

The first project, supported for a total amount of €1,070,650 (including €599,922 in the form of a subsidies and €470,728 in the form of a recoverable advance), concerns the development of new proprietary cements with improved properties as well as the development of BIOCERA-VET® combined with an antibiotic.

The second project, supported for a total amount of €1,421,095 (including €429,132 euros in the form of a subsidies and 991,963€ in the form of a recoverable advance), concerns the VISCO-VET® product and aims to finalize its characterization and development.

These subsidies granted cover activities that started during the period and were therefore taken into account in the closing of the period.

Next key milestones of the next half-year 2022

- ▼ Continue with the commercialization of BIOCERA-VET®;
- ▼ Finalize the new formulation of BIOCERA-VET® combined with antibiotics and prepare for the commercial launch;
- ▼ Pursue the operational efforts on the pivotal European clinical study evaluating VISCO-VET® in dogs suffering from osteoarthritis to improve recruitment and limit delays;
- ▼ Increase the visibility of the Company and of its products among the orthopedic veterinarians community with commercial and scientific participation in international congresses.



Half-year Report 2022

The 2022 half-year financial report ending June 30, 2022 will be published September 09, 2022 and will be available on the Company's website, www.theravet-finances.com.

Financial calendar 2023

Full year financial results: April, 25, 2023

Ordinary General Assembly: June 01, 2023

Half-year business update: July 11, 2023

Half-year financial results: September 06, 2023

About TheraVet SA

TheraVet is a veterinary biotechnology company specialising in osteoarticular treatments for companion animals. The Company develops targeted, safe and effective treatments to improve the quality of life of pets suffering from joint and bone diseases. For pet owners, the health of their pets is a major concern and TheraVet's mission is to address the need for innovative and curative treatments. TheraVet works closely with international opinion leaders in order to provide a more effective response to ever-growing needs in the field of veterinary medicine. TheraVet is listed on Euronext Growth® Paris and Brussels, has its head office in Belgium (Gosselies) with a US subsidiary in Texas.

For more information, visit the TheraVet [website](#)

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Forward-looking statements

This release may contain forward-looking statements. Forward-looking statements may include statements regarding the Company's plans, objectives, goals, strategies, future events, the safety and clinical activity of TheraVet's pipelines and financial condition, results of operation and business outlook. By their nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and there are risks that predictions, forecasts, projections and other forward-looking statements will not be achieved. These risks, uncertainties and other factors include, among others, those listed and fully described in the "Risk Factors" section in the Annual Report. TheraVet expressly disclaims any obligation to update any such forward-looking statements in this document to reflect any change in its expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based, unless required by law or regulation.



Contacts

TheraVet

Chief Operating Officer

Sabrina Ena

investors@thera.vet

Tel: +32 (0) 71 96 00 43

Chief Corporate Officer

Julie Winand

investors@thera.vet

NewCap

Investor Relations and
Financial Communications

Théo Martin / Hugo Willefert

theravet@newcap.eu

Tel: +33 (0)1 44 71 94 94

Press Relations

Arthur Rouillé

theravet@newcap.eu

Tel: +33 (0)1 44 71 00 15

NewCap Belgique

Press Relations

Laure-Eve Monfort

lemonfort@newcap.fr

Tel: + 32 (0) 489 57 76 52