

TheraVet reports its 2023 half-year results and provides an update on the development of its activities

- ▼ **Sales increased by 29%** compared to first half 2022
- ▼ **Number of BIOCERA-VET units distributed¹ increased by 31%** compared to the first half of 2022, taking into account the successful introduction of BIOCERA-VET 3*1cc
- ▼ **Acceleration of sales growth over the summer months of 2023 with more than 250% increase in BIOCERA-VET units sold** compared to the summer months of 2022
- ▼ **Operating expenses reduced by 45%**, reflecting the transition from development to commercialization and the focus on increasing the Company's operational efficiencies

Gosselies (Wallonia, Belgium), September 06, 2023 – 7:30 am 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, 2023 and the publication of its half-year financial report.**

Recent operational highlights

- ▼ Pursue of positioning in high value indications with:
 - the launch of Equine program in February 2023;
 - the launch of Osteosarcoma Network Program in April 2023;
 - the assessment of BIOCERA-VET in non-union fractures of long bone with Key Opinion Leaders in May 2023.
- ▼ Commercial launch of BIOCERA-VET COMBO-CLEAN, a BIOCERA-VET version specifically adapted to be combined to antibiotics in June 2023
- ▼ Available cash of €1.75 million on June 30, 2023, covering operational activities until the end of second quarter 2024

¹ Including sales and samples

2023 half-year financial results

Financial information at June 30, 2023

All amounts are in € (Belgian GAAP) ⁽¹⁾	30.06.2023 6 months	31.12.2022 12 months	30.06.2022 6 months
Revenue	55,266	94,037	42,753
Other operating income	606,172	1,904,880	1,158,057
<i>Variation of stocks of finished goods and work and contracts in progress</i>	-8,746	144,524	142,359
<i>Produced fixed assets</i>	554,887	1,507,741	870,044
<i>Operating Grants</i>	2,606	53,508	46,665
<i>Other operating income</i>	57,424	199,107	98,989
Total Operating products	661,438	1,998,917	1,200,810
Operating charges	-1,233,841	-3,680,826	-2,226,290
<i>Goods for resale, raw materials, and consumables</i>	-39,839	-211,396	-258,244
<i>R&D Expenses</i>	-206,318	-593,224	-342,316
<i>Expenses related to the listed company</i>	-54,437	-190,573	-130,103
<i>Marketing and commercial expenses</i>	-73,297	-240,268	-130,309
<i>General & administrative expenses</i>	-414,643	-1,317,502	-752,258
<i>Staff</i>	-441,626	-1,124,566	-611,756
<i>Other operating charges</i>	-3,681	-3,297	-1,304
Gross Operating result	-572,403	-1,681,910	-1,025,480
Amortization & Depreciation	-686,722	-1,094,792	-193,509
Net Operating result	-1,259,125	-2,776,702	-1,218,989
Financial result	353,968	427,044	37,361
Result before taxes	-905,157	-2,349,658	-1,181,628
Income taxes		34,030	
Net result	-905,157	-2,315,628	-1,181,628
Net Cash & Cash equivalents at the end of the period	1,753,562	3,185,671	3,498,856

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

During the first half of 2023, TheraVet generated €55,266 of revenue representing an increase of 29% as compared to June 30, 2022.



The revenue of the first half of 2022 were generated for 93% by first orders (inventories building) of our distribution partners in the United Kingdom, Ireland, and Spain. In this first half of 2023, revenue was driven by the direct sales for 55%, in Europe and in the US.

During the first half of 2023, alongside the distributor network and the new distribution agreements concluded with Vetpharma (announced in February 2023) and more recently in New Zealand, Norway and Slovenia/Croatia, TheraVet has been more actively prospecting local prescribing veterinarians (Belgium, France, United Kingdom and USA).

These two sales channels enabled the distribution during the first six months of the year of 459 kits (sales and samples), compared to 412 kits distributed in the first half of 2022, an increase of 11%. Taking into account the introduction of the BIOCERA-VET 3*1cc kit in January 2023, which has been very successful, the number of BIOCERA-VET units distributed (sales and samples) has increased by 31%. (i.e., 130 units) compared to the first half of 2022.

Also, the more than 250% increase of BIOCERA-VET unit sales for first 2 months of the 3rd Quarter of 2023 compared to the same period in 2022, confirmed the acceleration of the revenue.

The Company also generated €554,887 of “capitalized production” as a result of the activation of development expenses related to the BIOCERA-VET® and VISCO-VET® programs during the first half of 2023, representing a decrease of €315,157 as compared to the first half of 2022.

The inventory of finished products and work in progress, valued at €13,226 at December 31, 2022 decreased by €8,746 during the first half of 2023.

