



Press release – regulated information – inside information

Biotalys Reports Full Year 2021 Financial Results and Business Highlights

- **IPO** – Initial Public Offering providing a strong financial runway to further exploit the potential of the company's proprietary AGROBODY Foundry™ platform
- **EVOCA™** – First protein-based biocontrol Evoca on track for expected market calibration in the U.S. in 2022
- **PRODUCT PIPELINE** – Breakthrough increase in production level of Evoca's active ingredient triggers adjustment of the company's pipeline
- **PARTNERSHIPS** – Strategic partnerships with Bill & Melinda Gates Foundation, Biobest, Olon and Kwizda Agro
- **CASH** – Year-end cash and cash equivalents amounted to €56.1 million

Conference call and live [webcast](#) today at 15:00 CET / 14:00 GMT / 09:00 EST, details below

Ghent, BELGIUM – 11 March 2022, 07:00 CET – [Biotalys \(Euronext - BTLS\)](#), an Agricultural Technology (AgTech) company protecting crops and food with protein-based biocontrol solutions, today announces its business highlights and consolidated financial results for 2021, prepared in accordance with IFRS as adopted by the European Union, as well as selected post period events and an outlook for the remainder of 2022. The annual report, including the full financial report, is available on the [company's website](#).

Patrice Sellès, Chief Executive Officer of Biotalys, commented: "2021 has been a historic year for Biotalys where we have made outstanding progress in many areas. Guided by new leadership in the Board of Directors, our Initial Public Offering on Euronext Brussels has significantly increased the global visibility of the company with partners, growers and investors."

"Our first protein-based biocontrol Evoca is expected to receive EPA regulatory approval in H2 2022, which should be one of the key milestones for our company this year. The product is on track for market calibration in selected states in the U.S. later this year. The product demonstrated strong performance in independent field trials by renowned public institutions in the U.S."

"Recently, our strain engineering and manufacturing teams have achieved a breakthrough in protein expression of the bioactive ingredient of Evoca, using our state-of-the-art biotech toolbox. This unprecedented achievement creates an opportunity to bring a next generation of the product to the market in 2026 at competitive efficacy and cost to growers. To leverage this opportunity, we have decided to adapt our pipeline of product candidates to focus our internal efforts on capturing market share as rapidly as possible with the next generation of Evoca products. We will therefore merge the current BioFun-5 and BioFun-6 programs to consolidate efforts in the biofungicide space and focus on providing growers a complementary and differentiated biocontrol solution by 2028."

2021 Operational Highlights (including post-period)

Evoca™ is a protein-based biofungicide that aims to provide fruit and vegetable growers with a new rotation partner in integrated pest management (IPM) programs. It helps control diseases such as Botrytis and powdery mildew, thus reducing the dependency on chemical pesticides with



corresponding residues in harvested produce while offering a distinctive new tool to manage pathogen resistance development.



- Following the submission to the Environmental Protection Agency (EPA) in the United States in December 2020, [Biotalys passed both the provided completeness check and the preliminary technical screening in 2021](#). Biotalys also submitted for approval in California in April 2021, as this State performs its own in-depth review. In the European Union, Biotalys received confirmation from the European Food Safety Authority (EFSA) and the Dutch Board for the Authorisation of Plant Protection Products and Biocides (Ctgb) that the registration dossier submitted in March 2021 for the active substance of Evoca was admissible for review.

The company expects to receive EPA approval in H2 2022 which will be one of the key milestones for this year and will also pave the way for the regulatory assessment of our product pipeline in the future.

- Biotalys expects to initiate a stepwise market calibration of Evoca in selected states in the U.S. starting in late 2022, conditional upon regulatory approval. In December 2021, [Biotalys appointed Biobest](#), a global leader in biocontrol and pollination, as exclusive distributor of Evoca in the U.S. for all crops and applications.
- Evoca demonstrated strong performance both [in the company's own field trial program](#) as in [independent field trials conducted by highly reputed public institutions in the U.S.](#) In 2021, more than 200 additional field and greenhouse trials were performed for Evoca product development and positioning, leading to Biotalys' ongoing global fruit and vegetable trial program reaching over 500 trials across multiple regions, pathogens and crops. These field trials provide Biotalys with a tremendous amount of data points on Evoca.

