

Third quarter 2018 results

(Tromsø, October 18, 2018) Biotec Pharmacon ASA ("Biotec", OSE: BIOTEC) reported sales of NOK 22.1 million (14.4) in the third quarter of 2018, and a negative EBITDA of NOK 0.2 million (-7.3). ArcticZymes generated sales of NOK 9.8 million during the third quarter whereas Woulgan® generated sales of NOK 0.9 million.

"At the last quarterly announcement, we informed about the fluctuating purchase pattern of our large customers especially within our enzymes business, but also stated that we were certain it would rebound in the second half of 2018. In third quarter, sales rebounded as we expected. Furthermore, we now have the new commercial organization up to full speed. Outside the new cGMP customer within gene therapy announced earlier, ArcticZymes also signed a new customer within the molecular diagnostic area proving that our products are very competitive within these specialized customer segments", says CEO, Christian Jørgensen.

Woulgan generated better sales than the same quarter last year, and experienced positive developments especially in Germany despite the on-going national discussions on reimbursement. In Germany Biotec experienced repeat orders from existing customers as well as first orders from new customers. In the UK, Woulgan is listed on 5 formularies with new potential clinics and formularies in the pipeline. In general, the UK market has long lead time from the nurse's acceptance of the product until the product is on formularies.

Biotec continues to invest in the clinical study in New York, where SBG® is used as an adjuvant to a vaccine against the relapse of Neuroblastoma. Biotec is encouraged by the results published in May 2018 as well as increased patient enrolment into the study. Biotec together with the Neuroblastoma study partners continue to evaluate the potential and timelines of this opportunity

In connection with the third quarter announcement, CEO Christian Jørgensen states: "We had a good quarter and see positive third quarter developments in all our business areas. We managed to register the best EBITDA result in many quarters. As we are a small company with large customers, fluctuating order patterns can change the quarter to quarter development, but the fundamentals of our business and the customer reaction to our products gives us confidence in the future of the company. We continue to manage our cash tightly and had 13% lower spend in the first three quarters of 2018 versus the same period last year."