

Prostatype Genomics presents business plan for US market valued at 6 billion SEK (600 million USD) per year

Today, Prostatype Genomics AB presents its business plan for the company's gene test Prostatype® in the US market. In 2025, the goal is to forcefully strengthen and make visible the company's underlying value by achieving significant sales revenue and prove the product's scalability in carefully selected states and via groups of urologists (LUGPA groups). Once the scalability has been proven, the activities will be increased to a higher level to gradually claim a significant share of the addressable US market, which the company estimates at around 6 billion SEK (600 million USD) per year.

In 2024, the company has achieved several regulatory and commercial milestones in the United States according to plan and at a high pace. This means that the gene test Prostatype® for patients with diagnosed prostate cancer is already commercially available in the world's single largest market, and it is used clinically by a small number of leading urologists [such as Professor E. David Crawford](#).

An application for inclusion in Medicare's cost reimbursement system has been submitted in line with the previously communicated plan, with the goal of obtaining an approval in Q4 2024. The current reimbursement level is approximately 3,700 USD per test. When an approval is obtained, the company's by far most significant commercial milestone to date is achieved, and focused sales activities can begin.

During the past six months, the company has completed a detailed and cost-effective business plan for the US market. The plan is based on solid knowledge in the field. The company's management in Sweden and the United States together with the board have many years of experience in launching and scaling up similar products in the US market for both small and large healthcare companies. In addition, its Chief Medical Officer Jerry Andriole is an internationally respected urologist and leading researcher within prostate cancer with a large and wide industry network.

The main features of the company's business plan for the US market

According to the company, Prostatype® has unique advantages facilitating a successful establishment in the US market:

- In 2025, proven scalability in the US market is deemed to be the most value-driving milestone, as this is an important criterion for large industrial or financial entities ahead of a potential strategic investment in the company.
- Currently, Prostatype® is used clinically by a small number of leading American urologists who contributed with valuable feedback ahead of a wider launch. The awareness of the product is also increased through meetings with urologists and clinics and attendance at industry events.
- In 2025, the company plans to, following Medicare approval, rapidly complete the recruitment of a small number of highly qualified key account managers with valuable contact networks. These will focus on already selected states based on Medicare coverage and demographics, as well as groups of urologists (so-called LUGPA groups) across the country. Weekly follow-ups and adjustments will take place based on well-defined measurement points.

- When sales revenue is achieved through the focused launch in 2025, and the scalability of the product can be demonstrated, the next phase can be initiated; commercial scale-up with a growing sales force to reach a significant share of the addressable US market estimated at 6 billion SEK (600 million USD) per year. The company expects to reach breakeven in Q4 2026 followed by profitable growth and a very attractive profit margin.
- With this plan, breakeven can be reached with a limited number of urologists becoming recurring users of Prostatype® in their clinical practices. This corresponds to a very small number of LUGPA groups as each group often includes 25-100 urologists.
- The business plan fits within the company's existing financial plan, where the majority of the company's costs in the US market is shifted from being related to regulatory establishment with a US study in 2024 to being more linked to sales growth in 2025.

Unique advantages provide strong positioning

- Very strong proven performance for the endpoints requested by American urologists
- Unique product with specific focus on embryonic stem cancer cells and algorithms developed using advanced AI and machine learning
- High scientific credibility supported by several of the most prominent American urologists and prostate cancer experts such as Professor Jerry Andriole and Professor E. David Crawford
- Presence in the US market with a wholly owned subsidiary, an ongoing US study and an upcoming inhouse sales force with valuable networks

“We already have a highly qualified management, a very strong product and a cost-effective and scalable chain for handling all steps related to the product including test analysis on site in the United States. Following Medicare approval for cost reimbursement, we will be able to quickly initiate sales activities and start to receive sales revenue in the US market,” says Prostatype Genomics' CEO Fredrik Rickman.

Deliberate choice to start commercially on its own

There is great interest in the company from potential commercial partners in the US market. However, after careful consideration, the board has chosen to start the commercial activities to demonstrate the product's scalability on its own. This is considered to build much greater shareholder value compared to signing a commercial agreement today where the external partner would receive in the order of half of the sales revenue.

“The path we have chosen gives us control over our initial commercial activities in the US market while allowing us to evaluate proposals from external investors or partners. When we obtain Medicare approval and can prove that the US sales is possible to scale up, this could provide us with a very exciting negotiation position in the coming quarters. To facilitate future strategic discussions in the United States, the board is also considering making the share available for US investors through the so-called OTC market,” says Fredrik Rickman.

In-depth information/CEO interview on the business plan will be published in an upcoming newsletter. Suggested questions can be sent to the CEO, but please note that certain detailed information cannot be communicated for competitive reasons.

For more information, please contact:

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About Prostatype Genomics AB

Prostatype® is a genomic test that is available to patients and treating urologists as a complementary decision basis for the question of treatment or no-treatment of prostate cancer. The test was developed by a leading research group at Karolinska Institute and is provided by Prostatype Genomics AB.