



# IBA Full Year Results 2020

Olivier Legrain, CEO and Soumya Chandramouli, CFO



This presentation may contain forward-looking statements concerning industry outlook, including growth drivers; the company's future orders, revenues, backlog, or earnings growth; future financial results; market acceptance of or transition to new products or technology and any statements using the terms "could," "believe," "outlook," or similar statements are forward-looking statements that involve risks and uncertainties that could cause the company's actual results to differ materially from those anticipated.

The company assumes no obligation to update or revise the forward-looking statements in this release because of new information, future events, or otherwise.

- Business overview
- 2020 highlights
- 2020 key figures
- Business update
- Consolidated financial statements
- Dividend policy & outlook
- Financial calendar
- Q&As





**Iba BUSINESS OVERVIEW**

# Global leader in particle beam technology



Proton Therapy > proton beam cancer radiotherapy equipment & services



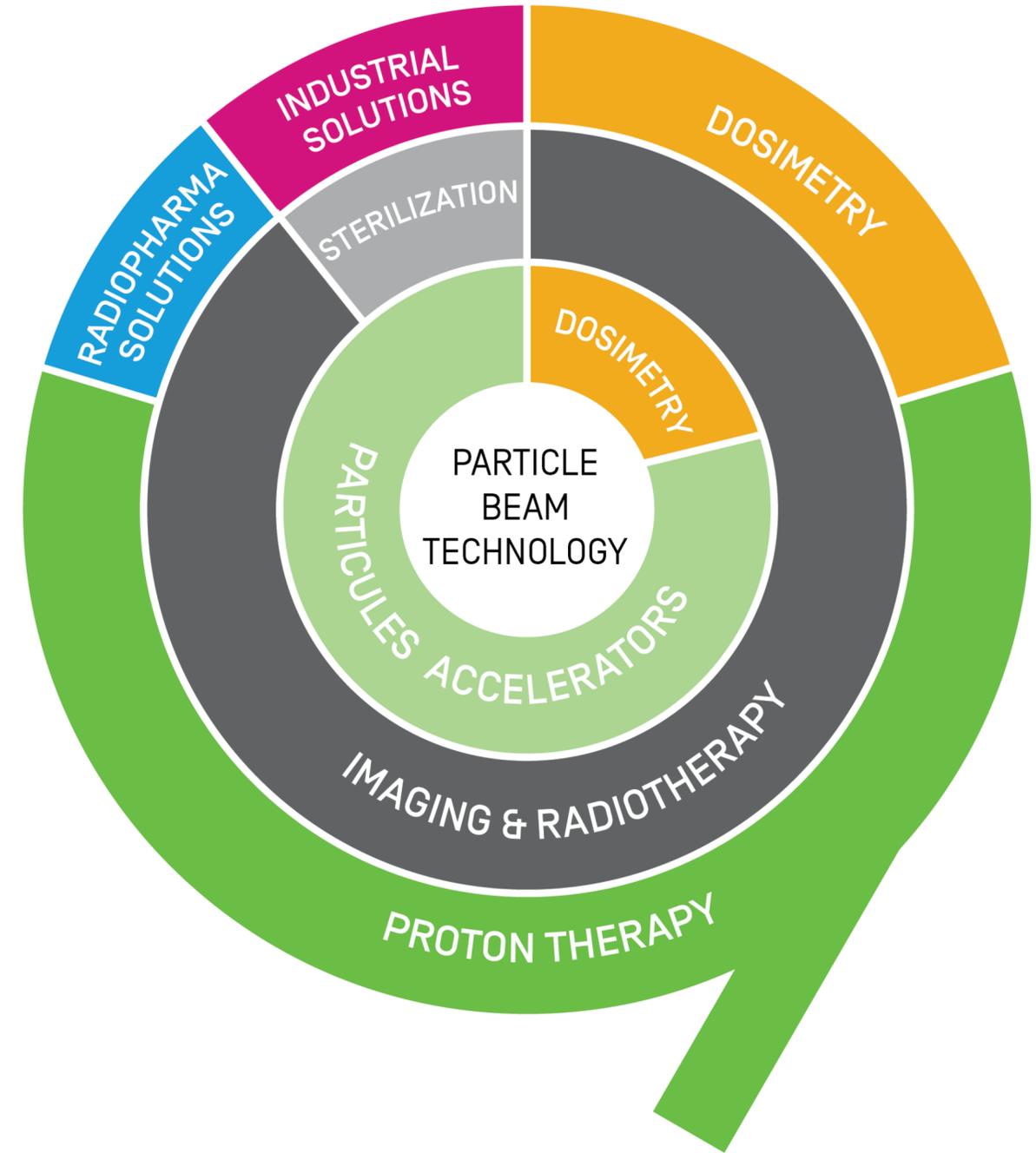
RadioPharma Solutions > radiopharmaceuticals & radiochemistry solutions



Industrial Solutions > ion beam sterilization industry



Dosimetry > quality assurance for medical imaging & radiotherapy



## 1 Capitalize

### Market leadership

- Drive greater growth and clinical evidence
- Develop established installed base
- Capitalize on long-term growth potential from key markets e.g. China

## 2 Invest for growth

### Strategic investment

- Invest in future technologies and new products

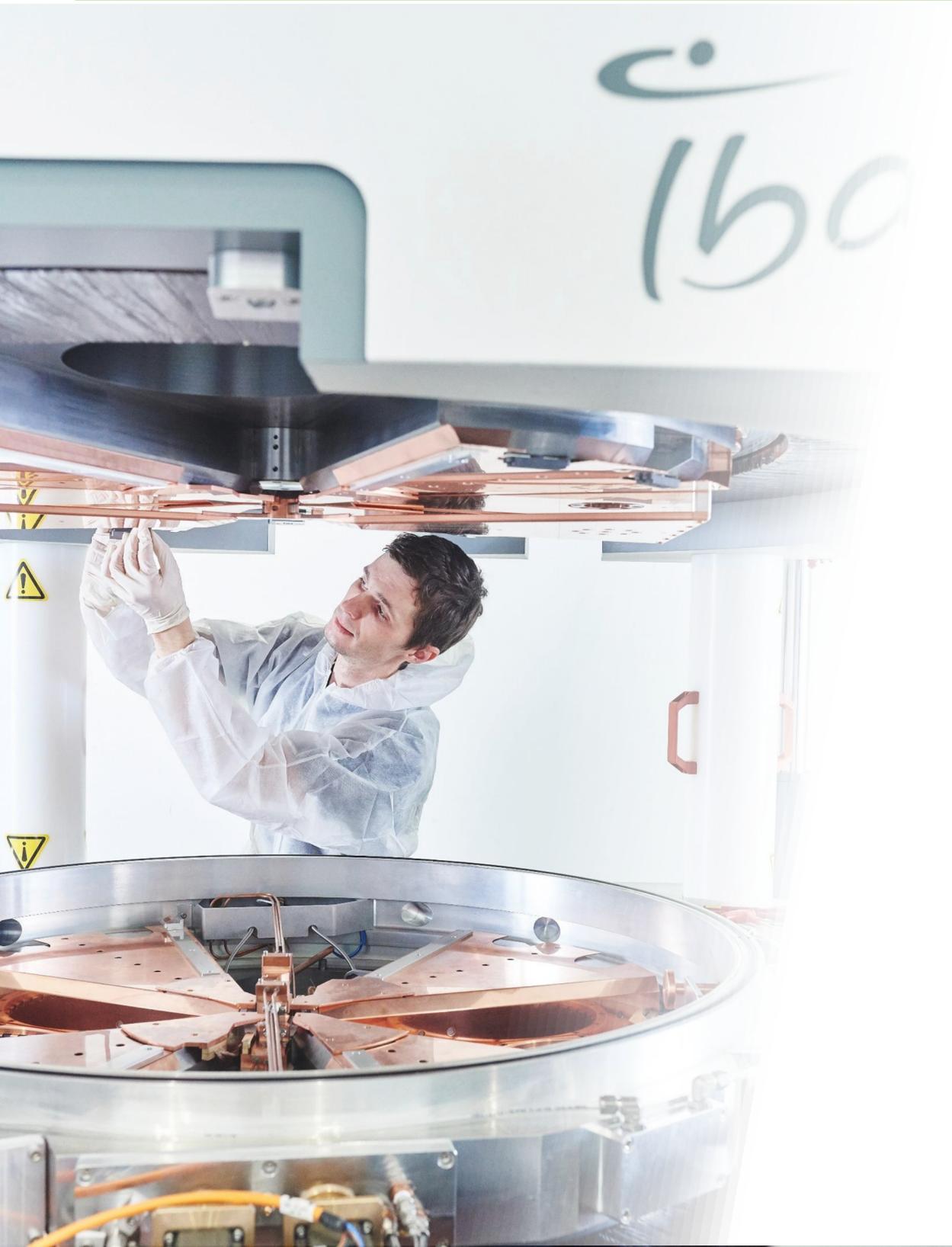
### Sustainability

- Comply with ESG criteria in everything we do
- Apply a stakeholder approach and consider business as a force for good

