

2019 annual results in line with the development plan

Chassieu (France), March 27, 2020 - AMOEBA (FR0011051598 - AMEBA), producer of a biological biocide capable of eliminating the risk in water and human wounds, and of a biocontrol product for plant protection, still in the testing phase, announces today its 2019 annual financial results.

The Board of Directors, who met on March 27, 2020, approved the parent company and consolidated financial statements of the AMOEBA Group for the year ended December 31, 2019.

The Statutory Auditors have performed their audit and have not identified any material misstatement that would call into question their compliance. The certification reports are in the process of being issued.

AMOÉBA Consolidated P/L (in K€)	31/12/2019 €	31/12/2018 €
Turnover	122	122
Subventions	538	329
Industrial development expenses	(703)	(991)
Research and development expenses	(2 613)	(1 553)
Overheads	(2 576)	(2 888)
Sales and marketing expenses	(274)	(469)
Current operating profit	(5 506)	(5 450)
Other income/expenses	-	(625)
Operating profit	(5 506)	(6 075)
Financial expenses	(1 744)	(1 148)
Net profit	(7 250)	(7 223)

2019 Results in line with 2018.

Amoéba's operating profit at 31 December 2019 amounts to -5,506 K€ and shows an improvement of 9% compared to the 2018 financial year operating profit despite the recording in R&D expenses of a provision for depreciation of 933 K€ on intangible assets.

- The turnover at December 31, 2019, consisting mainly of the AQUAPROX fee, amounts to 122 K€.

- Subsidies of 538 K€ are up by more than 200K€ compared to 2018. They consist of the Research Tax Credit and reflect the efforts made by the company in terms of research and development on its biocontrol application during the year 2019.
- The non-approval of the biocide active substance in Europe and the subsequent postponement of the production activity start (see press releases of 26 April and 29 November 2018) led to a decrease in industrial deployment costs.
- Research and Development expenses amounted to €2,613K versus €1,553K in 2018. This increase is mainly due to a provision on intangible assets of €933 K recorded after the withdrawal of the application for marketing authorisation of the biocidal product in the United States and the subsequent postponement of the production operations in North America (see press release dated 19 August 2019).
- Marketing/sales expenses decreased to 274 K€ compared to 469 K€ in 2018.
- Overheads amounted to €2,576 K at 31 December 2019 and showed a 10% decrease in comparison to 2018 (€2,888 K).
- At December 31, 2019, no non-operating expenses were recognized, unlike at December 31, 2018 (mainly impact of restructuring charges of €491k).

The financial result mainly includes interest charges related to bank loans.

As a result, the net result amounts to -7,250 K€ compared to -7,223 K€ at 31 December 2018.

At 31 December 2019, the Company's equity amounts to 4.2 M€ compared to 5.4 M€ at 31 December 2018.

The Company's financial debt amounts to € 8.5 million and mainly consists of the EIB loan (€ 5 million) and capitalised interests (€ 2 million), bonds not yet converted at the closing date (€ 0.5 million) and debts related to rental obligations (€ 0.6 million).

Cash and cash equivalents amount to € 4.8 million compared to € 3.5 million at December 31, 2018.



A 2019 year mainly marked by the continued development of the biocontrol application for plant protection and the monitoring of regulatory dossiers for the marketing of the biocide application.

During 2019, Amoéba mainly focus on the following:

1. The development of the biocontrol application.

In this context, the Company announced 3 major scientific breakthroughs:

- a. A new formulation of its active substance in a powder form composed of lysed *Willaertia magna C2c Maky* amoebae allowing (i) a longer shelf life, (ii) an easier transport and storage and (iii) the elimination of any hypothetical risk of forming a reservoir for pathogenic bacteria (see press release dated February 11, 2019).
- b. The demonstration of a dual action, eliciting on grapevine and direct by total inhibition of germination of the downy mildew agent (*Plasmopara viticola*) of *Willaertia magna C2c Maky* in lysed form (cf. press release of 7 March 2019).
- c. The demonstration of an efficacy of more than 85% of the amoeba lysate *Willaertia magna C2c Maky* in planta against bean rust which broadens the potential spectrum of action of the biocontrol application.

