



## **Novelion Therapeutics Announces Anticipated Late Filing of Quarterly Report on Form 10-Q for the Quarter Ended June 30, 2019**

August 12, 2019

VANCOUVER, British Columbia and CAMBRIDGE, Mass., Aug. 12, 2019 (GLOBE NEWSWIRE) -- Novelion Therapeutics Inc. (NASDAQ: NVLN), a biopharmaceutical company dedicated to developing new standards of care for individuals living with rare diseases ("Novelion" or the "Company"), announced that it has determined that it will be unable to file its Quarterly Report on Form 10-Q for the quarter ended June 30, 2019, including the related management's discussion and analysis and CEO and CFO certifications (collectively, the "Interim Disclosure") by the filing deadline of August 14, 2019. In that regard, the Company has filed a Form 12b-25 (Notification of Late Filing) with the U.S. Securities and Exchange Commission (the "SEC"). In addition, the Company will not be able to file the Interim Disclosure within the subsequent five-day extension permitted by the rules of the SEC (the "SEC Extension"). The Company plans to delay any earnings press release for the quarter ended June 30, 2019 until preparation of the Interim Disclosure is completed.

### **Reasons for Anticipated Delay in Filing**

As reported in Novelion's press release dated May 21, 2019, Aegerion Pharmaceuticals, Inc. and Aegerion Pharmaceuticals Holdings, Inc. (together, "Aegerion"), each a subsidiary of Novelion, filed voluntary petitions under Chapter 11 of Title 11 of the United States Code in the United States Bankruptcy Court for the Southern District of New York on May 20, 2019 (the "Aegerion Bankruptcy Case"). As a result of the Aegerion Bankruptcy Case, Novelion has analyzed and evaluated the appropriate accounting treatment of its investment in Aegerion and has concluded that Aegerion's financials should be deconsolidated from Novelion's financial statements, commencing with Novelion's interim financial statements for the quarter ended June 30, 2019. Novelion is working diligently on these accounting matters; however, due to the significant work involved in the deconsolidation and the pendency of the Aegerion Bankruptcy Case, Novelion will be unable to complete the preparation of the Interim Disclosure by the filing deadline and will provide updates as appropriate in due course.

### **Anticipated Impact of Delay in Filing**

As a result of the delay in filing the Interim Disclosure, Novelion anticipates that the British Columbia Securities Commission ("BCSC") will issue a general "failure to file" cease trade order ("CTO") prohibiting the trading by any person of any securities of Novelion (subject to any exceptions that may be set forth by the BCSC on behalf of itself and the other Canadian securities regulators in such CTO). Novelion anticipates that such CTO would take effect after the filing deadline of the Interim Disclosure and would remain in place until such time as the Interim Disclosure has been filed. Novelion does not expect the CTO to impact trades in the Company's common shares between non-Canadian investors completed through Nasdaq (though Nasdaq and/or the SEC may independently impose a trading halt or suspend trading in the Company's securities, or Nasdaq may exercise its discretion to delist the Company's securities).

While the Company anticipates that the Aegerion Bankruptcy Case will cause the Company's results of operations to change significantly from the second quarter of 2018, the Company cannot estimate what significant changes will be reflected in its second quarter 2019 results of operations because requisite information upon which to make such estimates is not currently available as of the time of this press release.

The Company cautions that trading in the Company's securities is highly speculative and poses substantial risks. Trading prices for the Company's securities may bear little or no relationship to the actual value realized, if any, by holders of the Company's securities. Accordingly, the Company urges extreme caution with respect to existing and future investments in its securities.

### **Forward-Looking Statements**

Certain statements in this press release constitute "forward-looking statements" and "forward-looking information" within the meaning of applicable laws and regulations, including U.S. and Canadian securities laws. Any statements contained herein which do not describe historical facts, including, but not limited to, statements regarding beliefs about, or expectations for, the likelihood that the BCSC will issue a general "failure to file" CTO prohibiting the trading by any person of any securities of the Company, the anticipated effect of a CTO on the ability of persons to trade in the securities of Novelion, the possibility that Nasdaq may delist the Company's securities, the possibility that there will be no market for trading the Company's securities or that trading will be suspended, Novelion's anticipated timing for filing the Interim Disclosure, the impact of the deconsolidation of Aegerion's financials from Novelion's financial statements for the quarter ended June 30, 2019, and the anticipated effect and completion of the Aegerion Bankruptcy Case, are forward-looking statements which involve risks and uncertainties that could cause actual results to differ materially from those discussed in such forward-looking statements.

Such risks and uncertainties include, among others, the discretion of Canadian securities regulators in imposing CTOs and in imposing the specific terms thereof, Novelion's ability to continue as a going concern, Novelion's and Aegerion's ability to meet immediate operational needs and obligations, as well as long term obligations, that Novelion will not realize the benefits of the restructuring transaction, that the debtors will not be able to successfully complete the restructuring transaction, potential adverse effects of the Aegerion Bankruptcy Case, the debtors' ability to obtain timely approval by the bankruptcy court with respect to motions filed in the Aegerion Bankruptcy Case, objections to the restructuring transactions or other pleadings filed that could protract the Aegerion Bankruptcy Case, the effects of the Aegerion Bankruptcy Case on Novelion and on the interest of various constituents, including holders of Novelion's common stock, the bankruptcy court's rulings in the Aegerion Bankruptcy Case, risks associated with third party motions in the Aegerion Bankruptcy Case, increased administrative and legal costs related to the Chapter 11 process and other litigation and inherent risks involved in a bankruptcy process, and Novelion's ability to maintain its listing on Nasdaq, especially in light of the previously

disclosed delisting notifications received by the Company and the Company's inability to file its Interim Disclosure in a timely manner, and given Nasdaq's ability to exercise discretionary authority to otherwise delist Novelion's common stock on an accelerated timeline, as well as those risks identified in Novelion's filings with the SEC, including under the heading "Risk Factors" in Novelion's Annual Report on Form 10-K for the year ended December 31, 2018, filed on March 15, 2019, as amended, and subsequent filings with the SEC, including its Current Report on Form 8-K filed on May 21, 2019 (which, in addition to identifying important risks, includes important information about the bankruptcy proceedings and related matters), all of which are available on the SEC's website at [www.sec.gov](http://www.sec.gov). Any such risks and uncertainties could materially and adversely affect Novelion's results of operations and cash flows, which would, in turn, have a significant and adverse impact on Novelion's stock price. Novelion cautions you not to place undue reliance on any forward-looking statements, which speak only as of the date they are made. Except as required by law, Novelion undertakes no obligation to update or revise the information contained in this press release, whether as a result of new information, future events or circumstances or otherwise.

Investors are cautioned that the interests of Aegerion and its stakeholders may not always be aligned with those of Novelion or its shareholders.

Investors and others should note that Novelion communicates with its investors and the public using the Novelion website [www.novelion.com](http://www.novelion.com), including, but not limited to, company disclosures, investor presentations and FAQs, SEC filings, press releases, public conference call transcripts and webcast transcripts. The information that Novelion posts on this website could be deemed to be material information. As a result, Novelion encourages investors, the media and others interested to review the information that Novelion posts there on a regular basis. The contents of Novelion's website shall not be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended or the Securities Exchange Act of 1934, as amended.

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