## 3 Execute

### Operational execution

- Increase recurring revenue streams e.g. Services
- Demonstrate improving margins



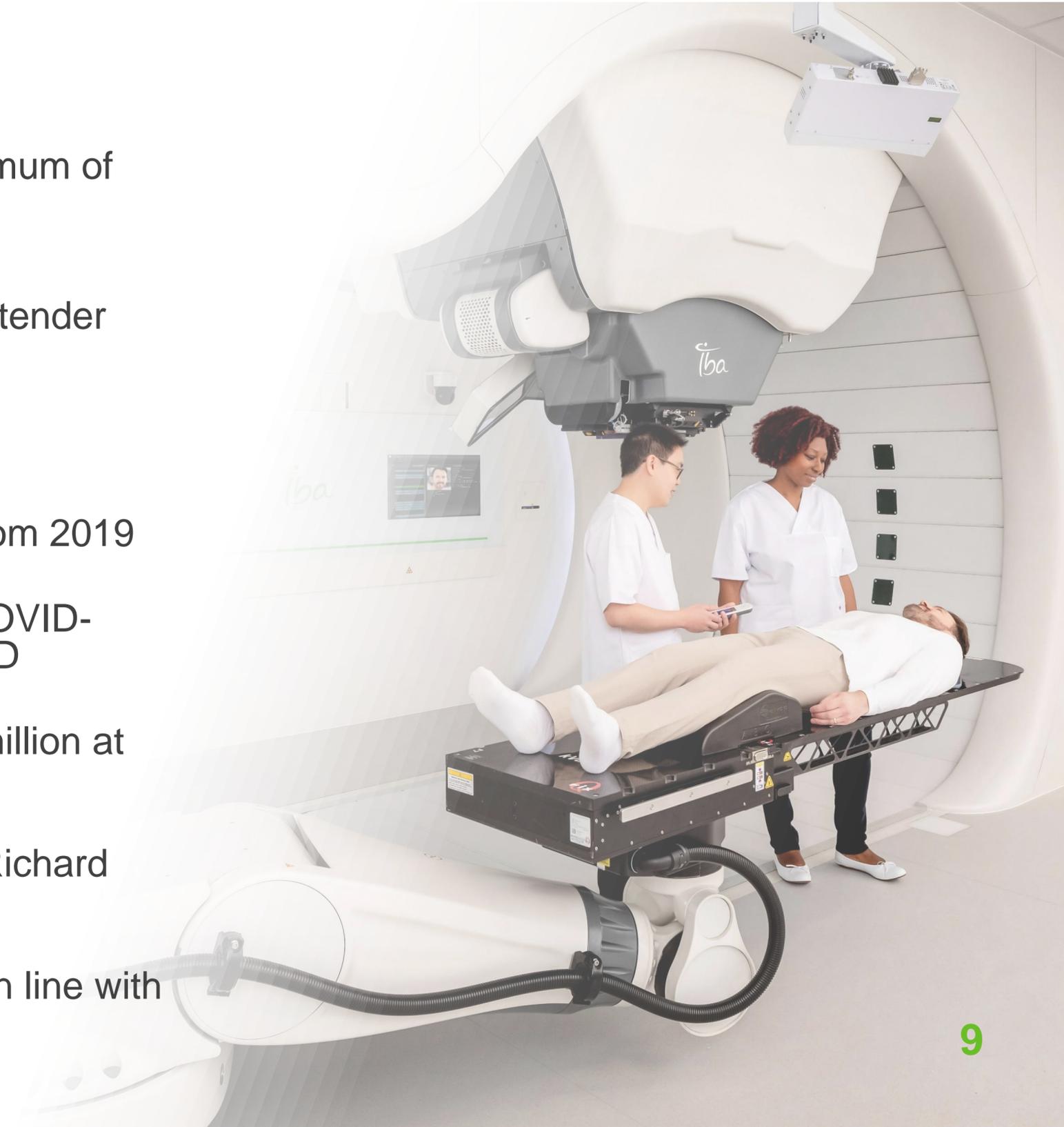
## Committed to impactful **E**nvironment, **S**ocial & **G**overnance goals

- Carbon neutral by 2030
- Investing 10% in R&D
- Significant impact in the diagnosis and treatment of cancer, cardiovascular and neurodegenerative disorders
- Committed to providing a safe, equitable and rewarding work environment for employees
- Driven by a strong ethical culture, committed to transparency with all stakeholders

The logo for Iba, featuring a stylized lowercase 'i' with a dot and a swoosh above it, followed by the lowercase letters 'ba' in a cursive font.

*Iba* 2020 HIGHLIGHTS

- Strong performance in Asia:
  - Strategic partnership with Chinese partner CGNNT worth minimum of EUR 100 million
  - Four-room Proteus®PLUS contract agreed in Chengdu, China
  - Proteus®ONE contract agreed in Korea, following competitive tender process
- Strong order intake for Other Accelerators with 17 systems sold
- Resilient performance of Dosimetry with order intake up 10% from 2019
- Strong cost control measures still in place, partially offsetting COVID-19 related impact, whilst allowing for strategic investment in R&D
- Balance sheet strengthened with net cash position of EUR 65 million at year-end, up EUR 86 million from EUR -21 million last year
- Board strengthened with appointment of Christine Dubus and Richard Hausmann and as Non-Executive Directors
- Board to propose to the AGM a dividend of EUR 0.2 per share in line with new dividend policy



# Post-period highlights

## January 2021

- IBA selected for multi-room Proteus®PLUS solution in China

## February 2021

- IBA received third payment for CGNNT contract (EUR 70 million received to date)

## March 2021

- IBA received first downpayment for new Proteus®ONE contract with National Cancer Center Korea (NCC)