In addition, in accordance with its business plan, the Company carried out 13 field trials against downy mildew on grapes during the second quarter of 2019 (see press release dated July 29, 2019). These trials will be used to prepare the biocontrol regulatory dossier for the active substance at European level, which is due to be submitted in the second quarter of 2020 and for which Austria has agreed to act as Rapporteur Member State.

2. The follow-up of the regulatory dossiers for the marketing authorization of the biocidal application in Europe and North America.

- a. In Europe: the Malta Competition and Consumer Affairs Authority (MCCAA) has agreed to be the competent authority evaluating the new application for approval submitted in August 2019 (see press release of 12 August 2019).
- b. In Canada: in January 2019, the Company submitted to the Canadian Pest Management Regulatory Agency (PMRA) an application to register the biocidal active substance *Willaertia magna C2c Maky* and the biocidal product BIOMEBA, in order to market the latter in Canada.
- c. In the United States: on August 19, 2019, the U.S. Environmental Protection Agency (EPA) informed the Company that it could not grant registration for the use of the *Willaertia magna C2c Maky* amoeba in cooling towers (see press release dated August 19, 2019). Based on discussions with its U.S. regulatory consultants and the EPA, Amoéba has decided to voluntarily withdraw the application and considers to file a new application in July 2020.

3. The knowledge enhancement on the amoeba *Willaertia magna C2c Maky*

In December 2019 the Company published in Scientific Reports, a journal of the Nature Publishing group, the complete genomic analysis of the *Willaertia magna C2c Maky* amoeba. This study, result of a partnership with the Institut Hospitalo-Universitaire Méditerranée Infection in Marseille, reports the complete sequencing and genome analysis of the *Willaertia magna C2c Maky* amoeba and reinforces the evidence of the amoeba's safety.

4. The implementation of two bond financings with profit-sharing program (OCAPI) with Nice & Green SA.

- a. During 2019, a financing operation was set up with the company Nice & Green through the reserved issue of 312 bonds convertible into shares representing a total nominal amount of EUR 6,240,000 (see press releases of December 3, 2018 and January 16, 2019). As of December 31, 2019, all 312 bonds were issued. 6,456,770 new ordinary shares were created by conversion of bonds numbered from 1 to 286, bringing the total number of outstanding shares to 12,473,422.
- b. On 17 December 2019, the Company announced the signature of a new contract with Nice & Green for a total nominal amount of € 6,240,000. The effective implementation of this financing resulted in the preparation of a prospectus subject to the AMF approval (approval number 20-011) and was approved at the Ordinary and Extraordinary Shareholders' Meeting held on March 13, 2020, which delegated to the Board of Directors the authority to decide to issue bonds convertible into shares with cancellation of shareholders' preferential subscription rights in favor of Nice & Green S. A. The issue by Amoéba of the OCAs and the possible issue of new ordinary shares, for which admission to trading will be requested, is intended to ensure the continuity of operations until August 2021.

Recent developments and outlook

1. Impact of the Covid 19 health crisis on the Company's development

Following the latest measures taken by the French government on March 17, 2020, the Company remains organized to ensure the continuity of its activities, namely research, field trials and the finalization of regulatory files.

After analysis, the only anticipated impact to date by the Company is the extension by two months - over a total preparation period of two years - of the biocontrol regulatory dossiers submission. Thus, the European dossier, whose submission was scheduled for the end of March 2020, will be submitted to the Austrian competent authority before the end of May. The submission of the

dossier to the US Environmental Protection Agency (US EPA), which was scheduled for the end of May, will be submitted by the end of July 2020 at the latest.

