News Release

THERATECHNOLOGIES ANNOUNCES FINANCIAL RESULTS

FOR THE SECOND QUARTER OF 2019

Montreal, Canada – July 11, 2019 – Theratechnologies Inc. (Theratechnologies) (TSX: TH) today announced its financial results for the second quarter ended May 31, 2019.

Second quarter 2019 financial highlights

- Record second quarter net sales of $15,609,000, up 62.6% from the same quarter last year
  - Trogarzo® sales up 13.6% from the previous quarter
  - *EGRIFTA*® sales stable ahead of *EGRIFTA SV*™ launch
- Cash position of $43,062,000 at May 31, 2019

Application for NASDAQ listing

In addition to announcing its second quarter results, the Company also confirmed that its Board of Directors has authorized management to apply for the listing of its common shares on NASDAQ. Required documentation will be prepared and should be filed over the next few weeks.

"The Company continues to deliver sustained growth while giving itself the tools and levers to achieve its vision of becoming a significant player in the pharmaceutical industry. Shortly, we expect a recommendation from the CHMP for Trogarzo® in Europe and the launch of the new *EGRIFTA SV*™ in the United States. This could help give the Company even more momentum in the coming years as we keep working on the development of extremely exciting longer-term projects," said Luc Tanguay, President and CEO, Theratechnologies Inc.

"Among them, the development of a new formulation of *EGRIFTA*® in NASH-HIV which, based on early market research, represents an estimated total population between 100,000 to 300,000 patients, and our targeted oncology platform for which we will pursue two initial indications in ovarian and triple-negative breast cancer," added Mr. Tanguay.

Second quarter 2019 financial results

Financial results presented in this press release are taken from the Company's Management's Discussion and Analysis, or MD&A, and unaudited consolidated financial statements for the six-month period ended May 31, 2019, which have been prepared in accordance with International Financial Reporting Standards, or IFRS, as issued by the International Accounting Standards Board, or IASB. The MD&A and the unaudited consolidated financial statements can be found at www.sedar.com and www.theratech.com. Unless specified otherwise, all amounts in this press release are in United States dollars and all capitalized terms have the meaning ascribed thereto in our MD&A. As used herein, *EGRIFTA*® refers to tesamorelin for the reduction of excess abdominal fat in HIV-infected patients with lipodystrophy. Trogarzo® refers to ibalizumab for the treatment of multidrug resistant HIV-1 patients.

Consolidated revenue for the three- and six-month periods ended May 31, 2019 was $15,609,000 and $30,705,000 compared to $9,598,000 and $17,711,000 for the same periods ended May 31, 2018, an increase of 62.6% and 73.4%, respectively. Revenue

growth for the last quarter compared to the same quarter last year reflects the increasing contribution of Trogarzo®.

For the three- and six-month periods ended May 31, 2019, **cost of sales** was $6,585,000 and $12,650,000 compared to $2,171,000 and $3,875,000 in the comparable periods of fiscal 2018. Cost of goods sold was $5,346,000 and $10,156,000 compared to $1,594,000 and $2,535,000 for the same periods last year. The increase in cost of goods sold is mainly due to the introduction of Trogarzo®.

Prior to the third quarter of 2018, cost of sales included royalties due under the terms of an agreement terminating our collaboration and licensing agreement with EMD Serono Inc., or EMD Serono. In the second quarter of 2018, royalties paid to EMD Serono amounted to $450,000. In June 2018, we made a full and final payment of $23,850,000 to EMD Serono which enabled Theratechnologies to realize savings from a reduction of future payment obligations including royalty payments.

The payment in connection with the settlement of the future royalty obligation has been accounted as “Other asset” on the consolidated statement of the financial position. Consequently, an amortization of $1,221,000 has been recorded in relation to this transaction in the second quarter of 2019 and $2,442,000 for the six-month period ending May 31, 2019.

R&D expenses in the three- and six-month periods ended May 31, 2019 amounted to $2,285,000 and $4,812,000 compared to $1,897,000 and $3,801,000 in the comparable periods of fiscal 2018.

The increase in R&D expenses is largely due to regulatory and medical activities in Europe and the investment in the oncology platform. This was partially offset by the decision of the FDA to release Theratechnologies from its last post-approval commitments relating to *EGRIFTA*®.