*Iba* 2020 KEY FIGURES

---

# 2020 key figures



## Revenues

EUR  
**312**  
Million

## REBIT

EUR  
**40.4**  
Million

## Record Equipment and Service Backlog

EUR  
**1.1**  
Billion

## PT Service contracts

**53**

**5**

PT rooms and

**17**

OA systems sold

## Gross Cash

EUR  
**151**  
Million

## Net Cash

EUR  
**65**  
Million

**+10%**  
(vs 2019)

## Net profit

EUR  
**31.9**  
Million

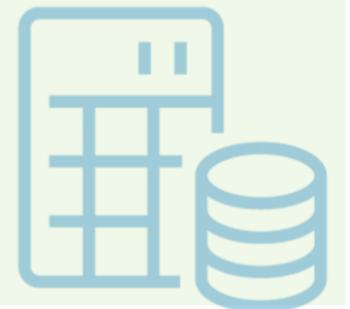


PT and OA  
Service revenues  
up

**+4%**

Record  
equipment  
order intake

EUR  
**112**  
Million



# 2020 key figures

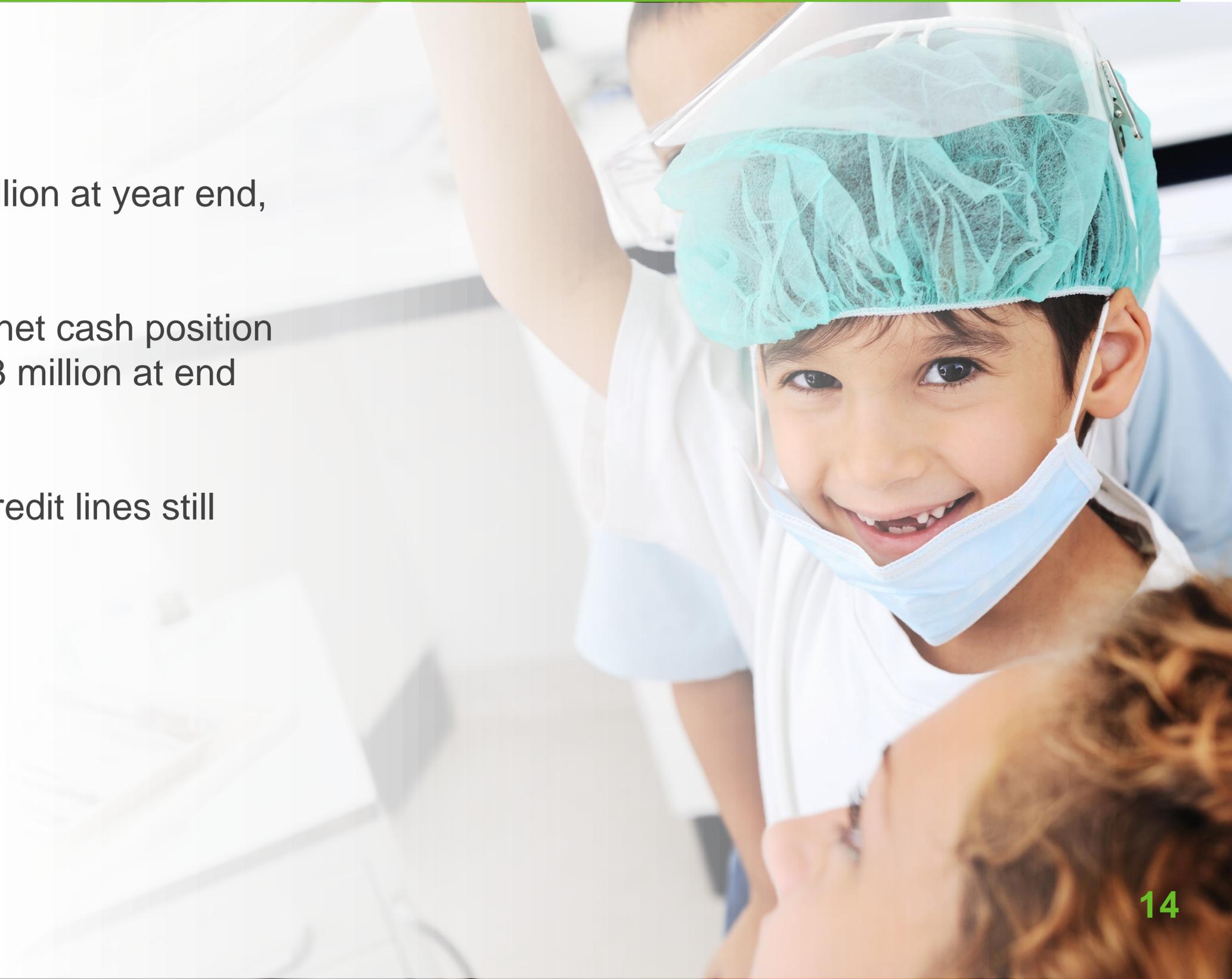


	YE 2020 (EUR 000)	YE 2019 (EUR 000)	Variance (EUR 000)	Variance %
<b>Net Sales</b>	<b>311 955</b>	<b>282 552</b>	<b>29 403</b>	<b>+10.4%</b>
<i>Proton Therapy</i>	189 150	158 273	30 877	+19.5%
<i>Other Accelerators</i>	71 745	70 433	1 312	+1.9%
<i>Dosimetry</i>	51 060	53 846	-2 786	-5.2%
<b>REBITDA</b>	<b>55 985</b>	<b>12 459</b>	<b>43 526</b>	<b>+349%</b>
<i>% of Sales</i>	17.9%	+4.4%		
<b>REBIT</b>	<b>40 406</b>	<b>87</b>	<b>40 319</b>	<b>46 344%</b>
<i>% of Sales</i>	13.0%	0.0%		
<b>Profit Before Tax</b>	<b>33 054</b>	<b>10 766</b>	<b>22 288</b>	<b>+207%</b>
<i>% of Sales</i>	10.6%	+3.8%		
<b>NET RESULT</b>	<b>31 921</b>	<b>7 610</b>	<b>24 311</b>	<b>319%</b>
<i>% of Sales</i>	10.2%	+2.7%		

- 10% revenue growth, boosted by CGN deal (EUR 63 million recognized in 2020) and recurring service revenues
- COVID-19 impact on PT and Other Accelerators: delays in revenue recognition and delivery of equipment
- Dosimetry 2019 revenues include RadioMed business (sold end 2019); like-for-like 2020 revenues up 1%
- Full year REBIT reflects low PT equipment revenues, offset by licensing revenues from CGNNT deal, good performance in other business units and strong cost controls
- Total net profit more than quadrupling from 2019

# Strong balance sheet

- Gross cash position of EUR 151.3 million at year end, up from EUR 46 million in 2019
- Strong improvement of financial with net cash position of EUR 65.2 million versus EUR -21.3 million at end 2019 (including effects of IFRS16)
- EUR 37 million undrawn short-term credit lines still available
- Bank covenants fully complied with



# PT & Other Accelerators



	YE 2020 (EUR 000)	YE 2019 (EUR 000)	Variance (EUR 000)	Variance %
<b>Net Sales</b>	<b>260 895</b>	<b>228 706</b>	<b>32 189</b>	<b>14.1%</b>
<i>Proton Therapy</i>	<i>189 150</i>	<i>158 273</i>	<i>30 877</i>	<i>19.5%</i>
<i>Other Accelerators</i>	<i>71 745</i>	<i>70 433</i>	<i>1 312</i>	<i>1.9%</i>
<b>REBITDA</b>	<b>51 601</b>	<b>5 844</b>	<b>45 757</b>	<b>783%</b>
<i>% of Sales</i>	<i>19.8%</i>	<i>+2.6%</i>		
<b>REBIT</b>	<b>37 883</b>	<b>-4 827</b>	<b>42 710</b>	
<i>% of Sales</i>	<i>14.5%</i>	<i>-2.1%</i>		

- Sales up 14.1%, reflecting strong growth of recurring service business and revenue recognition from CGN contract
- Other Accelerators revenues also up nearly 2% due to high order intake

# PT & Other Accelerators



	YE 2020 (EUR 000)	YE 2019 (EUR 000)	Variance (EUR 000)	Variance %
Equipment Proton Therapy	98 644	73 867	24 777	33.5%
Equipment Other Accelerators	49 684	46 851	2 833	6.0%
<b>Total equipment revenues</b>	<b>148 328</b>	<b>120 718</b>	<b>27 610</b>	<b>22.9%</b>
Services Proton Therapy	90 506	84 406	6 100	7.2%
Services Other Accelerators	22 061	23 582	-1 521	-6.5%
<b>Total service revenues</b>	<b>112 567</b>	<b>107 988</b>	<b>4 579</b>	<b>4.2%</b>
<b>Total revenues Proton Therapy &amp; Other Accelerators</b>	<b>260 895</b>	<b>228 706</b>	<b>32 190</b>	<b>14.1%</b>
<i>Service in % of segment revenues</i>	<i>43.1%</i>	<i>47.2%</i>		

- Strong impact of CGN licensing revenues (EUR 63 million recognized in 2020)
- Two new orders for PT equipment
- Delays with several prospects
- Backlog conversion delayed due to lockdown and travel restrictions
- Other Accelerators equipment up 6.0%, reflecting continued high order intake
- Strong performance by Services, with revenue up 4.2%



# PT & Other Accelerators Order Intake



	YE 2020	YE 2019	YE 2018
Proteus® <i>ONE</i> * systems sold	1	4	3
Proteus® <i>PLUS</i> * systems sold	1	1	0
<b>Total rooms sold</b>	<b>5</b>	<b>9</b>	<b>3</b>
<b>Other accelerator systems sold</b>	<b>17</b>	<b>25</b>	<b>20</b>
<b>Order intake PT &amp; Other Accelerators</b>	<b>€112M</b>	<b>€254M</b>	<b>€117M</b>
<b>Book to bill PT** &amp; Other Accelerators</b>	<b>1.32</b>	<b>2.11</b>	<b>1.04</b>