Biotalys' **pipeline of product candidates** includes programs in biofungicides, biobactericides and bio-insecticides.

- Building on the Biotalys' AGROBODY Foundry™ technology platform, the company achieved end of 2021 a [breakthrough in protein expression](#) of the bioactive ingredient of Evoca. By using its state-of-the-art protein expression toolbox, the strain engineering and manufacturing teams have accomplished more than 500% increase in production, representing an unprecedented achievement for the active protein of Evoca in the yeast *Pichia pastoris*. If confirmed in large scale production, the achieved production increase will significantly lower the production costs of the protein as active ingredient of the end products.

While Evoca is positioned as a tool to calibrate the market, the company now believes that a next generation of the product – based on the same bioactive – has the potential to provide commercial value at competitive efficacy and cost to growers.

- In view of the recent breakthrough in protein expression, **the company has decided to adapt its pipeline** to consolidate its efforts in biofungicides on capturing market share as rapidly as possible with the next generation of Evoca products by 2026. As the subsequent BioFun-5 program was

also positioned to deliver a commercial product by 2026, and would therefore compete for resources with the next generation of Evoca, BioFun-5 will now be merged into BioFun-6 to focus on providing growers a differentiated biocontrol solution by 2028 as planned.

By consequence, Biotalsys' pipeline of protein-based biocontrols can today be presented as follows:

AGROBODY Foundry™ - Transformative pipeline



- The expected timelines and addressable market for the respective pipeline programs remain as previously communicated. Biotalsys pipeline of product candidates can be summarised as follows:
 - Evoca remains the key product for market calibration in the US through an exclusive distribution partnership with Biobest.
 - The second generation of Evoca (containing the same protein bioactive, with enhanced manufacturing and formulation) is currently in the development stage. The product will be submitted to the EPA in the US and the European Food Safety Authority (EFSA) in the EU for rapid follow-on registration to replace Evoca in the US and enter into the European market as of 2024, allowing Biotalsys to make a significant step towards cost reduction as compared to the original investment plan.
 - The third generation of Evoca (containing the same protein bioactive, with optimized manufacturing and formulation) has progressed into the development stage. It is expected to enter both the US and the EU markets by 2026, and expected to provide commercial value at a faster pace than anticipated for the BioFun-5 program that it will therefore replace in terms of crops, geographies and partnership potential.
 - BioFun-6 is progressing according to plan, allowing Biotalsys to focus on the throughput and selection capacity, increasing the probability of success and a differentiating offer in the field of fruit and vegetables protection by 2028. The acquired knowledge, assays, processes and lead candidate from the previous BioFun-5 program are fully incorporated into the frame of the BioFun-6 program. With this change, Biotalsys is enhancing its focus on the most value generating program, decreasing the risk while securing a strong IP position on recent achievements.



- The other pipeline programs (BioFun-2, BioFun-4, BioFun-7, BioBac-1 and BioIns-1) are expected to provide valuable IP and know-how strengthening the company's AGROBODY Foundry platform and could form the basis of further R&D collaborations.

Biotalys also entered into several **strategic partnerships in R&D, distribution, manufacturing and formulation** throughout the course of 2021.

- In October 2021, [Biotalys was awarded a multi-year grant by the Bill & Melinda Gates Foundation](#) to develop new biological solutions for cowpea and other legumes (BioFun-7). During the course of the four-year project that has started beginning 2022, Biotalys is receiving a grant of close to USD 6 million in installments to achieve, by the end of 2025, proof-of-concept of effective *on planta* protection of the cowpea crop from leaf spot by an AGROBODY™ bioactive.
- In December 2021, [Biotalys announced a strategic partnership with Biobest](#) under which Biobest is granted access to five protein-based biocontrol solutions developed by Biotalys on its AGROBODY Foundry technology platform for Biobest's global offer in covered crops and berries. For each of the product candidates being promoted to the development stage, the companies will negotiate a tailored global distribution agreement and associated fees (for the technology and product) taking into account the spectrum, potency and crop applicability of the bio-fungicide, bio-insecticide or bio-bactericide solution involved.
- In January 2022, [Biotalys announced the appointment of Olon](#), a world-leading contract development and manufacturing organization, as manufacturer of its products. Olon will produce the active ingredient of Evoca at its world-class biotech manufacturing sites in Italy, in batches of up to 112m³. This upscaling signifies a major step forward in terms of production efficiency and scalability of protein-based biocontrols.
- Biotalys also announced in January 2022 an [agreement with Kwizda Agro to act as the formulator](#) of the protein-based biocontrol products developed by Biotalys. This agreement forms a critical step in the set-up of the production process for Biotalys' unique products, starting with its first biofungicide Evoca planned for market calibration in the United States. The partnerships with Olon and Kwizda Agro enable the market calibration of Evoca.

