

Ikonisys publishes its 2023 half-year financial results and reviews its operational and strategic deployments

- **Expansion of the market outside of the US and Europe and beginning of the commercialization of the high-volume system, Ikoniscope20max:**
 - Signing of a Distribution Collaboration with Integrated Gulf Biosystems Group for the distribution of the Ikoniscope20 solutions in the Middle East Markets and in India;
 - Successful completion of a private placement to accelerate the commercial development of the Ikoniscope20 solutions and enlarge the Company's international shareholders base;
 - First sale of the Ikoniscope20max solution in large volume, specialized urology laboratory, located in the Midwest USA;
- ***Subsequent events:***
 - Successful deployment of the commercial strategy with the second sale of the Ikoniscope20max solution and the internal validation of the first instrument sold, that started being used in routine clinical testing;
 - Initiation of ongoing discussions with industry players to establish potential commercial partnerships aimed at distributing a solution that covers the entire laboratory's workflow;
 - Completion of a new financing via the issuance of a €0.5m private Note to LPE II fund of Columbia Threadneedle Investment;
 - Completion of the study in collaboration with the Neag Cancer Center of UConn School of Medicine, demonstrating the power of the Ikoniscope platform for detection of extremely rare cells in the field of immuno-oncology;
 - Completion of the triennial ISO certification by Ikonisys Inc., reaffirming the Company's ability to continuously meet quality international standard requirements.
- **First sales of the Ikoniscope20max solution, validating the commercial strategy and the important developments carried on by the Company in the recent past**
- **Financial results slightly improved with respect to H1 2022, with sales of Ikoniscope20max yet to strongly impact revenues: net loss of €0.96 million in H1 2023 vs. €1.02 million in H1 2022**

Paris, October 30, 2023 - 07:30 a.m. CET - Ikonisys SA (Euronext Growth Paris: ALIKO), a company specializing in the early and accurate detection of cancers through a unique fully automated solution for medical analysis laboratories, today announced its financial results for the first half of the year ended June 30, 2023, approved by the Board of Directors on October 29, 2023, and provided an update on its business and development strategy.

Mario Crovetto, CEO of Ikonisys, said: *"The first half of 2023 and the following months have been characterized by working on the company's market penetration strategy. The final development of the Ikoniscope20max in late 2022 and the following installations in the USA have been an important milestone to start substituting the existing "generation 1" Ikoniscopes and initiate discussions with prospects that needed a high-volume instrument. In July we had the confirmation of the excellence of the Ikoniscope20max solution, that was flawlessly integrated in the workflows of the laboratories where it was installed. Moreover, in order to be able to provide our customers with a complete solution from processing to analysis (including reagents) we are in advanced discussion with industry players with presence both in USA and in Europe. We believe providing an end-to-end platform will be very beneficial for Ikonisys and could significantly boost our sales and our market presence in the main markets.*

On the R&D side, in addition to the fine-tuning of the Ikoniscope20max, we have been working intensively in the update of existing application using deep learning, thanks also to the first outcome of the collaboration with Polytechnic of Milano, and in the creation of new applications for our most advanced projects: Circulating Tumor Cells (CTC) and immuno-oncology. As demonstrated by the recent sales of the Ikoniscope20max, our ability to transform R&D investments into concrete commercial advances is well proven and we will continue to work hard in order to anticipate future needs in cancer diagnostics and continue to provide best-in-class solutions to laboratories and through them to all the people that in the years have been tested using one of our instruments."

Half-year results 2023 - Simplified consolidated income statement (unaudited)

Euros	H1 2023	H1 2022
Net Sales	128,909	207,212
Other income	145,689	-
Total Revenues	274,598	207,213
Cost of goods sold	(28,818)	(74,465)
Operating expenses	(1,159,240)	(1,149,075)
Operating income / (loss)	(913,461)	(1,016,327)
Financial income / (loss)	(55,465)	(5,630)
Taxes	-	-
Net income / (loss)	(968,926)	(1,021,959)

	30/06/2023	31/12/2022
Cash and cash equivalents	66,063	93,985

Details of the main changes in the financial statements

On a year-over-year basis, total revenues increased by 32%, mainly because of an increase in “other income” (items not directly related to the sale of Ikoniscope20) compared to H1 2022. The net sales slightly decreased because of the sales cycle of the Ikoniscope20max, that started being installed in Q2 2023.

While General & Administrative Expenses decreased from €501k in H1 2022 to €405k in H1 2023, the total amount of the Operating Expenses slightly increased from €1,149k in H1 2022 to €1,159k in H1 2023. This is due to an increase in depreciation and amortization. In fact, starting from the beginning of 2023, capitalized R&D costs for the Ikoniscope20max started being amortized. We remind that capitalized R&D costs for the Ikoniscope20 started being amortized in 2022.

The increase in total revenues and the very limited increase of operating expenses led to a slightly improved net loss equivalent to €968k, a 5% decrease with respect to a net loss of €1,021k over the same period in 2022.

The consolidated cash position as of June 30, 2023 amounts to €66k, compared to €93k as of December 31, 2022. It should be noted that this position does not include the €0.5m financing by LPE II fund of Columbia Threadneedle Investment announced on August 2, 2023 and the financing facility for a total amount of €5.1m established with Atlas Capital Markets on October 5, 2022.

Strategy and outlook

Building on the successes achieved in the past 2 years, Ikonisys plans to continue to ramp up its global marketing strategy, following also the way of strategic partnerships.

The successful beginning of the commercialization of the high-volume Ikoniscope20max solution in reference laboratories is the first step to reach high-volume, national customers, that could easily see the importance of adding full automation to their workflow. In this context Ikonisys aims to prove a full solution to its customer, positioning itself as a turnkey solution provider to the many oncology diagnostics laboratories in Europe and USA.

The support by renowned partners such as the University of Connecticut in the United States (immune-oncology), the Sheba Medical Center in Israel (Circulating Tumor Cells), and Polytechnic of Milan in Italy (AI) has helped the company in pushing forward its cutting-edge technology. This strong network is allowing the company to enhance its development activities and will serve as a catalyst to address future markets. The aim of the company is moving even more into the personalized medicine, thanks to its advancements in artificial intelligence and in the ability to find rare cells such as CTC circulating in patients’ blood (or, possibly, other bio fluids).

The clear lack of fully automated systems and the ongoing trend that is seeing a decrease in the number of active pathologists continue to show that Ikonisys is perfectly positioned to meet the needs of users and become an important player in the oncology arena.

The half-year financial report for 2023 will be available, on Monday October 30, in the Investors section of the Ikonisys website.

About Ikonisys

Ikonisys SA is a cell-based diagnostics company based in Paris (France), New Haven (Connecticut, USA) and Milan (Italy) specialized in the early and accurate detection of cancer. The company develops, produces and markets the proprietary Ikoniscope20® and Ikoniscope20max® platforms, fully-automated solutions designed to deliver accurate and reliable detection and analysis of rare and very rare cells. Ikonisys has received FDA clearance for several automated diagnostic applications, which are also marketed in Europe under CE certification. Through its breakthrough fluorescence microscopy platform, the company continues to develop a stream of new tests, including liquid biopsy tests based on Circulating Tumor Cells (CTC).

For further information, please go to www.ikonisys.com

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