

PRESS RELEASE, 25 October 2019

Iconovo AB (publ) makes a significant investment in the development of a new inhalation platform

Iconovo AB (publ) announced today that the company has made a decision to invest in the development of a new dry powder inhalation platform. This platform will comprise a new inhalation device, ICOPre, and bespoke dry powder formulations. The new products are developed to target the global market including the US.

In the coming ten years, the inhalation market is expected to be dominated by the GlaxoSmithKline products based on the new Ellipta inhalation device. At present, five drug products are available in Ellipta with a total market value of 2.7 BUSD (2018). The value is expected to grow to 5.0 BUSD in 2024 (source: Evaluate Pharma Vantage publications). The first patent protecting these products will expire starting 2025 and Iconovo is investing to be able to offer generic versions of these products. Iconovo's estimates of the business opportunity has been validated by PWC Strategy and their global network.

Ellipta is a pre-filled inhalation device holding 30 doses. Each individual dry powder dose is filled and sealed at the factory in order to guarantee a high precision. A generic version of Ellipta in the US must also use a pre-filled device, in order to be registered. Iconovo intends, therefore, to develop a novel device, ICOPre, which is pre-filled and meets all other requirements for generic approval in Europe and in the US. ICOPre will be based on novel and proprietary technology and will not be limited by the Ellipta patents valid until 2030.

Iconovo estimates the development time to be about 3 years. 20 MSEK has been reserved for the investment. Iconovo is well financed with 40 MSEK in cash to back the investment.

"This is the biggest and most important investment in Iconovo's five-year history. With the ICOPre-platform we will be able to reach, not only the European market, but also the very valuable US market. We are one of the companies in the world capable of offering a comprehensive inhalation platform including both an inhalation device and dry powder formulation", says Dr. Orest Lastow, CEO.

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