



## IMPLANET reports an improvement in its 2021 half-year results

- H1 2021 revenue up 43% to €3.7 million
- Sharp increase in gross margin to 61.2%, vs. 55.7% in H1 2020
- 24% improvement in net loss vs. H1 2020

**Bordeaux, Boston, September 21, 2021 – 5.45 pm CEST** – IMPLANET (Euronext Growth: ALIMP, FR0013470168, eligible for PEA-PME equity savings plans), a medical technology company specializing in vertebral and knee-surgery implants, announces its results for the first half of the year to June 30, 2021, as approved by the Board of Directors on September 21, 2021.

**Ludovic Lastennet, IMPLANET's CEO**, said: *“The recentering of our operations initiated in 2020 pertaining to our Spine activity, combined with the upturn observed during the first half of the year, illustrate the relevance of our strategic focus. Despite the still limited impact of OSD's activity, given its acquisition date, we have been able to improve our gross margin over the period while continuing to rationalize our fixed costs. Combining IMPLANET and OSD's expertise has brought its first benefits with the signing of a contract with one of the major players in the spinal implant sector in Germany, ulrich medical®. Although the public health situation is not facilitating the return to normal surgical activity, the first results of this partnership should materialize during the second half of this year and confirm the return to growth that has already begun”.*

In € thousands - IFRS - Simplified income statement	H1 2021	H1 2020	Change %
<b>Revenue</b>	<b>3,718</b>	<b>2,595</b>	<b>43%</b>
Cost of goods sold	-1,442	-1,148	26%
<b>Gross margin</b>	<b>2,276</b>	<b>1,446</b>	<b>57%</b>
Gross margin %	61.2%	55.7%	+5.5 pp
Recurring operating costs	-3,990	-3,339	20%
Recurring operating profit/loss	-1,714	-1,892	9%
Other non-recurring operating income/expenses	0	-148	n/a
<b>Operating profit/loss</b>	<b>-1,714</b>	<b>-2,040</b>	<b>16%</b>
Financial profit/loss	-120	-370	67%
<b>Net profit/loss net</b>	<b>-1,834</b>	<b>-2,410</b>	<b>24%</b>

\*Unaudited data

## **H1 2021 revenue**

In the first half of 2021, IMPLANET generated revenue of €3.72 million, up 43% (vs. €2.59 million in H1 2020).

Thanks to the strategic acquisition of Orthopaedic & Spine Development (“OSD”)<sup>1</sup> in the first half of 2021, Spine activity saw strong growth of 71% compared with H1 2020, with sales totaling €2.58 million. Activity was also up 8% compared with H1 2019. Despite the still significant impact of the health crisis since the start of the year, MADISON activity was up by 5% compared with H1 2020.

## **Gross margin and operating profit**

Over the first half of 2021, the gross margin improved by 5.5 percentage points to €2.28 million, compared with €1.44 million in H1 2020.

Recurring operating expenses increased by €0.65 million over the period compared with the first half of 2020, primarily because of OSD costs of €0.30 million booked for the period from May 19, 2021 to June 30, 2021, as well as the resumption in activity and the end of partial work measures. Despite this increase, operating costs recorded a decrease of 27 percentage points, representing 107% of H1 2021 revenue compared with 134% in 2020. This improvement marks the continuation of the constant efforts to rationalize fixed costs.

Other non-recurring operating expenses in the first half of 2020 correspond to the costs incurred during the divestment of the Company’s Knee activity. There was thus a 16% improvement in the operating loss to -€1.71 million in H1 2021 from -€2.04 million in H1 2020.

Once the financial result is taken into account, the net loss was €1.83 million over the six months to June 30, 2021, a 24% improvement compared with the loss of 2.41 million recorded in the first half of 2020.

## **Cash position**

As of June 30, 2021, IMPLANET had cash and cash equivalents of €0.37 million (versus €1.14 million on December 31, 2020). As a reminder, in January 2021 the Company signed a bond financing program with Nice & Green for a total of €5.0 million. As of the date of this press release, €2.85 million was still available and to be subscribed to by Nice & Green.

## **2021 outlook**

Thanks to the integration of OSD in May 2021, IMPLANET now has a comprehensive range of innovative products for spine surgery. The two structures’ geographical complementarity also offers international development prospects for the entire range.

In the second half of 2021, activity should accelerate notably thanks to:

- The postponement of the first Madison surgical procedures in the United States, within the framework of the strategic partnership with KICo;
- The first spine surgical procedures following the exclusive agreement for the distribution of GLOBUS MEDICAL’s REFLECT® range to 15 French university centers specializing in pediatric spine surgery;
- The first deliveries of JAZZ implants and OSD cervical plates to ulrich medical® within the framework of the distribution contract signed in June.

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<sup>1</sup> Since May 19 2021, Spine activity includes revenue recorded by OSD, i.e. €0.52 million.

## Reminder of H1 2021 highlights

- Agreement for the acquisition of OSD, which specializes in developing, manufacturing and marketing implants for spine surgery;
- Clearance for the MADISON™ total knee prosthesis obtained from the TGA (Therapeutic Goods Administration) enabling the product to be marketed in Australia;
- Signing of a strategic partnership with ulrich medical® for the distribution of JAZZ® implants and the OSD cervical plate;
- Exclusive distribution contract with GLOBUS MEDICAL to market the latter's Scoliosis Correction System to 15 French university centers specialized in pediatric spine surgery in order to increase our market share.

The Half Year financial report as of 30 June 2021 is available on [IMPLANET's website](#) and on the [AMF website](#).

## Upcoming financial event:

- **Q3 2021 revenue**, on **October 12, 2021** 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, a comprehensive innovative solution for improving the treatment of spinal pathologies (JAZZ® and OSD), as well as the MADISON implant for first-line prosthetic knee surgery. 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. IMPLANET employs 29 staff and recorded sales of €6.0 million in 2020. For further information, please visit [www.implanet.com](http://www.implanet.com). Based near Bordeaux in France, IMPLANET opened a US subsidiary in Boston in 2013. In May 2021, IMPLANET acquired Orthopaedic & Spine Development (OSD), which specializes in developing, manufacturing and marketing implants for spine surgery and offers a product range that complements the latest generation JAZZ® implant (thoraco-lumbar screws, cages and cervical plates). IMPLANET is listed on the Euronext Growth market in Paris.

The Company would like to remind readers that the table for monitoring the equity line (OCA, BSA) and the number of shares outstanding is available on its website: <http://www.implanet-invest.com/suivi-des-actions-80>

## Contacts

### IMPLANET

Ludovic Lastennet, CEO  
David Dieumegard, CFO  
Tel.: +33 (0)5 57 99 55 55  
[investors@Implanet.com](mailto:investors@Implanet.com)

### NewCap

Investor Relations  
Mathilde Bohin  
Nicolas Fossiez  
Tel.: +33 (0)1 44 71 94 94  
[Implanet@newcap.eu](mailto:Implanet@newcap.eu)

### NewCap

Media Relations  
Nicolas Merigeau  
Tel.: +33 (0)1 44 71 94 94  
[Implanet@newcap.eu](mailto:Implanet@newcap.eu)