



Implanet reports Q1 2020 revenue of €1.6 million

- Sales up 15% for the period ended March 16th, 2020
- COVID-19 impact:
 - Suspension of surgical operations
 - March 2020 export deliveries postponed

Bordeaux, Boston, April 21st, 2020 – 5:45pm CEST: IMPLANET (Euronext Growth: ALIMP, FR0013470168, eligible for PEA-PME equity savings plans), a medical technology company specializing in vertebral and knee-surgery implants, today announced its revenue for the first quarter of 2020.

Before the impact of Covid-19, Implanet had a brisk start to the year and posted revenue of €1.51 million for the period ended March 16th, up from €1.31 million over the same period in 2019, representing double-digit growth of 15%.

Revenue (€000 - IFRS*)	Q1 2020	Q1 2019	Change
Spine (JAZZ®)	728	1,140	-36%
Knee	839	764	+10%
Total revenue	1,567	1,904	-18%

*Unaudited data

Implanet CEO Ludovic Lastennet said: *“In keeping with the last quarters of 2019, 2020 kicked off well for Implanet. January and February were marked by strong sales momentum. We posted 15% growth before the impact of Covid-19 in March and even outperformed our forecasts for the Knee business. Unfortunately, the Covid-19 pandemic has resulted in the global suspension of non-urgent surgeries. When we take into account the extension of lockdown measures until at least mid-May, the impact on our business will continue into the second quarter. Our staff are poised to resume business as soon as possible, in order to retrieve the strong momentum we built at the start of the year.”*

Total first quarter 2020 revenue amounted to €1.57 million, down 18% from €1.90 million in Q1 2019. Sales of JAZZ® products came to €0.73 million, down from €1.14 million in Q1 2019, heavily impacted by the March 17th suspension of surgical operations in direct markets and the postponement of JAZZ® export deliveries scheduled for the end of March. Sales of Knee products increased by 10% during the period to €0.84 million, up from €0.76 million in 2019, thanks to ongoing surgical operations and this, despite the delivery of the first KICO order in the United States being postponed due to the current environment.

Effects of the Covid-19 pandemic

During the last few weeks, Implanet’s business has been severely impacted by the suspension of non-urgent operations, first in select hospitals and now on a global level. Despite these circumstances, Implanet continues to serve its customers and has taken all steps in terms of logistics and inventory to ensure that business can resume as soon as possible.

In response to the global health and economic situation, the Company has introduced short-term work modifications for the majority of its employees. At this point in time, business is at a virtual standstill in France, Europe and the United States. Implanet is running an emergency service and, as such, revenues since the beginning of April have been very limited. As a result, the Company expects that the second quarter will also be impacted. Implanet should benefit from a catch-up effect during the following quarters when normal operations resume.

Where possible, management has adapted the fixed cost structure to the present circumstances, in order to minimize the long-term impact. Nonetheless, Implanet is continuing to receive products and complete quality procedures in order to support customer's requirements once the lockdown is relaxed or lifted.

From a cash perspective, Implanet has sufficient visibility having renewed its bond financing line with Nice & Green on February 7th. As a reminder, this line allows for a maximum amount of €4 million divided into two tranches of €2 million under resolutions passed by the General Meeting on March 25th, 2019 and April 7th, 2020.

Finally, amid this complicated situation that is impacting the whole industry, Implanet benefits from the support of the French government and the BPI, including an initial €0.4 million medium-term state-guaranteed loan. In the United States, following the enactment of the CARES Act (Coronavirus Aid, Relief and Economic Security Act), Implanet has submitted for Small Business Administration loans to support operations.

Implanet and its entire team rebuilt strong fundamentals in 2019. All elements are in place to ensure resumption of supply chain, product development, strategic partnerships and our direct sales model in priority regions. Implanet is well positioned to rebound during the global economic recovery.

Upcoming financial events:

- 2020 H1 revenue, July 7th, 2020 after market close
- 2020 H1 results, 15th September, 2020 after market close

About Implanet

Founded in 2007, Implanet is a medical technology company that manufactures high-quality implants for orthopedic surgery. Its activity revolves around two product ranges, the latest generation JAZZ® implant, designed to improve the treatment of spinal pathologies requiring vertebral fusion surgery, and the MADISON implant designed for first-line prosthetic knee surgery. Implanet's tried-and-tested orthopedic platform is based on product traceability. Protected by four families of international patents, JAZZ® and MADISON have obtained 510(k) regulatory clearance from the Food and Drug Administration (FDA) in the United States, the CE mark as well as the ANVISA authorization in Brazil. Implanet employs 36 staff and recorded 2019 sales of €7.4 million. For further information, please visit www.implanet.com. Based near Bordeaux in France, Implanet established a US subsidiary in Boston in 2013. Implanet is listed on Euronext™ Growth market in Paris. The Company would like to remind that the table for monitoring the equity line (OCA, OCAPI, BSA) and the number of shares outstanding, is available on its website: <http://www.implanet-invest.com/suivi-des-actions-80>

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