

ArcticZymes granted NOK 1.6 million funding from Innovation Norway for enzyme development project.

Tromsø, Norway, 28. May 2020 – Biotec Pharmacon (OSE: Biotec) announces its subsidiary, ArcticZymes AS, has been granted by Innovation Norway up to NOK 1.6 million for a project to commercialize additional enzyme components required by diagnostic developers.

ArcticZymes Cod UNG enzyme offers diagnostic developers a superior enzyme-based solution for preventing false-positive results without affecting sensitivity in molecular diagnostic tests. Since the commercialization of Cod UNG in 2004, the enzyme has been integrated into a broad range of diagnostic tests by commercial partners. Furthermore, Cod UNG has been essential for many companies developing and marketing molecular diagnostic tests to detect RNA viruses such as HIV and Hepatitis C virus (HCV).

Following the Covid-19 outbreak, ArcticZymes has experienced upsides in sales with numerous companies who have integrated Cod UNG into their COVID-19 diagnostic tests. Beyond Cod UNG, viral diagnostic developers have repeatedly expressed the need for additional enzyme components not currently offered by ArcticZymes. Examples include high-grade DNA polymerases and reverse transcriptases, which are integral to PCR, LAMP and other amplification technologies. Such technologies will drive innovation of the second generation of COVID-19 diagnostic tests by commercial partners.

In the pursuit to provide a more complete commercial offering, ArcticZymes aims to supply all essential enzyme components to viral diagnostic developers. In supporting this initiative, the project will broaden and accelerate the company's capacity to innovate and commercialize such enzymes without compromising the existing product development pipeline. The project is estimated to be completed within 18 months.

ArcticZymes AS, CEO, Jethro Holter said:

“ArcticZymes have been a critical supplier to viral diagnostic companies for over a decade with Cod UNG representing our lead product. The main commercial objectives of this project are twofold. First it is to build other core enzymes around Cod UNG specific to viral diagnostics which can be exploited in the second generation of COVID-19 diagnostic tests and tests for future emerging viruses. Secondly, it expands ongoing innovation efforts towards achieving ArcticZymes strategic goal in becoming Europe's leading one-stop-shop for enzymes.

We are grateful to Innovation Norway for supporting the project and recognizing the valuable contribution ArcticZymes is making towards improving infectious disease healthcare.”

Thomas Stien, Financial Advisor, Innovation Norway, added:

“As part of the Norwegian government's efforts to limit the effects of the coronavirus eruption, Innovation Norway has been given an increased limit for innovation grants aimed at companies with growth ambitions. The grant will help companies continue to pursue good innovation projects - or facilitate new ones.

We prioritize innovation projects that have great utility, high degree of innovation and likelihood of success. This product development meets a specific need in the global market and will contribute to strengthening ArcticZymes competitiveness. In addition, it will most likely result in more jobs in the region.”

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About Biotec Pharmacon ASA

Biotec Pharmacon is a Norwegian life sciences company focused on specialized, novel enzyme and immunomodulating beta-glucan technology.

The Biotec Pharmacon Group is creating value from innovation in life science markets via its subsidiaries, ArcticZymes and Biotec BetaGlucans. Its technologies capitalize on more than three decades of world-class research at the Arctic University of Tromsø to offer niche and high-tech products in several biotech segments.

For more information, please visit the website: www.biotec.no.

About ArcticZymes AS

ArcticZymes develops, produces and markets novel recombinant enzymes for use in molecular research, In Vitro Diagnostics (IVD) and therapeutics.

The Company focuses on novel and high-quality enzyme technologies in growth markets where rapid technological developments are creating a strong demand for new and improved enzymes. Some of its enzymes' unique features include heat lability and activity in challenging environments as well as customized, engineered novel features which can be integrated to power the technologies of commercial partners.

All ArcticZymes products are ISO13485 certified.

For more information, please visit: www.arcticzymes.com