Biotalys earned recognition for its products and innovation in **several awards** in 2021:

- In May 2021: [Finalist in Fast Company's 2021 World Changing Ideas](#), an awards program showcasing some of the world's most inventive companies that are pursuing innovation for the good of society and the planet.
- In October 2021: [Finalist for the Scale-up of the Year 2021 Award of the Flemish Government](#), recognising its recent progress as fast-growing company with international ambitions.
- In December 2021: [SEAL Award](#), recognising companies from all over the world that show Sustainable and Environmental Leadership. Biotalys won in the category Sustainable Innovation.



Biotalys continues to strengthen its **patent portfolio** to protect its science and products. In 2021, seven patents were granted to the Company as follows: in the U.S. related to certain VHH polypeptides; in Japan and Australia (x2) related to certain compositions; in Canada related to a seed treatment composition; and in Canada and Brazil related to a targeting agent.

At the beginning of 2021, Biotalys moved to its **new facility** located at Buchtenstraat 11, Ghent (Belgium), comprising offices, state-of-the art laboratories (including growth chambers) and technical spaces, totaling approximately 2,600 m². This new facility operates as the Company's headquarters and accommodates the in-house R&D as well as the majority of the Company's managerial and support functions. On 9 September 2021, Mrs. Hilde Crevits, [Flemish Minister of Agriculture, Science and Innovation, officially inaugurated the new facilities.](#)

2021 Corporate Highlights

In July 2021 [Biotalys successfully listed on Euronext Brussels](#) with the support of local and international investors, raising a total of €52.8 million. The IPO provided the company with a strong financial runway to further exploit the potential of its proprietary AGROBODY Foundry™ platform. Following the IPO, Biotalys entered the Euronext BEL Small® index in September 2021.

The company strengthened its Board of Directors in 2021 with the appointment of [Simon Moroney](#) as Chairman of the Board, as well as the appointment of [Catherine Moukheibir](#) and [Markus Heldt](#) as Independent Directors.

In addition, the Board of Directors will propose to the General Shareholders Meeting of 15 April 2022 to appoint **Michiel van Lookeren Campagne** as Independent Director as of 1 June 2022. Michiel van Lookeren Campagne is currently Director Agriculture & Food at CSIRO, Australia's national science agency, based in Canberra, Australia, and previously had an international career as a scientific executive and thought leader at multiple major companies in the agricultural sector. Additional information will be shared once the appointment is confirmed by the General Shareholders Meeting.

In October, [Patrick McDonnell strengthened the executive team as Chief Business Officer](#) based in Biotalys' offices in Research Triangle Park (RTP), the heart of US AgTech activities, in North Carolina. Biotalys also attracted key personnel for various of its departments, including the Discovery, Development, Finance and Business Development functions.

Outlook for 2022

Additional to the above achievements, Biotalys anticipates achieving the following key milestones in 2022:

- receiving EPA registration approval for Evoca in the US in H2 2022;
- initiating the market calibration in the US with our partner Biobest focusing on entering the high value markets of covered fruit and vegetables, berries and grapes by leveraging the close relationship between Biobest and its grower customers;
- appointing a Chief Technology Officer to complement capabilities, leverage the potential of the AGROBODY Foundry technology platform to secure new collaborations and create additional value; and

- engaging further academic and industrial collaborations to validate and accelerate the development of the AGROBODY Foundry.