Amoeba is committed to protecting the health of its employees and complying with government regulations by applying the strictest safety measures, while at the same time maintaining its production facilities. The ability to supply experimental products containing the amoeba lysate *Willaertia magna C2c Maky* for field tests is strategic for the coming period. For Amoéba, it is necessary to have sufficient stock to carry out its own field trials, but also to ensure the supply of partners for the new phase of tests. The field trial campaign in 2020 will indeed be conducted partly by Amoéba but also in partnership with international players specialized in crop protection. Two MTAs (Material Transfer Agreements) have already been signed with the De Sangosse Group and Stähler Suisse SA (see press releases of 18 and 25 March 2020) and other partnerships are being finalised.

2. Approval of the bond financing operation at the Shareholders' Meeting of March 13, 2020

As recalled above, the Ordinary and Extraordinary Shareholders' Meeting held on March 13, 2020 voted in favor of setting up a second bond financing with Nice & Green SA and granted to the Board of Directors a delegation of authority to decide on the issue of 312 bonds for a total nominal amount of €6,240,000.

3. New article release in a scientific journal

On February 7, 2020, Amoeba published an article in the recognized scientific journal, *Pathogens*, which reconfirmed the direct effect of predation and elimination of legionella by the amoeba *Willaertia magna C2c Maky*.

4. Continuity of operations

The Company has carried out an analysis of its cash flow forecast, which enables it to finance its needs without additional revenues until August 2021.

However, it appears from this analysis that the continued development of the Company is conditioned to the signature of an issuance contract for 200,000 warrants in favor of the European Investment Bank, the subsequent cancellation of the covenant attached to the EIB loan and the approval of this operation by the Shareholders' Ordinary and Extraordinary General Meeting to be convened for May 28, 2020.

The financial statements for the year ended December 31, 2019 were approved by the Board of Directors on a going concern basis, based on business and cash flow forecasts higher than 12 months.

Next date:
Annual Shareholders' Meeting: May 28, 2020



About AMOÉBA:

Amoéba's ambition is to become a major player in the treatment of bacterial risk in the fields of water, healthcare and plant protection. Our biological solution is an alternative to chemical products widely used today. Amoéba is currently focusing on the market of industrial cooling towers estimated at €1.7Bn ⁽¹⁾ on a global chemical biocide market for water treatment, evaluated at €21Bn ⁽²⁾ and on the biocontrol market for plant protection estimated globally at €1.6Bn ⁽⁴⁾. In the future, the Company is looking at developing new applications such as chronic wound care, estimated at € 751 million ⁽³⁾ in the USA. Sales of associated products with healthcare, biocides and crop protection are subject to the Company being granted local regulatory market authorizations. The Company is currently in a trial phase for biocidal and plant protection applications and does not market any products.

Created in 2010, based in Chassieu (Lyon, France) with a subsidiary in Canada and in the United States, Amoéba is quoted on the compartment C of Euronext Paris. The Company is a member of the BPIfrance Excellence network and is eligible for the PEA-PME SME equity savings plan setup. More information on www.amoeba-biocide.com.

(1): Amoéba data combined from sources: DRIRE 2013, Eurostat, ARHIA 2013

(2): Sources combined by Amoéba from water treaters, Freedomia, Eurostat et MarketsandMarkets

(3): BCC Research, "Markets for Advanced Wound Management Technologies," Wellesley, MA, 2017

(4): Biopesticides Worldwide Market 2013, CPL, Wallingford, UK

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Disclaimer

This press release contains certain forward-looking statements concerning AMOÉBA which are based on its own assumptions and hypothesis and on information that are available to us. However, AMOÉBA gives no assurance that the estimates contained in such forward-looking statements will be verified, which estimates are subject to numerous risks including the risks set forth in the reference document of AMOÉBA filed with the French Financial Markets Authority (*Autorité des Marchés Financiers*) on April 25, 2019 under number D19-0383 (a copy of which is available on www.amoeba-biocide.com). The forward-looking statements contained in this press release are also subject to risks not yet known to AMOÉBA or not currently considered material by AMOÉBA. The occurrence of all or part of such risks could cause actual results, financial conditions, performance or achievements of AMOÉBA to be materially different from such forward-looking statements.