R&D expenses also included medical affairs initiatives aimed at raising awareness among physicians and nurses who interact with patients living with MDR HIV-1 and lipodystrophy, in addition to regulatory affairs activities, such as handling of the European filing of Trogarzo® and quality assurance.

Selling and market development expenses in the three- and six-month periods ended May 31, 2019 amounted to $6,972,000 and $12,420,000 compared to $5,957,000 and $11,271,000 in the comparable periods of fiscal 2018.

The amortization of the intangible asset value established for the *EGRIFTA*® and Trogarzo® commercialization rights is also included in selling and market development expenses. As such, we recorded an expense of $641,000 for the second quarter of Fiscal 2019 compared to $415,000 for the same quarter last year and $1,129,000 for the six-month period ended May 31, 2019 and $793,000 for the same period last year.

General and administrative expenses in the three- and six-month periods ended May 31, 2019 amounted to $1,784,000 and $3,300,000 compared to $1,279,000 and $2,481,000 reported in the comparable periods of fiscal 2018.

The increase is mainly associated with business growth and various initiatives related to the ramp up of our activities in Europe.

Finance income, consisting of interest income, for the three- and six-month periods ended May 31, 2019 was $292,000 and $627,000 compared to $77,000 and $157,000 in the comparable periods of fiscal 2018.

Higher finance income is related to the interest on our higher liquidity position.

Finance costs for the three- and six-month periods ended May 31, 2019 were $1,449,000 and $2,552,000 compared to $283,000 and $439,000 in the comparable periods of fiscal 2018. Finance costs in the second quarter of 2019 and for the six-month period ended May 31, 2019 mostly represent interest of $834,000 and $1,646,000, respectively on the senior convertible notes issued on June 18, 2019, compared to nil for the same period of last year.

Finance costs also included accretion expense, which was $448,000 for the second quarter of 2019 and $805,000 for the six-month period ended May 31, 2019 compared to $189,000 and $413,000 for the same periods last year. In the second quarter of 2019, the accretion expense was mainly associated with the senior convertible notes and the long-term obligation payable to TaiMed (See Note 8 of Interim Financial Statement). Previously, accretion expense related to the long-term obligation with EMD Serono, which was settled during the third quarter of 2018.

Adjusted EBITDA for the three- and six- month periods ended May 31, 2019 was $453,000 and $1,974,000 compared to $(819,000) and $(2,424,000) in the comparable periods of fiscal 2018. See “Non-IFRS Financial Measures” below.

Taking into account the revenue and expense variations described above, we recorded a **net loss** of $3,174,000 or $(0.04) per share in the second quarter of fiscal 2019 and a net loss of $4,402,000 or $(0.06) per share for the six-month period ended May 31, 2019 compared to a net loss of $1,912,000 or $(0.03) per share in the three months ended May 31, 2018 and a net loss of $3,999,000 or $(0.05) per share compared to the six-month period ended May 31, 2018.

For the three- and six-month periods ended May 31, 2019, **cash flow used in operating activities** was $9,980,000 and $7,652,000 compared to $2,840,000 and $3,128,000 for the same periods last year.

In the second quarter of fiscal 2019, changes in operating assets and liabilities had a negative impact on cash flow of $9,970,000. These changes include an increase in trade and other receivables of $5,435,000 and an increase in inventories of $1,359,000, both related to higher sales. It is also impacted by a decrease in account payable and accrued liabilities of $2,914,000.

In the first six months of fiscal 2019, changes in operating assets and liabilities negatively affected cash flow by $(8,695,000) compared to $(931,000) in the comparable period of fiscal 2018.

As at May 31, 2019, **cash and bonds** amounted to $43,062,000 compared to $53,888,000 at November 30, 2018.

Non-IFRS Financial Measures

Reconciliation of net profit or loss to adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA)

Adjusted EBITDA is a non-IFRS financial measure. A reconciliation of the Adjusted EBITDA to net profit (loss) is presented in the table below. We use adjusted financial measures to assess our operating performance. Securities regulations require that companies caution readers that earnings and other measures adjusted to a basis other than IFRS do not have standardized meanings and are unlikely to be comparable to similar measures used by other companies. Accordingly, they should not be considered in isolation. We use Adjusted EBITDA to measure operating performance from one period to the next without the variation caused by certain adjustments that could potentially distort the analysis of trends in our business, and because we believe it provides meaningful information on our financial condition and operating results.