\*Proteus®*ONE* and Proteus®*PLUS* are brand names of Proteus 235

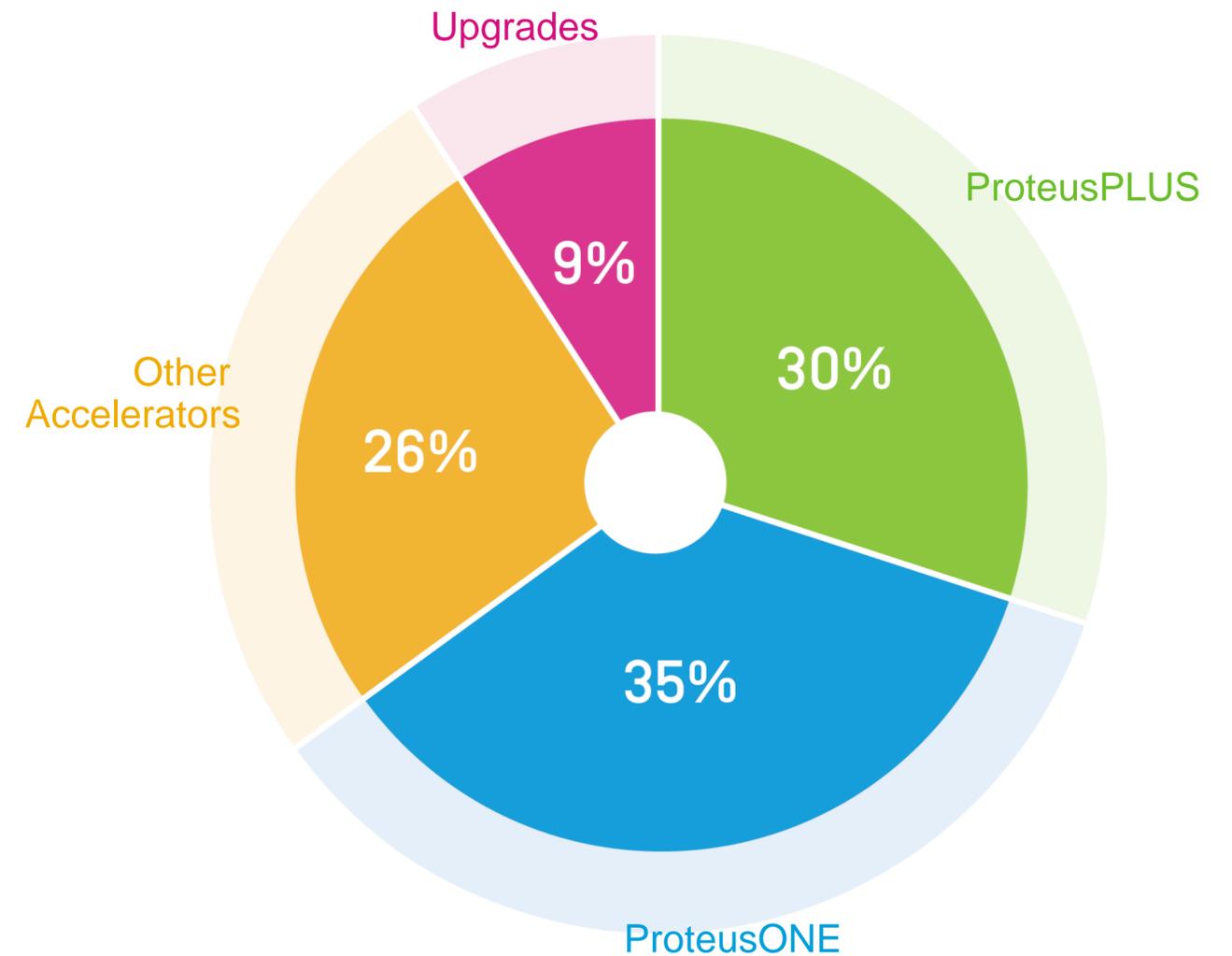
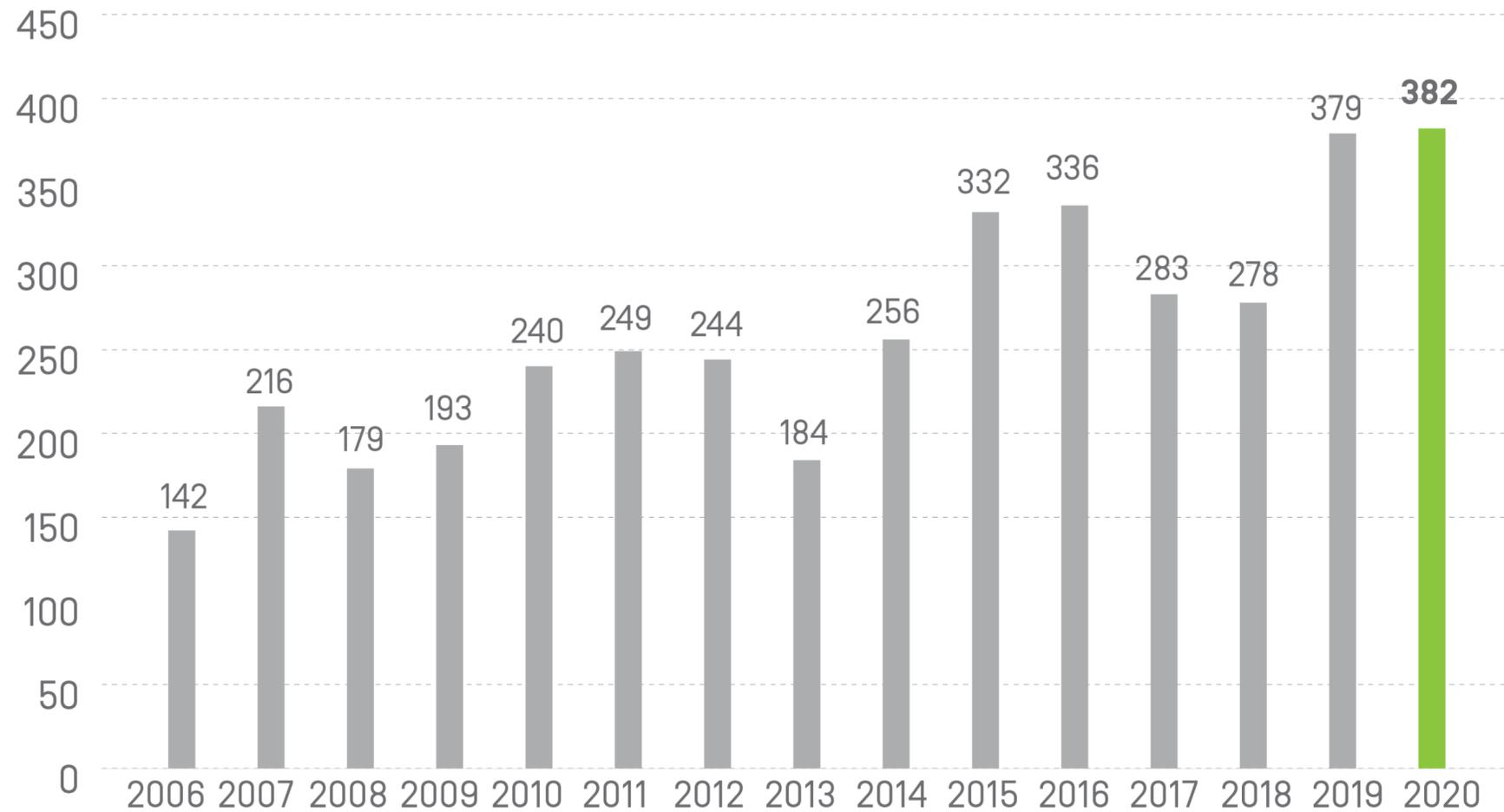
\*\*Excluding revenues from CGN deal

- Good order intake despite the pandemic, after an all-time record year in 2019
- Focus on Asia with 2 PT solutions and 11 Other Accelerator systems sold in the region

