ESPERITE N.V. (ESP) publishes its half-year report. Revenues, results and consolidated equity were impacted by adverse market conditions on the stem cell business.

CEO, Frédéric Amar, has converted part of his loan notes into 2.5 million shares to support the business and L1 Capital has continued financing the Company.

Amsterdam, The Netherlands – 30 June 2019

Esperite NV (Euronext: ESP, "Esperite" or "the Group") has published its financial results (unaudited) for the period of six months ended June 30, 2018 showing a decrease in total revenue to EUR 5,3 million, and cost of sales maintained at 58 %.

The negative EBITDA of EUR -4,8 million was balanced by the external financing which is expected to support the on-going development.

CryoSave is continuing to consolidate its distribution network and reduce its cost base.

Even though, the restructuring and consolidation of the different activities have lead to a reduction of the current OPEX, provisions for VAT claims have been made in Bulgaria leading to a stable OPEX figure of EUR 7,9 million.

Despite that, the predictive medicine and R&D activities remain promising.

Genoma Swiss Biotechnology's unique proprietary technology allowed the Group to launch successfully a new development of its new Diagnostic System for Genetic Clinical Laboratories, AGAATA Dx, which now offers CE-IVD diagnostic tests in oncology especially for breast cancer and colorectal cancer and has machine learning capabilities.

The Cell Factory has launched its second generation of EV drugs for future treatment of stroke and Crohn disease.

Frédéric Amar, CEO of Esperite Group, declares: “Esperite has continued to experience turbulent headwind. Our goal is to focus on our unique and advanced technology in predictive medicine.”

Amsterdam, The Netherlands – 30 June 2019

About ESPERITE

ESPERITE Group, listed at Euronext Amsterdam and Paris, is a leading international company in regenerative and predictive medicine established in 2000.

To learn more about the *ESPERITE* Group, or to book an interview with CEO Frederic Amar: +31 575 548 998 - ir@esperite.com or visit the websites at www.esperite.com, www.genoma.com and www.cryo-save.com.

Financial Review

(all amounts in millions of Euro)

Revenue

Consolidated revenue decreased by 36 % to EUR 5,3 million due to adverse market conditions on the stem cell business and lack of financial resources to develop at a higher pace the predictive medicine entities of the Group.

Result

Gross profit margin is now 58 % compared to 59% over the same period last year.

Operating expenses stand at EUR 7,9 million like last year because Cryo Save Bulgaria has booked a provision of EUR 1.4 million for a VAT claim challenged in Court by the local fiscal authorities.

Research and development cost are mostly capitalized.

EBITDA for the first half year decreased from EUR -3,0 million negative over the first half year of 2017 to EUR -4.8 million negative over the same period in 2018.

Thanks to the new financing, the Group was still able to finance this result.

The sale of the loss making subsidiary Cryo Save Labs as well as the write off of the negative net equity of several subsidiaries has generated extra depreciations and finance costs of EUR 3,3 million over the period.

External financing

On 8 March 2017, Esperite secured external financing of up to EUR 9 million with L1 Capital to support its commercial activity and development of innovative technologies. The total financing can reach up to EUR 13 million upon exercise of share subscription warrants by the investor.

On the first half of 2018, L1 Capital has provided Esperite with 8 tranches of financing amounting to Euro 3.75 million. No warrant has been exercised.

Financial Position

Total assets amount to EUR 28,2 million. Properties, plants and equipment decreased by EUR 3,7 million. Trade and other receivables decrease from EUR 7,1 million to EUR 5,7 million due to decreased revenue levels.

Total liabilities amount to EUR 31,2 million. They include EUR 11,3 million of long term differed revenue from the regenerative medicine activity and EUR 12,8 million of trade payables.

Equity decreased by EUR 4 million, to EURO -3 million. The net loss amounting to EUR – 9 million was partially offset by equity investment from L1 Capital and several loan conversions.

Cash Flow

The operational cash flow decreased mainly due to the operational losses incurred in the period under review.

The cash flow from financing activities relates to the investments made by L1 Capital.

Principal risks and uncertainties

Pages 28 - 39 of Esperite' s Financial Annual report 2017 include an extensive overview of the Group's principal risks and uncertainties, which are also applicable for the first six months of 2018.

Declaration of Management

The Chief Executive Officer declares that, as far as he is are aware and to the best of his knowledge, the financial statements in this half year report, made up according to the applicable standards for financial statements, give a true and fair view of the equity, financial position and the results of the Group and its consolidated companies. The CEO further declares that this report to the shareholders gives a true and fair view on the information that has to be contained therein.

