



Marinomed: Investments in strong technology portfolio in first half-year 2019

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Corporate News

Marinomed Biotech AG, a globally active biopharmaceutical company with headquarters in Vienna, consistently implemented its growth strategy in the first half 2019 and achieved important operational goals. With the successful completion of the Phase III study for its flagship product Budesolv, Marinomed achieved the decisive breakthrough for its innovative Marinosolv® platform. Now, further investments will be made in new Marinosolv®-based products and the clinical development of the ophthalmology drug Tacrosolv will be progressed.

“Our goal is the creation of long-term value. We want to achieve this by investing in a strong technology portfolio that we aim to exploit and commercialise. Our half-year result was negative as planned because of these investments in the future. With our clinically validated Marinosolv® platform and our well-established Carragelose® business, we are well on our way to capitalise on the strong growth prospects in the cough, cold and allergy segment and to achieve our long-term goals”, says Dr Andreas Grassauer, CEO of Marinomed.

Positive development of revenues – high investments in research and development

The financials of the first half-year 2019 reflect the successful IPO and high investments in research and development. Total assets rose from EUR 5.26 million as of December 31, 2018 to EUR 15.56 million as of June 30, 2019. Cash and cash equivalents increased to EUR 12.58 million in the first half-year 2019 (12/2018: EUR 1.72 million). The balance sheet liabilities have been almost fully settled.

Unlike conventional biotechnology companies, Marinomed is already generating revenues from the sale of products based on its Carragelose® platform. In the first half 2019, Marinomed increased its revenues to EUR 1.66 million (H1/2018: EUR 1.52 million). As a result of the high expenses for R&D as well as for the IPO, the operating result (EBIT) in the first half of the year was EUR -4.06 million and below the prior year's period figure of EUR -1.78 million. The half-year result for 2019 was EUR -4.90 million, following EUR -2.05 million in the first half of 2018. This also included one-off extraordinary effects, such as valuation effects of the convertible bond and IPO costs.

Outlook

With the first product of the Marinosolv® platform Marinomed targets the USD 5 billion global market for Cortisone-based allergic rhinitis treatment. Next steps include the preparation of the regulatory submission of Budesolv, which is expected to take place in 2020, as well as the start of the clinical phase II of Tacrosolv, a product to treat inflammatory ocular disorders, in the next six months.

Marinomed expects a long-term rise in revenues from its Carragelose® products. This increase is set to come from product launches in new markets as well as from the introduction of additional products in existing markets. Furthermore, it is expected that products from the Marinosolv® platform will rapidly gain importance in the generation of revenues.

Exploiting the potential of the two platforms will require further investment in R&D in the foreseeable future. The necessary funding is provided by proceeds from the IPO, the loan commitment from the EIB, subsidies and recurring revenues. Marinomed expects an increasing order and sales performance in 2019. However, the high research & development expenses as well as one-time expenses related to the IPO mean that the Company expects operating losses for the fiscal year 2019.

About Marinomed Biotech AG

Marinomed Biotech AG is a biopharmaceutical company with headquarters in Vienna and has been listed in the Prime Market of the Vienna Stock Exchange since February 1, 2019. The company focuses on the development of innovative products based on patent-protected technology platforms in the field of respiratory and ophthalmological diseases. The Marinosolv® technology platform increases the efficacy of hardly soluble compounds for the treatment of sensitive tissues such as the eyes and nose. The Carragelose® platform comprises innovative patent-protected products targeting viral infections of the respiratory tract. Carragelose® is used in nasal sprays, throat sprays and lozenges, which are sold via international partners in over 40 countries worldwide. Further information is available at: www.marinomed.com.

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