

Second quarter 2016 results

Biotec Pharmacon ASA ("Biotec", OSE: BIOTEC) reported sales of NOK 15.3 million (11.5) in the second quarter of 2016, and a negative EBITDA of NOK 1.6 million (-1.0). Biotec delivers on 2016 goals in the second quarter, through appointment of a distributor in Germany and the first commercial sales via its Nordic distributor.

Biotec's underlying business continues to drive performance in most segments, with sales growth of more than 30 percent higher than the corresponding quarter last year. We are pleased with the growth and to have passed important milestones in key segments. We have also gained lots of positive feedback from members of the focus group and key opinion leaders that have used Woulgan®, says Svein Lien, Chief Executive Officer of Biotec.

Sales in the second quarter 2016 ended at NOK 15.3 million (11.5), with an EBITDA of NOK -1.6 million (-1.0). Sales revenues from beta-glucans and enzymes were NOK 7.5 and 7.8 million, respectively. The company has a solid financial position with a cash balance exceeding NOK 64.7 million at the end of the second quarter.

Biotec awaits final approval from the UK Drug Tariff, before the company's novel wound care product Woulgan® will be launched in the UK. During the second quarter, Biotec has concentrated its efforts on Drug tariff follow-up and on the focus group in the UK to ensure proper commercial support when Woulgan® is made commercially available through H&R Healthcare. Signing of Rogg Verbandstoffe as distributor for the physician offices and pharmacies in the German market has also been one of the key activities during the second quarter. In the Nordic region, Biotec's distribution partner Navamedic has received its first commercial sale in Finland. Navamedic continues to submit Woulgan® for tenders in all the Nordic countries and has recently won its first tender in Finland.

We reached an important milestone at the end of the second quarter through filing of the 510K application for the US market. Such application takes normally 6-9 months. The US market represents the largest single market in the world with almost one third of all stalled wounds, says Lien

Biotec reiterates its 2016 operational targets for Woulgan®, presented at the company's Capital Markets Day on 11 February 2016.

The complete interim report for Q2 2016 is enclosed. The company is hosting a presentation on 17 August 2016 at 08:30 CET at Hotel Continental, Stortingsgata 24, Oslo.