

# Fourth quarter 2018 results

**Tromsø, Norway, 30 January 2019 – Biotec Pharmacon (OSE: Biotec) announces its Q4 2018 results and full year 2018 results to 31 December 2018.**

## **Highlights for Q4 and full year 2018**

- Group sales were up 10% to NOK 19.5 million in Q4 2018 (Q4 2017: NOK 17.7 million), due to record enzymes sales and animal health sales. Annual sales were
- NOK 66.8 million (2017: NOK 66.7 million).
- ArcticZymes had record high fourth quarter sales of NOK 10.6 million (Q4 2017: NOK 8.8 million).
- Woulgan® continues to generate recurring revenues with NOK 0.9 million for the quarter (Q4 2017: NOK 0.6 million), driven primarily by the German market. Annual sales up 26% to NOK 2.9 million (2017: NOK 2.3 million).
- EBITDA of NOK -1.6 million in Q4 (Q4 2017: NOK -7.2 million) as a result of stronger sales and cost control. EBITDA for the full year significantly improved to NOK -11.9 million (2017: NOK -22.9 million).
- Operating expenses for Q4 decreased to NOK 18.5 million (Q4 2017: NOK 19.9 million) and annually NOK 65.3 million (2017: NOK 73.8 million).
- Cash balance as at 31 December 2018: NOK 31.7 million (FY 2017: NOK: 30.6 million).
- ArcticZymes signed a new supply agreement for Cod UNG (13 December 2018) and a license agreement with Vectron Biosolutions (20 December 2018).
- New VP Wound Care appointed with aim of strengthening sales growth in the UK, Nordics and other European countries for 2019.

## **CEO Christian Jørgensen comments:**

“In Q4, we saw record sales of enzymes from the ArcticZymes division due to strong customer sales and launches of new products. In the BetaGlucans division, we experienced solid animal health sales and saw encouraging growth in Woulgan sales, driven by the German market.

“Stronger sales and careful cost control reduced the overall deficit in EBITDA by over 50%, giving us the best result so far as a company since 2005.

“Strategically, the priority for the business is twofold. ArcticZymes will continue launching new products as demanded by customers, and we aim to grow it both organically as well as looking for inorganic growth opportunities. The goal for Biotec BetaGlucans will be to further build the Woulgan franchise, focussing on the growing German market and strengthening sales in the UK, Nordics and other European markets.

“We believe we are stronger as a business going into 2019 than in earlier years. We aim to continue driving business development efforts whilst managing the Company’s resources carefully into 2019.”