We obtain our Adjusted EBITDA measurement by adding to net profit or loss, finance income and costs, depreciation and amortization, lease inducements and amortization and income taxes. We also exclude the effects of certain non-monetary transactions recorded, such as share-based compensation for the stock option plan and write-downs (or related reversals) of inventories, for our Adjusted EBITDA calculation. We believe it is useful to exclude these items as they are either non-cash expenses, items that cannot be influenced by management in the short term, or items that do not impact core operating performance. Excluding these items does not imply they are necessarily nonrecurring. Share-based compensation costs are a component of employee remuneration and can vary significantly with changes in the market price of the Company's shares. In addition, other items that do not impact core operating performance of the Company may vary significantly from one period to another. As such, Adjusted EBITDA provides improved continuity with respect to the comparison of our operating results over a period of time. Our method for calculating Adjusted EBITDA may differ from that used by other companies.

Adjusted EBITDA
(In thousands of U.S. dollars)

	Three-month periods ended May 31,		Six-month periods ended May 31,	
	2019	2018	**2019**	2018
	$	$	**$**	$
Net loss	**(3,174)**	(1,912)	**(4,402)**	(3,999)
Add (deduct):				
Depreciation and amortization	**1,922**	420	**3,636**	801
Lease inducements and amortization	**228**	0	**228**	0
Finance costs	**1,449**	283	**2,552**	439
Finance income	**(292)**	(77)	**(627)**	(157)
Share-based compensation	**320**	341	**584**	496
Write-down of inventories	**0**	126	**3**	(4)
Adjusted EBITDA	**453**	(819)	**1,974**	(2,424)

Conference Call Details
A conference call will be held today at 8:30 a.m. (ET) to discuss the results. The conference call will be open to questions from financial analysts. Media and other interested individuals are invited to participate in the call on a "listen-only" basis.

The conference call can be accessed by dialling 1-877-223-4471 (North America) or 1-647-788-4922 (International). The conference call will also be accessible via webcast at http://www.gowebcasting.com/10015. Audio replay of the conference call will be available on the same day starting at 11:30 a.m. (ET) until July 25, 2019, by dialling 1-800-585-8367 (North America) or 1-416-621-4642 (International) and by entering the playback code 9688787.

About Theratechnologies
Theratechnologies (TSX: TH) is a specialty pharmaceutical company addressing unmet medical needs by bringing to market specialized therapies for people with orphan medical conditions, including those living with HIV. 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 beliefs 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, statements regarding our growth, the recommendation from the CHMP in Europe, the launch of *EGRIFTA SV*™, the development of a new formulation, the conduct of study in NASH-HIV, the size of the population in NASH-HIV and the development of our oncology platform.

Forward-looking statements are based upon a number of assumptions and include, but are not limited to, the following: sales of *EGRIFTA*® and Trogarzo® will continue to grow in the United States, Trogarzo® will be approved for commercialization in Europe and we will successfully launch it in this territory, no untoward side-effects will be discovered through the long-term use of both *EGRIFTA*® and Trogarzo®, *EGRIFTA SV*™ will be accepted by the marketplace, tesamorelin will demonstrate positive safety and efficacy results in the treatment of NASH for HIV-infected patients and we will succeed in developing a new formulation for *EGRIFTA*® and in developing treatments for ovarian cancer and triple-negative breast cancer.

Forward-looking statements are subject to a variety of risks and uncertainties, many of which are beyond our control that could cause our actual results to differ materially from those that are disclosed in or implied by the forward-looking statements contained in this press release. These risks and uncertainties include, among others, the risk that sales of *EGRIFTA*® and/or Trogarzo® decrease or cease to progress, that a recall of any of those products occur, that the EMA does not approve Trogarzo® for commercialization, that *EGRIFTA SV*™ is not accepted by the marketplace, and that our research and development activities do not yield satisfactory results allowing us to build a portfolio of new products.

We refer potential investors to the "Risk Factors" section of our annual information form dated February 20, 2019 for additional risks regarding the conduct of our business and Theratechnologies. 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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For media inquiries:
Denis Boucher
Vice President, Communications and Corporate Affairs
514-336-7800