The financing obtained with the IPO in July 2021 provides the company with additional funding to further expand the capabilities and potential of its proprietary AGROBODY Foundry platform, and to continue progressing its product pipeline. The company expects the cash burn in 2022 to range between €27 and 29 million, in line with the envisaged investments in the pipeline, platform and manufacturing requirements.

Detailed financial review

In € thousand	2021	2020
Other operating income	1,995	1,402
Research and development expenses	(13,880)	(11,488)
General and administration expenses	(4,905)	(2,357)
Marketing expenses	(1,289)	(834)
Operating loss	(18,079)	(13,276)
Financial income	1,510	2,710
Financial expenses	(343)	(171)
Loss before taxes	(16,913)	(10,737)
Income taxes	(16)	(13)
Loss for the period	(16,929)	(10,750)
Remeasurements gains (losses) on defined benefit plans	5	(6)
Exchange differences on translating foreign operations	5	20
Total comprehensive loss of the period	(16,919)	(10,736)
Basic and diluted loss per share (in EUR)	(1.10)	(14.33)
Profit/(loss) for the period attributable to the owners of the company	(16,929)	(10,750)
Total comprehensive income for the period attributable to the owners of the company	(16,919)	(10,736)
Cash and cash equivalents	56,107	23,103

Consolidated statements of profit and loss

- **Other operating income** amounted to €2 million and relates to R&D tax incentives received and grants awarded to support R&D activities. The primary increase relates to grants from government and the Bill & Melinda Gates Foundation to support Biotallys' R&D activities, which accounted for €1.0 million for 2021 (2020: €0.45 million).
- **Research and development expenses** amounted to €13.9 million for 2021, an increase of €2.4 million compared to 2020. These increases primarily relate to increases in internal staffing levels

to develop the company's pipeline product candidates, depreciation of lab equipment and external spending for production, field trials and regulatory expenses for Evoca.

- **General and administrative expenses** amounted to €4.9 million for 2021, compared to €2.4 million in 2020. The increase was mainly driven by an increase in employee benefit expenses, strengthening the company's management team and an increase in professional services related to the preparation for the initial public offering in July 2021.
- **Marketing expenses** rose from €0.8 million in 2020 to €1.3 million in 2021 as a result of strengthening of the sales and marketing team in support of the expanded market calibration of Evoca planned for 2022 and beyond.
- **Financial income** amounted to €1.5 million in 2021, compared to €2.7 million in 2020, and related primarily to the full release of the remaining derivative liability of the Anti-Dilution warrants as they were cancelled upon the IPO.
- **Financial expenses** amounted to €0.3 million and related primarily to interest expenses for the leases and bank loans (€0.2 million in 2020).
- **Income taxes expense** remained negligible as in 2020.
- **Loss of the period** was €16.9 million, compared to €10.7 million in 2020.
- **Basic and diluted loss per share** for 2021 amounted to €1.10 compared to €14.33 in 2020 (following adjustment to reflect the 2:1 reverse share split with the IPO).
- **Cash and cash equivalents** increased to €56.1 million in 2021 (compared to €23.1 million in 2020), as a result of the company's IPO in July 2021, partially offset by changes in the level of working capital, higher R&D expenditures and strengthening of the company's management team.

Auditor Statement

The statutory auditor has issued an unqualified report dated 10 March 2022 on the Company's consolidated financial statements as of and for the year ended 31 December 2021 and has confirmed that the cumulative full year accounting data reported in the accompanying press release is consistent, in all material respects, with the accounts from which it has been derived. The condensed consolidated financial statements are derived from the consolidated financial statements at 31 December 2021 that were authorized for issue by the Board of Directors on 10 March 2022. The condensed consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted for use in the European Union.

