

Second quarter 2019 results

Highlights for Q2 2019

- Group sales were up 55% to NOK 16.9 million (Q2 2018: NOK 10.9 million).
- Gross profit for the Group improved 42% to NOK 11.6 million (Q2 2018: NOK 8.2 million) due to improvements in most areas.
- ArcticZymes had second quarter sales of NOK 9.0 million growing by 58% (Q2 2018: NOK 5.7 million).
- Woulgan® continues to generate recurring revenues with NOK 1.4 million for the quarter (Q2 2018: NOK 0.5 million), driven primarily by good sales in the German market.
- Improvement in EBITDA to NOK -0.5 million (Q2 2018: NOK -3.5 million) as a result of stronger sales.
- Cash-flow for the quarter was NOK -6.8 million (Q2 2018: NOK 15.2 million, explained by NOK 22 million in capital increase). Despite the improvement in performance this is almost the same as last year ex capital increase due to changes in working capital and the timing of sales.

CEO Christian Jørgensen comments:

“The performance in Q2 continued the positive development from Q1. Biotec experienced growth in all high margin areas and as stated before, even though as a small business with large customers quarterly figures might fluctuate, the performance in the first half of 2019 is a significant improvement over the same period last year.

We continue to manage the cost base and has reallocated some costs to our ArcticZymes franchise as well as having extra costs to consultants helping us in the M&A area.

The general healthcare savings initiatives influence all players in the wound care market. Especially smaller companies with limited market power face issues when market conditions tighten. We continue to execute on our strategy working with distribution partners as well as discussing more strategic global arrangements.”