Amsterdam, The Netherlands, 30 June 2019

Frederic Amar, Chief Executive Officer

Condensed consolidated interim financial statements

These condensed consolidated interim financial statements are unaudited.

Condensed consolidated statement of income

in thousands of euro

For the six months ended 30 June

	2018	2017
Revenue	**5.302**	8.289
Cost of sales	**(2.228)**	(3.384)
Gross profit	**3.074**	4.905
Marketing and sales expenses	**2.325**	2.957
Research and development expenses	**73**	-
General and administrative expenses	**5.504**	4.927
Total operating expenses	**7.902**	7.884
EBITDA	**(4.828)**	(2.979)
Depreciation and amortization	**(842)**	(2.579)
Operating result	**(5.670)**	(5.558)
Finance income	**(2.491)**	4.004
Finance costs	**(826)**	2.337
Net finance (costs)/income	**(3.317)**	1.667
Results relating to equity-accounted investees		(89)
Results from deconsolidation		3.445
Result before taxation	**(8.987)**	(535)
Income tax expense/(gain)	**(41)**	2.450
Result for the period	**(8.946)**	(2.985)
Attributable to:		
- Equity holders of the Company	**(8.947)**	(2.951)
- Non-controlling interest	**1**	(34)
Result for the period	**(8.946)**	(2.985)
Earnings per share (in euro cents)		
- Basic	**(33,1)**	(21,3)
- Diluted	**(33,1)**	(21,3)

Condensed consolidated statement of comprehensive income

in thousands of euro

For the six months ended 30 June

	2018	2017
Result for the period	**(8.947)**	(2.985)
Other comprehensive income		
Foreign currency translation differences	**(21)**	31
Other comprehensive income for the period	**(21)**	31
Total comprehensive income for the period	**(8.968)**	(2.954)
Attributable to:		
- Equity holders of the Company	**(8.968)**	(2.920)
- Non-controlling interest		(34)
Total comprehensive income for the period	**(8.968)**	(2.954)

Condensed consolidated statement of financial position

in thousands of euro, before allocation of net result

	30 June 2018	31 Dec 2017
Intangible assets	**14.403**	14.871
Property, plant and equipment	**3.094**	6.752
Investments in equity accounted investees	-	165
Derivatives - Trance warrants		-
Deferred tax assets	**1.780**	1.943
Trade and other receivables	**1.465**	1.962
Total non-current assets	**20.908**	25.683
Inventories	**248**	256
Trade and other receivables	**5.685**	7.130
Current tax assets	**15**	120
Cash and cash equivalents	**1.336**	694
Total current assets	**7.284**	8.200
Total assets	**28.192**	33.883
Equity		
Issued share capital	**3.316**	1.922
Share premium reserve	**50.321**	46.130
Legal reserve	**272**	272
Revaluation reserve	**(4.593)**	-
Translation reserve	**(1.949)**	(1.907)
Retained earnings	**(49.954)**	(45.015)
Equity attributable to equity holders of the Company	**(2.587)**	1.400
Non-controlling interest	**(430)**	(430)
Total equity	**(3.017)**	970
Liabilities		
Borrowings	**4.551**	5.661
Provision for negative equity investees		-
Deferred revenue	**11.347**	11.347
Net employee defined benefit liabilities	**689**	689
Deferred tax liabilities	**522**	568
Other liabilities	**74**	92
Total non-current liabilities	**17.183**	18.357
Borrowings	**3**	459
Derivative Tranche warrant	**-**	-
Trade and other payables	**12.841**	13.041
Deferred revenue	**1.000**	1.000
Current tax liabilities	**182**	54
Total current liabilities	**14.026**	14.554
Total liabilities	**31.209**	32.911
Total equity and liabilities	**28.192**	33.883

Condensed consolidated statement of changes in equity

in thousands of euro

For the six months ended 30 June 2018

	Issued share capital	Other reserves	Shareholders' equity	Non-controlling interest	Total Equity
At 1 January 2018	**1 922**	**-522**	**1 400**	**-430**	**970**
Exchange differences on translating foreign operations	**-**	**21**	**21**	**-**	**21**
Other comprehensive income	**-**	**21**	**21**	**-**	**21**
Result for the period	**-**	**-8 947**	**-8 947**		**-8 947**
Total comprehensive income	**1 922**	**-9 448**	**-7 526**	**-430**	**-7 956**
Transactions with owners:					
* Issue of shares	**1 394**	**3 545**	**4 939**	**-**	**4 939**
* Share-based payments	**-**		**-**	**-**	**-**
* Convertible loan bond	**-**	**-**	**-**	**-**	**-**
* Other	**-**		**-**	**-**	**-**
Total transactions with equity holders of the Company	**1 394**	**3 545**	**4 939**	**-**	**4 939**
At 30 June 2018	**3 316**	**-5 903**	**-2 587**	**-430**	**-3 017**