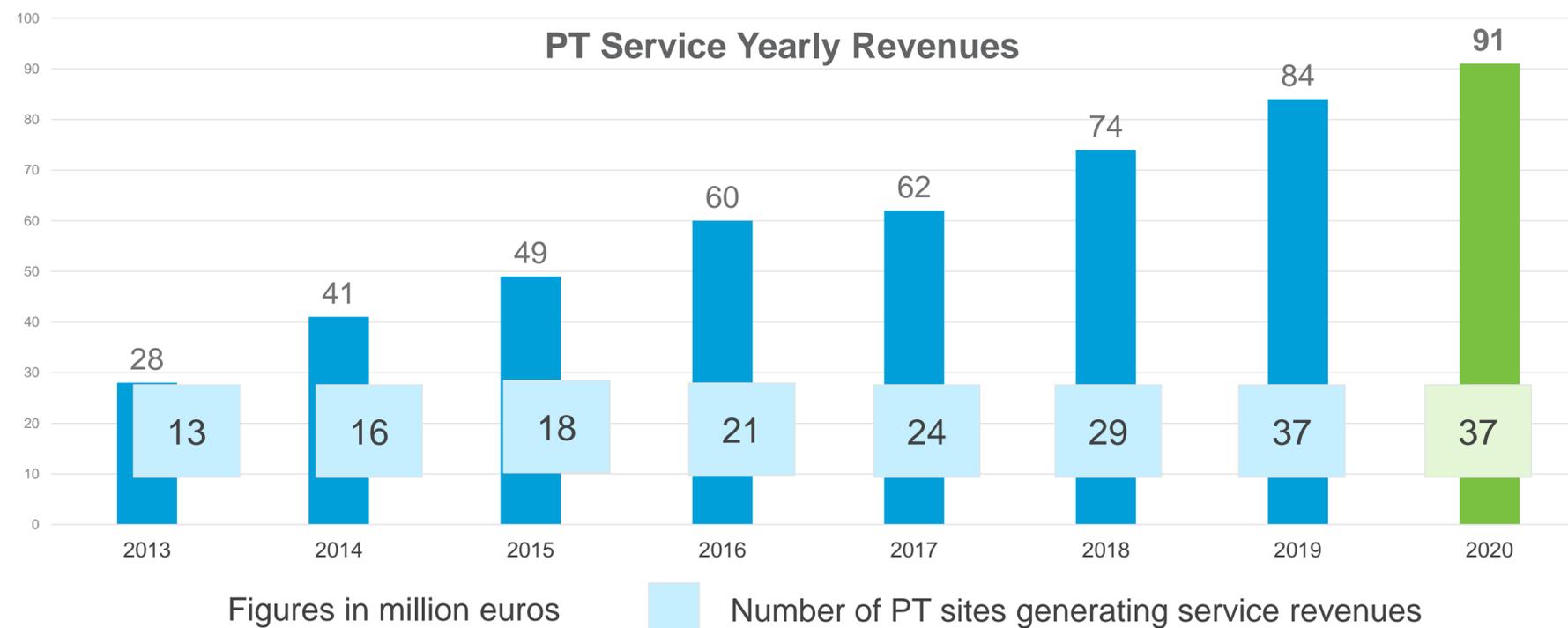
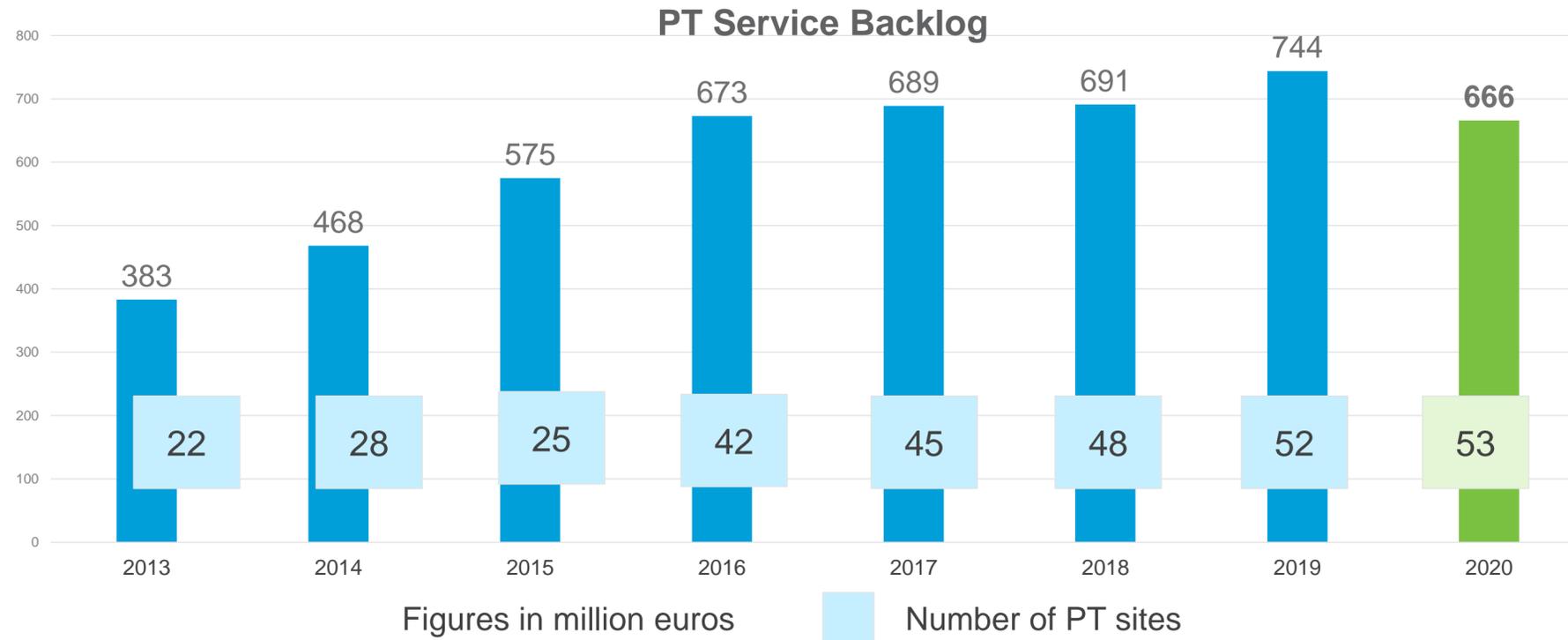
# PT & Other Accelerators Equipment Backlog



- All time high backlog for Proton Therapy and Other Accelerators of EUR 382 million (2019: EUR 379 million)
- Proteus<sup>®</sup>ONE represents 35% and Other Accelerators represent 26%



# PT & Other Accelerators Services



- PT & Other Accelerators Service Revenues at EUR 113 million, up more than 4% from 2019 despite COVID-19 impact
- PT Services up more than 7%, growing for the third consecutive year
- High PT Service backlog at EUR 666 million
- 37 IBA PT sites now generating service revenues worldwide



	YE 2020 (EUR 000)	YE 2019 (EUR 000)	Variance (EUR 000)	Variance %
<b>Net sales</b>	<b>51 060</b>	<b>53 846</b>	<b>-2 786</b>	<b>-5.2%</b>
<b>REBITDA</b>	<b>4 384</b>	<b>6 615</b>	<b>-2 231</b>	<b>-33.7%</b>
<i>% of Sales</i>	8.6%	12.3%		
<b>REBIT</b>	<b>2 523</b>	<b>4 914</b>	<b>-2 391</b>	<b>-48.7%</b>
<i>% of Sales</i>	4.9%	9.1%		

\* Dosimetry numbers for 2019 include figures for the RadioMed business which was sold end of 2019

- Strong order intake at EUR 54.1 million, up 10% from 2019, despite COVID-19 impact
- Like-for-like growth of around 1% (excluding RadioMed)
- REBIT decreased by EUR 2.4 million due to RadioMed disposal and strong investment in Patient QA products



*Iba* BUSINESS UPDATE

---

# Proton Therapy **business update**

- **100,000 patients treated**
- **Focus on Asia**
  - Strategic licensing deal in China with CGNNT
  - 2 Proton Therapy solutions (5 rooms) sold in Asia
    - Chengdu Proteus®PLUS (4 rooms)
    - Korea Proteus®ONE (1 room)
- **US market**
  - IBA presence reinforced
  - Extension of PT indications in NCCN guidelines
- **Installations**
  - 2 new installations started in 2020 despite pandemic, in India and Taiwan
  - Strong system availability of 97% in Q4
- **Close collaboration with partners**
  - Elekta (Monaco), RaySearch (integrated solutions for PT at KUL), Philips
  - Other specialized partners (VisionRT, C-RAD, Orfit, QFIX, ANZAI, DYN'R, Leoni, CIVCO, etc.)



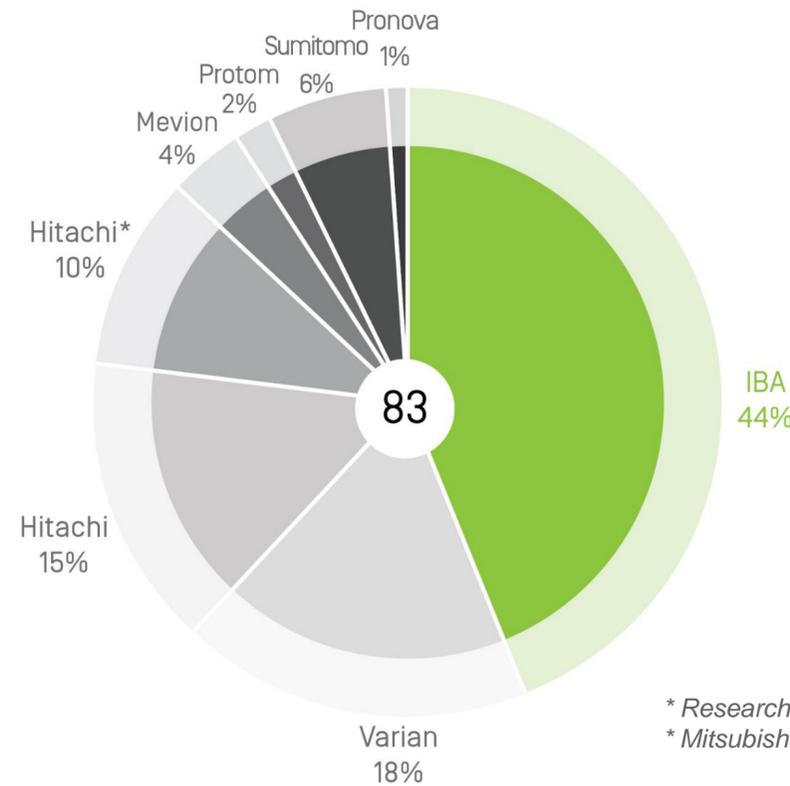
# IBA remains the market leader in proton therapy



