

Iconovo updates its long-term financial targets – expects strong revenue growth with a high margin

Iconovo AB (publ), that develops complete inhalation products for a global market, today announces its five-year targets for the company. The company expects to reach sales of SEK 250 million in 2027. The target for the operating profit in the same year is SEK 125 million, resulting in an operating margin of 50 percent. The company expects about one third of the revenue stream to come from Iconovo's own pharmaceutical sales in the Nordic region through its subsidiary Iconovo Pharma. Iconovo's future prospects and financial targets was described in more detail at a Capital Markets Day in Swedish and the presentations will soon be available on the company's website.

The new financial targets replace previous targets that were announced in May 2021, where sales in 2026 was estimated to reach SEK 200 million with an operating margin of 50 percent. The company is still committed to the previously set goals and the targets for 2027 reflect the positive development of the projects over the past twelve months and the company's ability to find new customers.

The financial targets are based on Iconovo's current project portfolio, which includes both the development of novel pharmaceuticals and generic inhalation products, as well as the company's goal to add two to three new projects per year. Iconovo is expected to have twelve development projects running in five years' time. In the forecast, only expected milestone payments are included for the projects that are not yet known. ICORes budesonide/formoterol (a generic equivalent of Symbicort expected to be launched in 2024) and ICOCap indacaterol/glycopyrronium (generic equivalent of Ultibro Breezhaler) are expected to be the two products that contribute the most to the sales target. Iconovo's generic equivalents of Relvar Ellipta are expected to be launched only in the latter part of 2027 or 2028 due to patents still being in force, so there will only be a small contribution to the revenue target for 2027 from these products.

The financial targets do not include the potential royalty income from the company's partner ISR and its development and commercialization of a nasal Covid-19 vaccine. A successful Covid-19 project is seen as a potential upside of up to SEK 100 million by 2027. Potential revenues from the collaboration with Intas Pharmaceuticals are also not included in the financial targets because of an uncertainty for how long the patents for the original product will be in force.

"We see a strong momentum in our projects and approaches a time when several of Iconovo's pharmaceutical projects are being taken into clinical studies by our partners. Looking five years ahead, we forecast strong revenue growth and a high operating margin based on potential future royalty income and milestone-based payments from an increasing number of collaborations, as well as from pharmaceutical sales through Iconovo Pharma in the Nordic region," says Iconovo's CEO, Johan Wäborg.

Risks over the five-year period

According to Iconovo, the biggest risks of not meeting the targets for 2027 are linked to project failure, delays due to longer time in clinical studies, the registration process taking longer time than expected, a more challenging competitive situation or the products being launched in a smaller territory than expected. The risk of failure in the development of generic products is lower than for novel pharmaceuticals. Iconovo considers the market size to be relatively stable and therefore the major uncertainty is linked to how widely the products are launched – price differences between markets can affect the possibility to launch the generic products in certain countries.

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About Iconovo

Iconovo (Nasdaq First North Growth Market: ICO) develops new inhaled medicinal products in collaboration with international pharmaceutical companies. The company provides several types of patent-protected inhalers that can generate significant commercial opportunities in the development of novel pharmaceuticals and vaccines and at patent expirations for established pharmaceuticals. The most advanced project is a generic version of the asthma and COPD product Symbicort® which is expected to reach the market in 2024. Iconovo plans to market this product in the Nordic region through its subsidiary Iconovo Pharma, while the company's partner Amneal Pharmaceuticals has the rights in other parts of Europe and the United States. Certified Adviser is Erik Penser Bank AB, Box 7405, SE-103 91 Stockholm (+46 8 463 80 00, certifiedadviser@penser.se).

Attachments

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