For the six months ended 30 June 2017

	Issued share capital	Other reserves	Shareholders' equity	Non-controlling interest	Total Equity
At 1 January 2017	**1 038**	**5 901**	**6 939**	**-268**	**6 671**
Exchange differences on translating foreign operations	**-**	**31**	**31**	**-**	**31**
Other comprehensive income	**-**	**31**	**31**	**-**	**31**
Result for the period	**-**	**-2 951**	**-2 951**	**-34**	**-2 985**
Total comprehensive income	**-**	**-2 920**	**-2 920**	**-34**	**-2 954**
Transactions with owners:					
* Issue of shares	**349**	**2 963**	**3 312**	**-**	**3 312**
* Share-based payments	**-**	**57**	**57**	**-**	**57**
* Convertible loan bond	**-**	**-**	**-**	**-**	**-**
* Other	**-**	**82**	**82**	**-**	**82**
Total transactions with equity holders of the Company	**349**	**3 102**	**3 451**	**-**	**3 451**
At 30 June 2017	**1 387**	**6 083**	**7 470**	**-302**	**7 168**

Condensed consolidated statement of cash flows

For the six months ended 30 June	2018	2017
(in thousands of euro)		
Cash flows from operating activities		
Result for the period	**(8.946)**	(2.985)
Adjustments for:		-
- Income tax expense	**(41)**	2.449
- Finance costs	**826**	2.337
- Finance income	**2.491**	(4.004)
- (Gain)/loss on sale of disposals of PP&E	**-**	-
- Depreciation and amortization	**842**	1.475
- Impairment loss on assets	**-**	1.104
- Share based payment transactions	**-**	57
- Results relating to equity-accounted investees	**-**	89
- Results from deconsolidating	**-**	(3.445)
	(4.828)	(2.923)
Movements in working capital		
(Increase)/decrease in (non) current trade and other receivables	**1.942**	1.300
(Increase)/decrease in inventories	**8**	218
(Increase)/decrease in current tax assets	**(105)**	109
Increase/(decrease) in (non) current liabilities	**(218)**	99
Increase/(decrease) in current tax liabilities	**128**	(116)
Net cash from operations	**(3.073)**	(1.313)
Interest paid	**(9)**	-
Interest received	**46-**	74
Income taxes received	**(97)**	(38)
Net cash from operating activities	**(3.133)**	(1.277)
Cash flows from investing activities		
Acquisition spending	**-**	(180)
Purchase of property, plant and equipment	**-**	(169)
Capitalized internally developed intangibles and purchase of other intangibles	**-)**	(307)
Disposals of non-current assets	**-**	-
Net cash (used in)/generated by investing activities	**-**	(656)
Cash flows from financing activities		
Repurchase of own shares	**-**	**-**
Issue of shares	**3.750**	1.933
Proceeds form borrowings	**-**	-
Repayment of borrowings		(32)
Net cash generated by/(used in) financing activities	**3.750**	1.901
Net increase/(decrease) in cash and cash equivalents	**617**	(32)
Cash and cash equivalents at 1 January	**694**	910
Deconsolidation Genoma SA		(118)
Exchange differences on cash and cash equivalents	**25**	(31)
Cash and cash equivalents at 30 June	**1.336**	729

Notes to the condensed consolidated interim financial statements 2018
(in thousands of euro, unless indicated otherwise)

1. Reporting entity

Esperite N.V. the 'Company' or 'the Group' is a public group incorporated under the laws of The Netherlands. The address of its registered office and principal place of business is Herengracht, 282,1016 Amsterdam, The Netherlands.

2. Basis of preparation

2.1 Statement of compliance

The Group's condensed consolidated interim financial statements as at and for the six months ended 30 June 2018 were approved for publication by the Board of Directors on 30 June 2019.

The condensed consolidated interim financial statements of the Group as at and for the six months ended 30 June 2018 have been prepared in accordance with IAS 34 Interim Financial Reporting. As permitted by IAS 34, these statements do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Company as at and for the year ended 31 December 2017. In addition, the notes to the condensed consolidated interim financial statements are presented in a condensed format.

