

Press release

June 2020

c-LEcta grows significantly in fiscal year 2019, strong start in 2020

- Significant revenue growth of 114% compared to 2018, EBITDA slightly positive
- Product business further expanded and organizational growth driven forward
- Following positive development in Q1, further revenue growth expected for 2020
- Continuation of the growth strategy planned for the current year

Leipzig, June 16, 2020 – c-LEcta, a global biotechnology company with technology leadership in enzyme engineering and bioprocess development, successfully concludes 2019 and looks confidently to 2020 after a strong first quarter. The successful development of both the product business and the development partnerships resulted in a 114% increase in revenues in 2019 compared to the previous year to currently EUR 9.1 million (2018: EUR 4.2 million). Total revenues including inventory increases of finished goods and own work capitalized amounted to EUR 9.6 million (2018: EUR 4.5 million).

The company thus again grew significantly in 2019 and even exceeded its already ambitious plans. Earnings before interest, taxes, depreciation and amortization (EBITDA) also developed better than planned, slightly above break-even at EUR 0.2 million. In the previous year, the strategic realignment to concentrate on the product business had temporarily burdened EBITDA. The strong development of the product business was also the reason for the particularly good results for the full year 2019. c-LEcta had driven forward the development and distribution of its own products in particular as of recently. This strategy clearly paid off already in 2019 with product revenues growing by 181%. The existing project business in strategic partnerships also grew by 3%.

“The positive development of EBITDA in particular demonstrates the sustainability of c-LEcta’s business model. Currently, however, the strategic focus clearly remains on the further growth of the company and the investments necessary to achieve this,” said Marc Struhalla, CEO and co-founder of c-LEcta. “We are proud of last year’s revenue growth. 114% growth in one year shows us that the strategic changes of the last two years were right. This is already evident in the current year as well. We got off to a good start in 2020 thanks to the product business that has now been prioritized, and are therefore well on track for the year as a whole,” added CFO Thomas Pfaadt.

The number of employees increased further in 2019. In total, c-LEcta had 76 employees as of December 31, 2019. In the course of the year 2020, nine new employees have been hired so far. Thus c-LEcta once again proves its attractiveness as an employer and its ability to attract very good employees even in a tight job market. This will enable the company to continue to drive its current projects for development and distribution of its own products in the future.

These products are aimed at customers in both the pharmaceutical and food industries. c-LEcta is well positioned in both markets and therefore has a solid basis for further growth, especially in the current economic situation. This includes the product DENARASE, for example that is required in the production of vaccines in order to free the finished products from DNA residues from the production process. The increased demand for DENARASE in the first quarter of 2020, among other developments, has resulted in solid growth momentum in the first months of the current year.

c-LEcta again expects to expand its own product portfolio in fiscal year 2020. This includes a new enzyme product for the food sector. In the pharmaceutical sector, the introduction of an ELISA kit in the first half of 2020 will be aimed at proving the residue-free removal of DENARASE from the final product.

“Our product pipeline remains well filled. This is reflected in the product launches planned for 2020. But in the medium and long term as well, we are working on a number of promising products that each have global sales markets. In doing so, we are using our positioning with currently two primary target markets and the two segments of product business and partnerships to optimally exploit our technological platform,” commented Marc Struhalla.

Based on the good results in 2019 and the current business situation, management expects further sales growth in 2020 beyond the results that were achieved in the previous year.

About c-LEcta

c-LEcta is a world-leading biotechnology company with a focus on enzyme engineering and application in regulated markets like the food and pharma industries. The company is based in Leipzig, Germany, and has established itself as a leading player in the realization of high-value biotech products, either in the form of in-house developments or in close cooperation with industry. The company currently employs more than 80 people.

c-LEcta delivers cost-efficient and sustainable production processes which open new markets and allow for better penetration of existing markets. The company is characterized by fast and efficient development of best-in-class biotech solutions and a rapid and successful market introduction and commercialization of the resulting products. This enables c-LEcta to leverage the unique potential of its core technologies. c-LEcta has a proven track record of more than ten successfully commercialized high-value industrial biotech products.

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