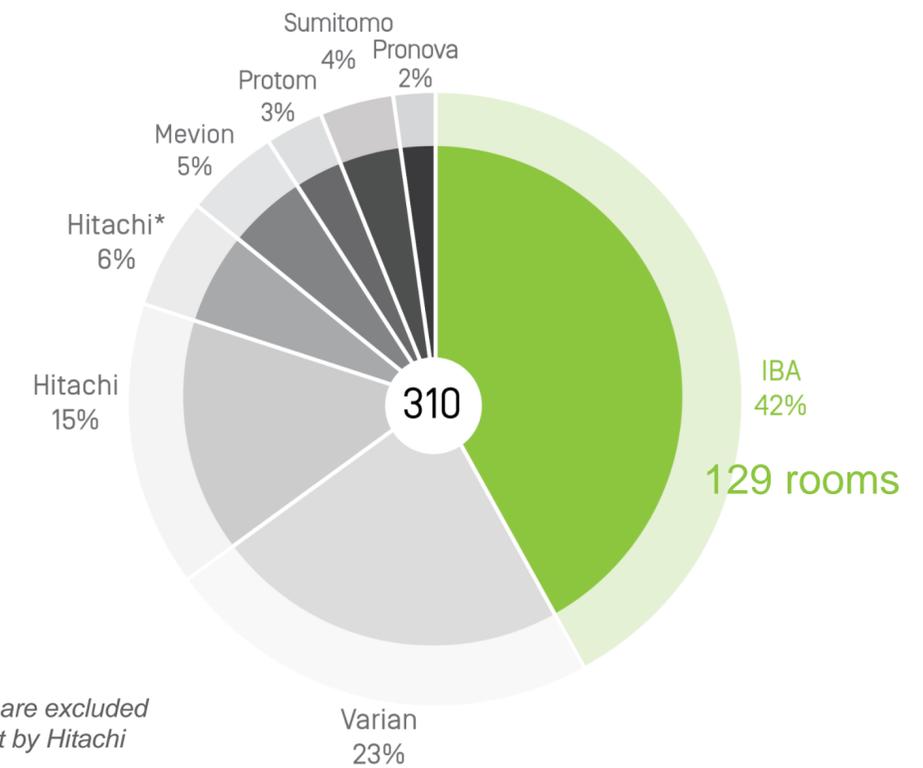
## ➤ 2020 market share in PT rooms



## ➤ PT rooms in operation

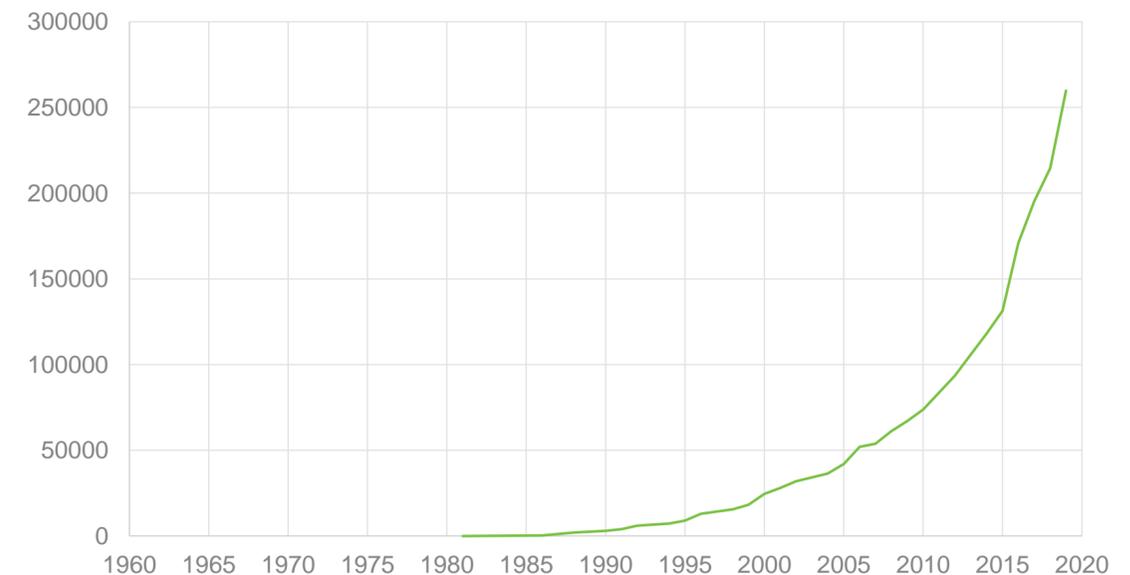


## ➤ Market share in PT rooms\*



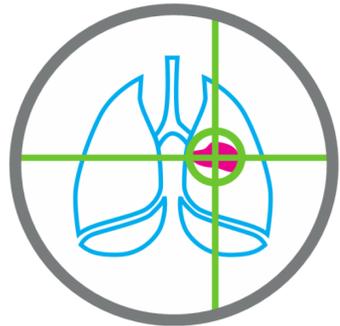
\* Research rooms are excluded  
\* Mitsubishi bought by Hitachi

## ➤ Accumulated patients treated



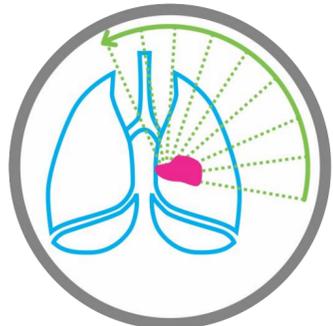
8 PT rooms in 2020 (5 for IBA)	Vendor	Country	Clinic Rooms
<b>Korea National Cancer Center</b>	<b>IBA</b>	<b>South Korea</b>	<b>1</b>
<b>Sichuan Tumor Hospital</b>	<b>IBA</b>	<b>China</b>	<b>4</b>
OSF Saint Francis Medical Center	Varian	USA	1
Kizawa Memorial Hospital	Varian	Japan	1
China Medical University Hospital	Varian	Taiwan	1

