

IMPLANET reports revenue of €4.3 million in the first half of 2023

- Q2 2023 revenue of €2.1 million, stable compared with Q2 2022
- Continuation of the sales momentum for the new Medical Equipment activity
- First outcomes of the technological alliance signed with Sanyou Medical

Bordeaux, Boston, July 11, 2023 – 6.00 pm CEST: IMPLANET (Euronext Growth: ALIMP, FR0013470168, eligible for PEA-PME equity savings plans), a medical technology company specializing in vertebral implants for orthopedic surgery and the distribution of technological medical equipment, today announced its revenue for the first half of 2023.

Ludovic Lastennet, IMPLANET's CEO, stated: *"Implanet recorded stable revenue in the first half of 2023 compared with the same period of 2022, but the semester was marked by determined commercial launches resulting from our acquisition of OSD and our partnership with Sanyou Medical. Firstly, the exclusive distribution contract signed for Europe with SMTP, a subsidiary of Sanyou Medical, allows Implanet to offer a new activity distributing medical equipment to healthcare facilities. This activity, which has recorded a strong commercial performance since March, should represent a real growth engine in the coming months. At the same time, we have strengthened our presence in the United States with the FDA's approval of our Squale™ range of anterior cages. This range will be supplemented at the end of the year with a fixation system enabling us to provide a comprehensive range for treating cervical pathologies. Lastly, in June we initiated the European commercial launch of an innovative minimally invasive pedicle screw system. This is the first range resulting from Implanet and Sanyou Medical's combined expertise. These various elements are fully consistent with the strategy we have been deploying over the last two years or so aimed at establishing Implanet as a key player in spine surgery. We intend to build on this momentum over the coming months, the culmination being the upcoming initiation of Sanyou Medical's distribution of our JAZZ® range in China, the world's largest spine market by volume, with the first surgeries expected before the end of the year".*

Financial information for the first half of 2023

	Revenue (in € thousands - IFRS*)	H1 2023	H1 2022	Change
Spine	France	1,788	1,801	-1%
	United States	818	802	+2%
	Rest of the world	1,334	1,487	-10%
Spine revenue		3,940	4,090	-4%
Medical equipment (SMTP)		250	-	-
Services (MADISON™)		78	23	-
Total consolidated revenue, IFRS		4,268	4,112	+4%

	(in € thousands - IFRS*)	2023	2022	Change
First-quarter revenue		2,208	2,016	+10%

Second-quarter revenue	2,060	2,096	-2%
First-half revenue	4,268	4,112	+4%

**Unaudited figures*

In the first half of 2023, Spine activity decreased slightly, by around 4%, from €4.1 million to €3.9 million. Activity on the French and American markets, where the Company operates directly, generated stable revenue over the period at €1.8 million and €0.8 million respectively. Export activity, notably in Europe and Latin America, decreased by around 10% compared with the first half of 2022.

Financial information for the second quarter of 2023

<i>Revenue (in € thousands - IFRS*)</i>		Q2 2023	Q2 2022	Change
Spine	France	846	849	-0%
	United States	359	429	-16%
	Rest of the world	660	810	-19%
Spine revenue		1,865	2,088	-11%
Medical equipment (SMTP)		127	-	-
Services (MADISON™)		69	9	-
Total consolidated revenue, IFRS		2,060	2,096	-2%

**Unaudited figures*

Spine activity generated sales of €1.87 million in the second quarter of 2023, a decrease of 11% on the figure of €2.09 million recorded in the same quarter of 2022. Activity in France, the Company's second largest direct market, was stable compared with the second quarter of 2022.

In the United States, although volumes increased by 20% in the second quarter compared with the same quarter last year, the product mix and distribution channels negatively affected revenue, which fell 16% from €0.43 million in Q2 2022 to €0.36 million in Q2 2023.

Export activity in the rest of the world generated revenue of €0.66 million in the second quarter of 2023, versus €0.81 million in the same period of 2022.

Lastly, it should be noted that, as announced on June 21, 2023, the Company initiated the launch of a minimally invasive pedicle screw system in Europe in June and has already received its first orders. Deliveries of this product, the first innovation resulting from the partnership with Sanyou Medical, will begin during the third quarter of 2023.

Cash position

At June 30, 2023, Implanet had a cash position of €1.5 million.

As a reminder, the payment of the balance of the MADISON™ business, totaling €2.30 million, is spread over time depending on the achievement of certain regulatory milestones relating to CE marking, with €1.45 million of this figure received as expected during the second quarter of 2023 and €0.85 million due to be received in 2024.

Given these elements, combined with short-term actions to optimize cash flow, the Company considers that it has the means to cover its expected business financing requirements through to the end of 2023. The Company is actively studying several financing solutions in order to support the commercial development of its medical devices.

Key H1 2023 events

- ✓ Commercial launch of SMTP's ultrasound surgical scalpel in March 2023;
- ✓ FDA approval of the Squale™ range of anterior cervical cages in the United States;
- ✓ Commercial launch in Europe of the MIS range, a minimally invasive pedicle screw positioning system.

2023 strategy and outlook

- ❖ Finalize the registration of existing products within the framework of the new European Medical Device Regulation (MDR).
- ❖ Reinvalidate the Company's presence in the United States:
 - strengthen the resources and commercial means made available to the historical team;
 - strengthen the Company's direct approach by expanding our scientific team of thought leaders;
 - successfully register, with the FDA, the Origin™ product range resulting from the OSD acquisition.
- ❖ Strengthen market momentum and the product offering:
 - continue developing our existing strategic partnerships in the United States (SeaSpine) and Germany (Ulrich Medical®);
 - deploy the commercial and technological partnership with Sanyou Medical to jointly develop an innovative new European range of hybrid posterior fixation;
 - initiate the distribution of the JAZZ® platform in China (the world's largest spine market by volume) with Sanyou Medical;
 - distribute technological medical equipment in Europe such as SMTP Technology Co.'s ultrasound surgical scalpel.

Upcoming financial press release

- **2023 first-half results**, on September 19, 2023, after market close

About IMPLANET

Founded in 2007, IMPLANET is a medical technology company that manufactures high-quality implants for orthopedic surgery and distributing medical technology equipment. Its activity revolves around a comprehensive innovative solution for improving the treatment of spinal pathologies (JAZZ®) complemented by the product range offered by Orthopaedic & Spine Development (OSD), acquired in May 2021 (thoraco-lumbar screws, cages and cervical plates). Implanet's tried-and-tested orthopedic platform is based on the traceability of its products. Protected by four families of international patents, JAZZ® has obtained 510(k) regulatory clearance from the Food and Drug Administration (FDA) in the United States, the CE mark in Europe and ANVISA approval in Brazil. In 2022, IMPLANET entered into a commercial, technological and financial partnership with SANYOU MEDICAL, China's second largest medical device manufacturer. IMPLANET employs 43 staff and recorded a consolidated revenue of €8.0 million in 2022. Based near Bordeaux in France, IMPLANET opened a US subsidiary in Boston in 2013. IMPLANET is listed on the Euronext Growth market in Paris. For further information, please visit www.implanet.com.

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