Financial calendar and upcoming IR-events

- 11 March 2022: Online publication of annual report 2021
- 15 March 2022: Biotalys' CEO and CFO will meet with investors at the Berenberg's EU Opportunities Investor Conference (Benelux Day) in London
- 22-23 March 2022: Biotalys' CEO, CBO and COO will meet with investors at the World AgriTech Conference in San Francisco
- 30 March 2022: Biotalys' COO and Head of IR will give a presentation at the Bolero webinar on food value chain
- 31 March 2022: Biotalys' CEO, CFO and Head of IR will participate in a virtual investor roadshow organized by Kepler Cheuvreux
- 4-6 April 2022: Biotalys' CEO and CFO will give a presentation to investors at the Global Ag Investing Conference in New York
- 15 April 2022: Annual General Meeting



- 23 April 2022: Biotalys' CEO will give a company presentation at VFB's Annual Happening in Antwerp
- 5 May 2022: First Biotalys Shareholders Club at Biotalys' HQ in Ghent
- 1 June 2022: Biotalys' CEO, CFO and Head of IR will give a presentation at the Kepler Cheuvreux ESG-conference
- 19 August 2022: Publication of half year results 2022

Live webcast and conference call

Company management will host a live webcast in English to discuss its full year 2021 results and business highlights today, 11 March 2022, at 15:00 CET / 14:00 GMT / 09:00 EST.

Webcast link: <https://edge.media-server.com/mmc/p/vxozutog>

Dial-in details:

Belgium: 027933847

France: 0170700781

Germany: 06922222625

Netherlands: 0207956614

Switzerland: 0445807145

UK/International: +44 (0) 2071 928338

United States: +1 646 741 3167

Passcode: 5116258

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About Biotalys

Biotalys is an Agricultural Technology (AgTech) company protecting crops and food with proprietary protein-based biocontrol solutions and aiming to provide alternatives to conventional chemical pesticides for a more sustainable and safer food supply. Based on its novel AGROBODY™ technology platform, Biotalys is developing a strong and diverse pipeline of effective product candidates with a favorable safety profile that aim to address key crop pests and diseases across the whole value chain, from soil to plate. Biotalys was founded in 2013 as a spin-off from the VIB (Flanders Institute for Biotechnology) and is listed on Euronext Brussels since July 2021. The company is based in the biotech cluster in Ghent, Belgium. More information can be found on www.biotalys.com.





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Important Notice

This announcement contains statements which are "forward-looking statements" or could be considered as such. These forward-looking statements can be identified by the use of forward-looking terminology, including the words 'aim', 'believe', 'estimate', 'anticipate', 'expect', 'intend', 'may', 'will', 'plan', 'continue', 'ongoing', 'possible', 'predict', 'plans', 'target', 'seek', 'would' or 'should', and contain statements made by the company regarding the intended results of its strategy. By their nature, forward-looking statements involve risks and uncertainties and readers are warned that none of these forward-looking statements offers any guarantee of future performance. The Biotalys actual results may differ materially from those predicted by the forward-looking statements. Biotalys makes no undertaking whatsoever to publish updates or adjustments to these forward-looking statements, unless required to do so by law.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS	31 December	31 December
(in thousands of euros)	2021	2020
Non-current assets	11,336	10,757
Intangible assets	665	792
Property, plant and equipment	5,407	4,617
Right-of-use assets	3,885	4,344
Other non-current assets	1,380	1,004
Current assets	58,938	25,505
Receivables	451	226
Other financial assets	2,100	2,100
Other current assets	279	76
Cash and cash equivalents	56,107	23,103
TOTAL ASSETS	70,274	36,262
EQUITY AND LIABILITIES	31 December	31 December
(in thousands of euros)	2021	2020
Equity attributable to owners of the parent	58,915	25,648
Share capital	81,969	62,822
Share premium	31,303	675
Accumulated losses	(55,855)	(34,117)
Other reserves	1,498	(3,732)
Total equity	58,915	25,648
Non-current liabilities	6,150	4,468
Borrowings	6,037	4,332
Employee benefits obligations	26	50
Provisions	87	86
Current liabilities	5,209	6,146
Borrowings	1,186	888
Other financial liabilities	-	1,302
Trade and other liabilities	3,119	3,301
Other current liabilities	904	655
Total liabilities	11,359	10,613
TOTAL EQUITY AND LIABILITIES	70,274	36,262