## Making progress with technology critical to the future of PT



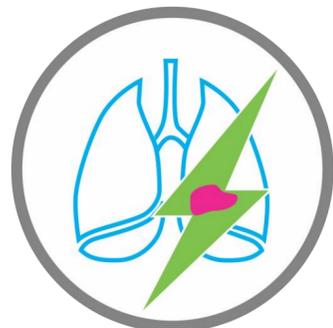
### **Motion Management**

- Treat more patients with confidence



### **ARC Therapy\***

- More efficient and simple way to deliver PT



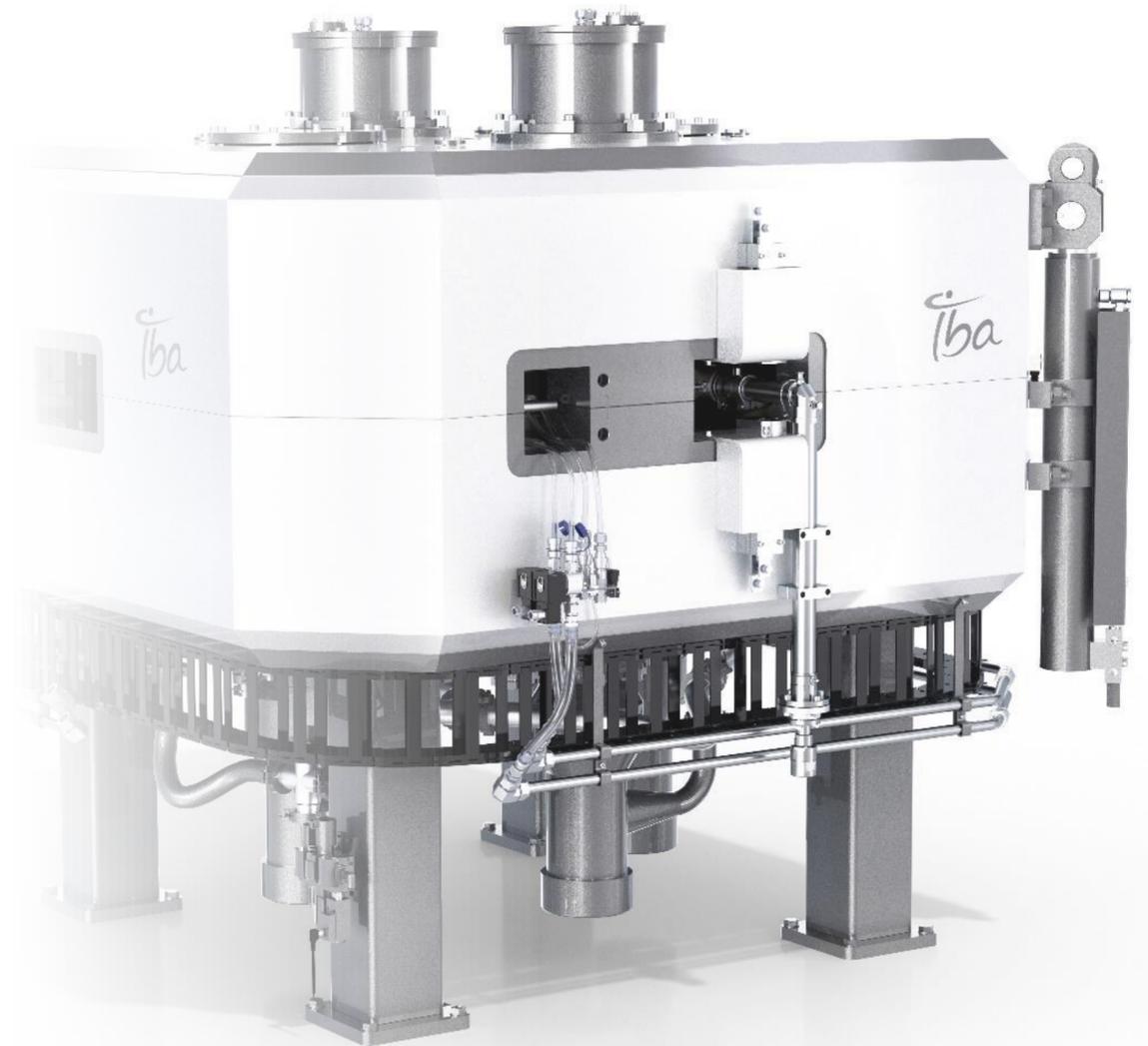
### **FLASH therapy\***

- Potential game changer for RT market

\*Arc Therapy and Flash Therapy are currently under research and development phase and will be available for sale when regulatory clearance is received.

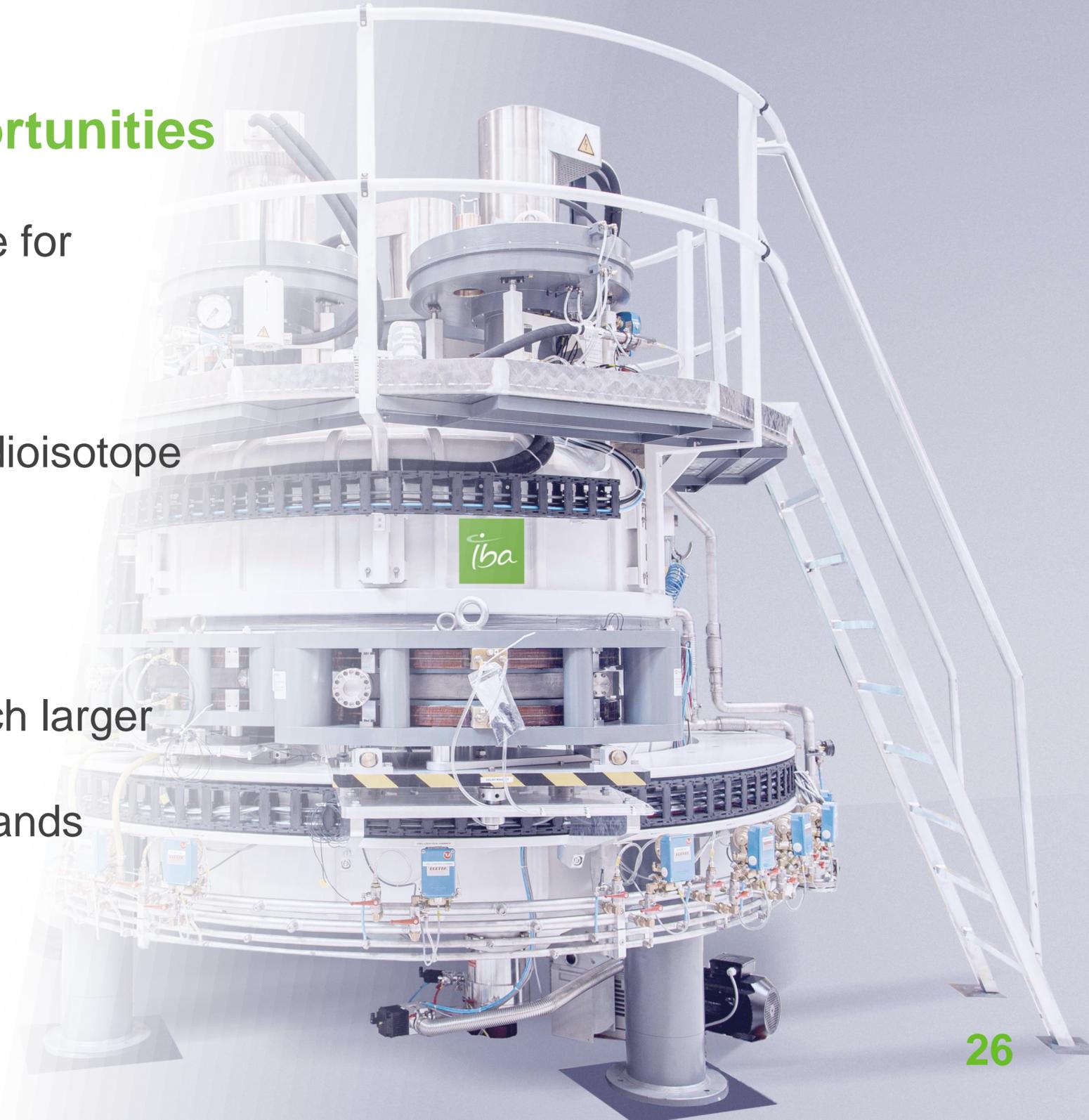
## **IBA leads the market for radioisotope production accelerators, including high-energy machines**

- New generation Cyclone<sup>®</sup> KIUBE
  - Highest production capacity enabling increased diagnostic capabilities
  - Widest range of radioisotopes
- New generation Cyclone<sup>®</sup> IKON
  - For production of Germanium-68 (Ge-68), the raw material for the Germanium-68/Gallium-68 (Galli Ad<sup>®</sup> and Galli Eo<sup>®</sup>) generators
  - High demand in 2020 with two machines sold
- Synthera<sup>®</sup> radiochemistry modules
  - Remote installation completed at two sites



## **New Rhodotron® generation brings new opportunities**

- Allows a unique alternative to cobalt and ethylene oxide for sterilization
- New Rhodotron® TT300 HE
  - Electron beam accelerator for production of the radioisotope molybdenum-99 (Mo-99)
  - Undergoing testing in Louvain-la-Neuve
- New Rhodotron® TT1000
  - Enables the production of X-rays to sterilize in much larger volumes
  - First installation recently completed in The Netherlands



# Dosimetry business update

## Order intake up 10%

- Strong orders of Patient Dose Monitoring devices for Mobile Systems from OEMs
- Continued investment in patient QA radiotherapy and market-leading Dosimetry tools for PT
- Gaining Market share in QA for conventional radiotherapy

## Continuous innovation

- myQA iON, unique Patient QA software solution for proton therapy, is now FDA approved (July)
- Further integration of Monte Carlo dose engine into the myQA® ecosystem
- Stereotactic Radiosurgery specialized detector under development





