

First quarter 2017 results

Biotec Pharmacon ASA ("Biotec", OSE: BIOTEC) reported sales of NOK 18.2 million (17.3) in the first quarter of 2017, and a negative EBITDA of NOK 4.1 million (-3.5). Woulgan® generated sales of NOK 0.4 million during the first quarter primarily to Germany. ArcticZymes continued its positive sales growth from the previous quarters.

We see that Woulgan® continues to generate revenues in Germany and based on the positive market feedback from the evaluations, we remain optimistic for this product going forward. We hope our latest response to the UK Drug Tariff will be acceptable. We are applying for a new product category so the UK authorities need a strong level of confidence before they reimburse. ArcticZymes continues its solid performance with sales growth in the first quarter, says Svein Lien, Chief Executive Officer of Biotec.

Sales in the first quarter 2017 ended at NOK 18.2 million (17.3) with an EBITDA of NOK -4.1 million (-3.5). Sales from beta-glucans and enzymes were NOK 9.3 and 8.9 million, respectively. Woulgan® had sales of NOK 0.4 million in the quarter primarily from Germany. Biotec has a good financial position with a cash balance of NOK 46.5 million at the end of the quarter.

Biotec replied to "UK Drug Tariff" questions at the end of February 2017, and is currently awaiting feedback. Germany is developing as expected and several new homecare companies are evaluating Woulgan®. In the Nordic countries, tender listings and key opinion leader support is important to generate brand awareness and push sales.

We are pleased how we are able to move the business units forward. Also, the positive development in the cancer area is encouraging and we will seek ways to move this forward with limited resources, says Lien.

Biotec's operational targets for 2017 are to finalize UK reimbursement, drive commercial sales for Woulgan®, expand and retain business opportunities within the consumer and animal health segment. ArcticZymes targets to develop new products and continue sales growth.