For further details on the principle accounting policies of the Company, we refer to our website, www.esperite.com.

2.2 Going Concern

Management is of the opinion that the application of the going concern assumption for the 2017 financial statements is appropriate for this period under review. In this respect reference is made to page 13 of the Financial Annual Report 2017.

3. Significant accounting policies

The significant accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2017.

Insofar as applicable, the Group has applied all published IFRS standards, amendments and interpretations that came into effect on 1 January 2018. These standards and interpretations had no material impact on the Group. No published IFRS standards and interpretations that were not yet applicable for reporting periods that commence on 1 January 2018 have been applied early.

4. Change in accounting estimates

In the first six months of 2018 the Group did not change any accounting estimate, which materially impacted the reported figures.

5. Use of estimates and judgements

The preparation of interim financial statements requires Management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. Estimated and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.
In preparing these condensed consolidated interim financial statements, the significant judgements made by Management in applying the Groups' accounting policies and the key sources of estimation

uncertainty were the same as those applied to the consolidated financial statements as at and for the year ended 31 December 2017.

6. Seasonality

The interim operations of the Company are not impacted by seasonal or cyclical patterns.

7. Intangible assets

Impairment testing of goodwill and intangible assets

The Group performs its annual impairment test in the last quarter of the year and when circumstances indicate the carrying value may be impaired. The Group's impairment test for goodwill and intangible assets is based on value-in-use calculations. The key assumptions used to determine the recoverable amount for the different cash generating units were disclosed in the annual consolidated financial statements for the year ended 31 December 2017.

The Group considers the relationship between its market capitalization and its book value, among other factors, when reviewing for indicators of impairment. At the end of June 2018, the market capitalization of the Group was above the book value of its equity.

Sensitivity to changes in assumptions

With regard to the assessment of value-in-use there are no significant changes to the sensitivity information disclosed in the annual consolidated financial statements for the year ended 31 December 2017.

8. Taxation

Income tax expense reported for the six month period ended 30 June 2018 is recognized based on Management's best estimate of the weighted average annual effective income tax rate for the territories for which a tax expense is expected for the full financial year, applied to the pre-tax income of the interim period.

Estimates and judgment by Management are required in determining the Group's deferred tax liabilities, amongst other corporate income tax. The calculation of the tax position is partly based on the interpretations of applicable tax laws in the jurisdictions in which the Group operates. Although the Group believes the tax estimates are reasonable, there is no assurance that the final determination of the tax liabilities will not be materially different from what is reflected in the statement of income and balance sheet. Should additional taxes be assessed these could have a material effect on the Group's results of operation or financial condition.

9. Earnings per share

For the six months ended 30 June	2018	2017
Basic earnings per share (in euro cents)	**(33,1)**	(21,3)
Diluted earnings per share (in euro cents)	**(33,1)**	(21,3)

Basic earnings per share (EPS) are calculated by dividing net result attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period.

The diluted earnings per share is equal to the basic earnings per share because the impact of warrants and granted share options would have an anti-dilutive effect.

10. Equity, share options, treasury shares and dividend

Equity
Due to the external financing concluded in the period under review convertible bonds have been issued for L1 Capital for an amount of EUR 3,75 million. As per 30 June 2018 they all have been converted. Regarding this conversion 7.898.708 shares have been issued. The total number of outstanding shares amounts to 33.159.050.

Share options
During the period under review no options were granted. under the existing stock option plan.

Treasury shares
The Company has no own shares in treasury at 30 June 2018 (31 December 2017: 0).

Dividend
Following the shareholder resolution on 8 January 2018, the Company paid no dividend for the year 2017.

11. Contingent liabilities or contingent assets

Regarding contingent liabilities and assets reference is made to note 54 of the Financial Annual Report 2017 of the Group.

12. Related party transactions

Frederic Amar, has agreed that his notes, for a total amount of EUR 2,025,000 were to be repaid by the issuance of new unsecured convertible loans. The new notes will mature on 31 December 2019, unless earlier converted or repurchased, they will not be listed and are subject to shareholders approval.

Frederic Amar offered to support Esperite by acquiring the loss making Belgium company Cryo Save Labs (CSL) with a structure he controls, taking such burden without receiving any asset and liability guarantee.

Esperite has accepted on 10 January, 2018 to sell all the shares of CSL to a company controlled by him by issuing a convertible loan note of EUR 2.5 million at a conversion price of EUR 0.50. Esperite did not provide any asset and liability guarantee to the buyer of CSL.

13. Events after the reporting period

There are no events to report in this respect.