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEARS ENDED 31 DECEMBER

in € thousands	2021	2020
Other operating income	1,995	1,402
Research and development expenses	(13,880)	(11,488)
General and administrative expenses	(4,905)	(2,357)
Sales and marketing expenses	(1,289)	(834)
Operating loss	(18,079)	(13,276)
Financial income	1,510	2,710
Financial expenses	(343)	(171)
Loss before taxes	(16,913)	(10,737)
Income taxes	(16)	(13)
LOSS FOR THE PERIOD	(16,929)	(10,750)
Other comprehensive income (OCI)		
<i>Items of OCI that will not be reclassified subsequently to profit or loss</i>		
Remeasurement gains (losses) on defined benefit plans	5	(6)
<i>Items of OCI that will be reclassified subsequently to profit or loss</i>		
Exchange differences on translating foreign operations	5	20
TOTAL COMPREHENSIVE LOSS OF THE PERIOD	(16,919)	(10,736)
Basic and diluted loss per share (in €) ⁽¹⁾	(1.10)	(14.33)
Profit/(loss) for the period attributable to the owners of the Company	(16,929)	(10,750)
Total comprehensive income for the period attributable to the owners of the Company	(16,919)	(10,736)

(1) The denominator for the purposes of calculating both basic and diluted earnings per share has been adjusted retrospectively to reflect the 2:1 reverse share split completed on 5 July 2021.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEARS ENDED 31 DECEMBER

	Attributable to equity holders of the Company						Total Equity
	Share capital	Share premium	Other reserves			Accumulated losses	
Share-based payment reserve			Anti-dilution reserve	Currency translation reserve			
<i>(in thousands of euros)</i>							
Balance at 1 January 2020	47,822	540	512	(4,439)	-	(23,362)	21,073
Loss for the period	-	-	-	-	-	(10,750)	(10,750)
Other comprehensive income	-	-	-	-	20	(6)	14
Total comprehensive loss	-	-	-	-	20	(10,756)	(10,736)
Issuance of shares	15,000	136	-	-	-	-	15,136
Issue of anti-dilution warrants	-	-	-	(375)	-	-	(375)
Share-based payments	-	-	550	-	-	-	550
Balance at 31 December 2020	62,822	675	1,062	(4,813)	20	(34,117)	25,648
Loss for the period	-	-	-	-	-	(16,929)	(16,929)
Other comprehensive income	-	-	-	-	5	5	10
Total comprehensive loss	-	-	-	-	5	(16,924)	(16,919)
Issuance of shares	19,147	30,528	-	-	-	-	49,675
Cancellation of anti-dilution warrants	-	-	-	4,813	-	(4,813)	-
Share-based payments	-	99	412	-	-	-	511
Balance at 31 December 2021	81,969	31,303	1,473	-	25	(55,855)	58,915

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEARS ENDED 31 DECEMBER

in € thousands	2021	2020
CASH FLOW FROM OPERATING ACTIVITIES		
Operating result	(18,079)	(13,276)
Adjustments for:		
Depreciation, amortisation and impairments	1,470	1,037
Equity-settled share-based payment expense	511	550
Provisions	(20)	13
R&D tax credit	(405)	(444)
Other	7	20
Operating cash flows before movements in working capital	(16,516)	(12,099)
Changes in working capital:		
Receivables	(225)	262
Other current assets	(175)	(42)
Trade and other payables	(70)	1,692
Other current liabilities	256	655
Cash used in operations	(16,731)	(9,533)
Taxes paid	(23)	-
Net cash used in operating activities	(16,754)	(9,533)
CASH FLOW FROM INVESTING ACTIVITIES		
Interests received	1	15
Purchases of property, plant and equipment	(1,324)	(3,817)
Purchases of Intangible assets	(8)	(114)
Proceeds from disposal of PPE	7	-
Investments in other financial assets	(0)	(2,100)
Net cash used in investing activities	(1,324)	(6,016)
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of borrowings and other financial liabilities	(1,127)	(1,022)
Proceeds from borrowings	2,780	1,220
Interests paid	(244)	(39)
Proceeds from issue of equity instruments of the Company (net of issue costs)	49,675	15,136
Net cash provided by financing activities	51,083	15,295
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	33,005	(255)
CASH AND CASH EQUIVALENTS at beginning of year	23,103	23,358
CASH AND CASH EQUIVALENTS at end of year	56,107	23,103