Other operating income of €57,424 as of June 30, 2023, compared to the amount of €98,989 as of June 30, 2022, represents a decrease of €41,565 as a result of the decrease in payroll and the public financial contributions received in this context.

The decrease in “Operating charges” reflects the transition from development to the commercialization of BIOCERA-VET® products and the focus on increasing the Company’s operational efficiencies:

- **COGS** have been reduced, as the Company had anticipated at the end of 2022 the build-up of an inventory of products ahead of the continued expansion of the BIOCERA-VET® products in several countries.
- **R&D expenses** of €206,318 as of June 30, 2023 decreased by €135,998 (40%) compared to the first half of 2022.

This reduction is explained by the particularly important R&D activities performed in 2021 and 2022 compared to H1 2023:



- In the first half of 2022, activities related to the development of VISCO-VET® amounted to €241,043 and covered mainly activities related to the pivotal European clinical study and the manufacturing process validation whereas the activities related to the BIOCERA-VET® product range represented €99,034 mainly covering the clinical case collection to gather safety and efficacy results on the products.
- In the first half of 2023, activities related to the development of VISCO-VET® amounted to €104,239, covering mainly ongoing clinical development activities whereas the activities related to the BIOCERA-VET® product range represented €102,079, to finance ongoing product range optimization activities.
- **Listed company expenses** are amounting to €54,437 which represents a decrease of €75,666 compared to the first half of 2022 and resulting from the stock market communication activities.
- **Marketing & Sales expenses** amount to €73,297 representing a decrease of €57,012 as compared to first half of 2022, explained by the particularly high marketing expenses in first half of 2022 to prepare the commercial launch of the BIOCERA-VET® products on the European and American markets.
- **G&A expenses** represent €414,632, a decrease by €337,615 – almost 45% - as compared to the first half of 2022. This strong decrease results from an ongoing focus on optimizing the Company's structural expenses and organizational efficiency, as well as reduced reliance on external consulting fees compared to 2022.
- **Staff expenses** reached €441,626 in June 2023, compared to €611,756 as of June 30, 2022. This decrease of €170,130 is explained by an increase in organizational and process efficiencies in first half of 2023, following a rapid growth period in first half of 2022.

Finally, the amortization of development expenses related to the BIOCERA-VET® Bone Surgery and VISCO-VET® programs represents €686,722 in June 2023 and resulted in an operating loss of €1.26 million compared to €1.22 million as of 30 June 2022 and a reduced net loss of €0.9 million compared to €1.2 million at June 30, 2022.

The Company's cash and cash equivalents on June 30, 2023 amounted to €1.75 million allowing to fund operations until the end of the second quarter of 2024.



Post-closing event as of June 30, 2023

By the time of the publication of this press release, no materially significant events have taken place after June 30, 2023.

Next key milestones of the next half-year 2023

- ▼ Strengthened commercial position in Europe following the recent first BIOCERA-VET sales in Germany, Norway, Czech Republic and Slovenia
- ▼ Finalization of the development of the advanced formula of BIOCERA-VET COMBO-CLEAN

Half-year Report 2023

The 2023 half-year financial report ending June 30, 2023, will be published September 06, 2023, and will be available on the Company's website, www.theravet-finances.com.

Financial calendar 2024

Full year financial results: April 23, 2024

Ordinary General Assembly: June 06, 2024

Half-year business update: July 11, 2024

Half-year financial results: September 12, 2024



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 South Carolina.

For more information, visit the TheraVet [website](#) or follow us on [LinkedIn](#) / [Facebook](#) / [Twitter](#)

About BIOCERA-VET

In close collaboration with an international scientific board, THERAVET® has developed a new line of calcium-phosphate and biological bone substitutes, BIOCERA-VET®. BIOCERA-VET® is a full range of innovative, easy-to-use, efficient & cost-effective bone substitutes indicated in bone surgeries where a bone graft is required and as a palliative alternative in the management of canine osteosarcoma. Based on extremely promising clinical results, this line offers the possibility of a better, more convenient and more efficient orthopedic surgery.

BIOCERA-VET® is declined in different lines:

- BIOCERA-VET® BONE SURGERY RTU, a ready-to-use highly injectable self-hardening calcium-phosphate cement
- BIOCERA-VET® SMARTGRAFT, a naturally osteoconductive bone graft
- BIOCERA-VET® GRANULES, an affordable biocompatible calcium-phosphate bone substitute
- BIOCERA-VET® OSTEOSARCOMA RTU, a ready-to-use highly injectable calcium-phosphate bone substitute for cementoplasty
- BIOCERA-VET® COMBO-CLEAN, a local and long-lasting antibiotic delivery calcium-phosphate bone substitute

For more information, visit [BIOCERA-VET](#) website.

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.



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