**CONSOLIDATED FINANCIAL STATEMENTS**

# Consolidated P&L



	YE 2020 (EUR 000)	YE 2019 (EUR 000)	Variance (EUR 000)	Variance %
Sales and services	311 955	282 552	29 403	10.4%
Cost of sales and services (-)	175 900	189 415	-13 515	-7.1%
<b>Gross profit/(loss)</b>	<b>136 055</b>	<b>93 137</b>	<b>42 918</b>	<b>46,1%</b>
	43.6%	33.0%		
Selling and marketing expenses (-)	20 735	24 504	-3 769	-15.4%
General and administrative expenses (-)	41 792	37 413	4 379	11.7%
Research and development expenses (-)	33 122	31 133	1 989	6.4%
<b>Recurring expenses (-)</b>	<b>95 649</b>	<b>93 050</b>	<b>2 599</b>	<b>2.8%</b>
<b>Recurring profit/(loss)</b>	<b>40 406</b>	<b>87</b>	<b>40 319</b>	<b>46343.7%</b>
	13.0%	0.0%		
Other operating result	377	-14 559	14 936	-102.6%
Financial result	3 748	2 756	992	36.0%
Share of profit/(loss) of equity-accounted companies	3 227	1 124	2 103	187.1%
<b>Profit/(loss) before tax</b>	<b>33 054</b>	<b>10 766</b>	<b>22 288</b>	<b>207.0%</b>
Tax result	1 133	3 156	-2 023	-64.1%
<b>Profit/(loss) for the period from continuing operations</b>	<b>31 921</b>	<b>7 610</b>	<b>24 311</b>	<b>319.5%</b>
Profit/(loss) for the period from discontinued operations	0	0	0	#DIV/0!
<b>Profit/(loss) for the period</b>	<b>31 921</b>	<b>7 610</b>	<b>24 311</b>	<b>319.5%</b>
REBITDA	<b>55 985</b>	<b>12 459</b>	<b>43 526</b>	<b>349.4%</b>

- Group sales up 10.4% increase driven by CGNNT and the resilient performance of the services business
- Strong decrease in selling and marketing costs with lower level of travel and marketing expenditure due to the pandemic
- Uptick in R&D as the Group invested in the future growth of the business
- G&A increased due to write-downs on some customers facing difficulties due to COVID-19
- Overall increase in operating expenses of 2.8%, minimized thanks to cost control
- Net profit of EUR 31.9 million compared to a net profit of EUR 7.6 million in 2019

# Consolidated Cash Flow



	YE 2020 (EUR 000)	YE 2019 (EUR 000)
<b>Cash flow from operating activities</b>		
Net cash flow changes before changes in working capital	50 384	8 217
Change in working capital	48 991	39 936
Income tax paid/received, net	-1 132	-1 939
Interest (income)/expenses	2 182	2 411
<b>Net cash (used in)/generated from operations</b>	<b>100 425</b>	<b>48 625</b>
<b>Cash flow from investing activities</b>		
Capital expenditures	-4 001	-3 115
M&A and other activities	-1 600	4 866
<b>Net cash (used in)/generated from investing activities</b>	<b>-5 601</b>	<b>1 751</b>
<b>Cash flow from financing activities</b>		
Capital increase (or proceeds from issuance of ordinary shares)	0	131
Dividend paid	-2 254	0
Other financing cash flows	15 622	-42 504
<b>Net cash (used in)/generated from financing activities</b>	<b>13 368</b>	<b>-42 373</b>
<b>Changes in net cash and cash equivalents</b>	<b>108 192</b>	<b>8 003</b>
Exchange gains/(losses) on cash and cash equivalents	-371	-610
<b>Total changes in net cash and cash equivalents</b>	<b>107 821</b>	<b>7 393</b>

- Operating cash flow of EUR 100.4 million, up from EUR 48.6 million in 2019, driven by the increase in profit, high level of cash collection and careful inventory management
- Cash flow used in investing of EUR 5.6 million due to maintenance CAPEX and Dosimetry investment with a net inflow of EUR 1.8 million for 2019 mostly from sale of RadioMed
- Cash flow generated from financing of EUR 13.4 million due to drawdown on a term loan at the beginning of 2020 for EUR 21 million

# Consolidated Balance Sheet



	YE 2019 (EUR '000)	YE 2018 (EUR '000)	Variance (EUR '000)		YE 2019 (EUR '000)	YE 2018 (EUR '000)	Variance (EUR '000)
<b>ASSETS</b>				<b>EQUITY AND LIABILITIES</b>			
Goodwill	3 821	3 821	0	Capital stock	42 294	42 294	0
Other intangible assets	4 527	6 355	-1 828	Capital surplus	41 978	41 978	0
Property, plant and equipment	18 329	19 572	-1 243	Treasury shares	-5 907	-8 502	2 595
Right-of-use assets	29 266	30 400	-1 134	Reserves	17 152	16 375	777
Investments accounted for using the equity method and other investments	14 361	18 096	-3 735	Currency translation difference	-5 569	-3 503	-2 066
Deferred tax assets	7 797	6 985	812	Retained earnings	51 883	22 700	29 183
Long-term financial assets	600	0	600	<b>Capital and reserves attributable to Company's equity holders</b>	<b>141 831</b>	<b>111 342</b>	<b>30 489</b>
Other long-term assets	19 767	21 372	-1 605	<b>TOTAL EQUITY</b>	<b>141 831</b>	<b>111 342</b>	<b>30 489</b>
<b>Non-current assets</b>	<b>98 468</b>	<b>106 601</b>	<b>-8 133</b>	Long-term borrowings	41 174	32 856	8 318
Inventories and contracts in progress	114 568	120 369	-5 801	Long-term lease liabilities	24 598	26 117	-1 519
Trade receivables	103 400	120 199	-16 799	Long-term financial liabilities	3	581	-578
Other receivables	39 071	31 532	7 539	Deferred tax liabilities	521	1 112	-591
Short-term financial assets	1 578	320	1 258	Long-term provisions	7 879	6 775	1 104
Cash and cash equivalents	153 911	46 090	107 821	Other long-term liabilities	19 278	4 185	15 093
<b>Current assets</b>	<b>412 528</b>	<b>318 510</b>	<b>94 018</b>	<b>Non-current liabilities</b>	<b>93 453</b>	<b>71 626</b>	<b>21 827</b>
<b>Total assets</b>	<b>510 996</b>	<b>425 111</b>	<b>85 885</b>	Short-term borrowings	15 557	3 534	12 023
				Short-term lease liabilities	4 797	4 870	-73
				Short-term provisions	4 169	4 443	-274
				Short-term financial liabilities	57	1 432	-1 375
				Trade payables	41 858	41 133	725
				Current income tax liabilities	2 892	2 150	742
				Other payables	48 212	47 846	366
				Advances received on contracts in progress	158 170	136 735	21 435
				<b>Current liabilities</b>	<b>275 712</b>	<b>242 143</b>	<b>33 569</b>
				<b>Total liabilities</b>	<b>369 165</b>	<b>313 769</b>	<b>55 396</b>
				<b>Total equity and liabilities</b>	<b>510 996</b>	<b>425 111</b>	<b>85 885</b>



*Iba* OUTLOOK & DIVIDEND POLICY

---

- Manufacturing & Supply Chain
  - No significant impact
  - All suppliers are open in all geographies
- Projects
  - 20 proton therapy projects under construction or installation comprising 14 Proteus®ONE and 6 Proteus®PLUS solutions
  - Installations and shipment impacted by lockdown and travel restrictions (particularly in PT)
    - Construction delays on several customer sites
    - Inability to deploy full teams on installation sites
    - Difficulties in shipping equipment
  - As a result, IBA has rescheduled several project timelines
- Services
  - All PT centers remain operational, with IBA providing full support both on- and off-site
  - Some customers impacted by payment difficulties

# Dividend policy

New dividend policy, based on

- Significant strengthening of company resources
- Confidence in the growing proportion of recurring revenues
- Willingness to retain engaged long-term shareholders

**Board of Directors to recommend a gross dividend of EUR 0.2 per share**

- Resilience across all of business lines
- Project installations progressing still complex in 2021
- Healthy order intake in Other Accelerators and Dosimetry businesses
- Commitment to progressing new tenders internationally, with encouraging pipeline
- Services continue to provide stable recurring revenues and backlog remains high
- Underpinned by strong balance sheet and excellent cash position
- R&D investments will continue to be a core aspect of plan for longer-term growth.
- Given ongoing COVID-19 conditions, IBA remains unable to provide reliable projected 2021 performance at this time
- Focused on delivering value to stakeholders and committed to remaining leader in all of its markets, while driving efficiency across the board



**FINANCIAL CALENDAR**

# Financial calendar

- Business Update Q1 20 May 2021
- General Meeting 9 June 2021
- Half Year Results 25 August 2021
- ASTRO Capital Markets Day 24-27 October 2021 (TBC)
- Business Update Q3 18 November 2021



Iba Q&As

---