News Release

THERATECHNOLOGIES ACQUIRES COMMERCIAL RIGHTS TO IBALIZUMAB IN THE EUROPEAN UNION AND FOUR ADDITIONAL TERRITORIES

Montreal, Canada – March 6, 2017 – Theratechnologies Inc. (Theratechnologies) (TSX: TH) is pleased to announce that it has reached an agreement with TaiMed Biologics, Inc. for the acquisition of the commercial rights to ibalizumab in the European Union, Israel, Norway, Russia and Switzerland.

Ibalizumab is an investigational humanized monoclonal antibody currently being developed for the potential treatment of multidrug resistant (MDR) HIV-1 infection. Theratechnologies first acquired the commercial rights to ibalizumab in the United States and Canada in March 2016. The existing agreement between both companies has been amended to include the additional territories and related new obligations.

“Based on clinical trial results obtained, we believe that there is tremendous potential for ibalizumab. After the United States, Europe is the second most important market in the world. Early market research results indicate that the European Union is a significant opportunity,” said Luc Tanguay, President and Chief Executive Officer, Theratechnologies inc.

“If approved in Europe, ibalizumab will serve to sustain our growth over the long-term. This shows that our business plan is working as we are now gathering momentum,” added Mr. Tanguay.

“Our experience with Theratechnologies ever since the beginning of our partnership in the United States has convinced us that it represented the ideal partner to bring our product to the European market. We are very pleased to see our relationship with Theratechnologies grow with the addition of these new territories for the commercialization of ibalizumab,” said James Chang, President and CEO, TaiMed Biologics, Inc.

Transaction terms

Under the terms of the agreement, Theratechnologies will assume regulatory responsibilities and associated costs.

Clinical trial activity required by the EMA, if any, and associated costs will be the responsibility of TaiMed.

Both parties have agreed to a transfer price of 52% for annual European sales up to US$50M. The transfer price will increase to 57% on annual sales above the US$50M threshold.

The agreement also provides for development, launch and sales milestones including:

- An upfront payment of US$3M payable through the issuance of 906,077 common shares of Theratechnologies;

- An approval milestone representing 50% of the cost of the clinical trials and all associated development activities required, if any, to obtain approval in Europe, payable through transfer price increase of 5% of net sales;
- A launch milestone payment of US$10M, payable as follows:
    - US$5M, one year after launch; and
    - US$5M, one year after reaching European sales of US$50M over four consecutive quarters;
- A milestone of US$10M upon European sales reaching US$150M over four consecutive quarters;
- A milestone of US$20M upon European sales reaching US$500M over four consecutive quarters;
- A milestone of US$50M upon European sales reaching US$1B over four consecutive quarters;

The agreement has a 12-year term following marketing approval on a country-by-country basis.

Theratechnologies intends to initiate discussions with the European Medicines Agency (EMA) as soon as possible to discuss the strategy in regards to the potential filing of an application.

While a definitive sales and marketing strategy has yet to be developed, Theratechnologies will analyze different options to ensure the optimal commercialization approach in Europe.

About ibalizumab

Ibalizumab is an investigational humanized monoclonal antibody currently being developed for the potential treatment of Multiple Drug Resistant Human Immunodeficiency Virus-1 (MDR HIV-1) infection. Unlike other antiretroviral agents, ibalizumab binds primarily to the second extracellular domain of the CD4+ T cell receptor, away from major histocompatibility complex II molecule binding sites. It potentially prevents HIV from infecting CD4+ immune cells while preserving normal immunological function. Ibalizumab is active against HIV-1 resistant to all approved antiretroviral agents. Ibalizumab has been tested in Phase I and II clinical trials and the Phase III trial was the last pivotal clinical study necessary for the completion of a Biologics License Application (BLA) expected to be submitted to the Food and Drug Administration (FDA).

Ibalizumab has received “Breakthrough Therapy” designation from the FDA. This designation is given to a therapy that may provide a substantial improvement over what is currently available to address a serious and life-threatening condition. Ibalizumab also received “Orphan Drug” designation by the FDA.

About Theratechnologies

Theratechnologies (TSX: TH) is a specialty pharmaceutical company addressing unmet medical needs to promote healthy living and an improved quality of life among HIV patients. Further information about Theratechnologies is available on the Company's website at www.theratech.com and on SEDAR at www.sedar.com.

Forward-Looking Information

This press release contains forward-looking statements and forward-looking information, or, collectively, forward-looking statements, within the meaning of applicable securities laws, that are based on our management's belief and assumptions and on information currently available to our management. You can identify forward-looking statements by terms such as "may", "will", "should", "could", "would", "outlook", "believe", "plan", "envisage", "anticipate", "expect" and "estimate" or the negatives of these terms, or variations of them. The forward-looking statements contained in this press release include, but are not limited to, discussions that we intend to have with the EMA, the approval and sale of ibalizumab for the treatment of MDR HIV-1 infected patients in Europe and in the other countries mentioned in this press release and the growth of Theratechnologies based on such approval and the sales of ibalizumab related thereto.

Forward-looking statements are based upon a number of assumptions and are subject to a number of risks and uncertainties, many of which are beyond Theratechnologies' control that could cause actual results to differ materially from those that are disclosed in or implied by such forward-looking information. These assumptions include but are not limited to, the following: all data obtained from the conduct of the Phase I, II and III clinical trials will support the filing of a marketing authorization application with the EMA and the other European countries mentioned herein, ibalizumab will be approved for the treatment of MDR HIV-1 infected patients by the EMA and the other European countries mentioned herein and, if approved, Theratechnologies will have set-up on time the necessary infrastructure to launch and commercialize ibalizumab in Europe. These risks and uncertainties include, but are not limited to, the risk that the data obtained so far from the Phase I, II and III clinical trials do not support the filing of a marketing authorization application in Europe and that additional studies need to be conducted, that the EMA or any one of the regulatory authorities in the other countries mentioned herein does not approve ibalizumab as a treatment for MDR HIV-1 infection and, if approved, that the EMA or these regulatory authorities impose a significant limitation on its use resulting in a smaller patient population who could benefit from ibalizumab.

We refer potential investors to the "Risk Factors" section of our Annual Information Form (AIF) dated February 7, 2017 for additional risks and uncertainties about Theratechnologies. The AIF is available on the Corporation's website at www.theratech.com and on SEDAR at www.sedar.com.

The reader is cautioned to consider these and other risks and uncertainties carefully and not to put undue reliance on forward-looking statements. Forward-looking statements reflect current expectations regarding future events and speak only as of the date of this press release and represent our expectations as of that date. We undertake 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, except as may be required by applicable law.

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