



THE BLADDER CANCER COMPANY

Photocure ASA: Results for the third quarter of 2020

Oslo, Norway, 10 November 2020: Photocure ASA (OSE:PHO) today reported Hexvix®/Cysview® revenues of NOK 49.6 million in the third quarter of 2020 (Q3 2019: NOK 51.1), with the U.S. market continuing the Covid-19 rebound with a growth of 20%. Photocure has successfully launched the European Hexvix operations and reiterates the strong outlook and 2023 ambitions.

President & CEO Daniel Schneider comments: "The important U.S. market continued to rebound in the third quarter with a 17% increase in YOY unit sales as fewer procedures were postponed and business disruptions eased. We have deliberately maintained our full commercial capabilities throughout the uncertainty of the COVID pandemic in order to maximize the agility and flexibility necessary to engage our customers personally, virtually and digitally. Photocure expects continued changes in business conditions, but we are well positioned to capitalize on opportunities through various methods. For this reason, we are confident that we will weather the disruptions well and business will return to the pre-COVID-19 strong growth rates once the pandemic resolves.

We also concluded a successful transition of Ipsen's European operations to Photocure and launched our European commercial operations on October 1. We have invested in our European commercial organization, establishing an efficient distribution and third-party logistics network throughout Europe. The entire European team has worked tirelessly to ensure we hit the ground running, and I am very pleased with the seamless transition. We are deploying our full commercial capabilities to grow and expand these new markets".

Photocure reported total group revenues of NOK 49.9 million in the third quarter of 2020 (NOK 60.8 million), with an EBITDA before restructuring of NOK -5.4 million (NOK 8.3 million). The Hexvix/Cysview revenues were NOK 49.6 million (NOK 51.1 million). The demand in the U.S. market continued to rebound during the quarter, with the in-market unit sales up 17 per cent, while the Ipsen transition contributed to a one-off revenue reduction of NOK 8.9 million in the European market and had a negative EBITDA impact of approximately NOK 7 million.

The installed base of rigid cystoscopes in the U.S. was 253 at the end of the third quarter, an increase of 42 units or 20% since the same quarter last year. Blue Light Cystoscopy (BLC®) in the surveillance setting is a key priority for Photocure in the U.S. market. By the end of the 3rd quarter, a total base of 33 flexible cystoscopes have been installed giving more patients access to the procedure with less constraints.

"We experience a solid underlying development across markets. In Europe, the preparations for the commercial Hexvix operations had a one-off impact on the revenues in the third quarter and the growth will be evident from the last quarter of the year, while the sales development in the U.S. continues to accelerate. By maintaining our commercial resources during the Covid-19 pandemic we can ensure a rapid recovery as the situation improves," Schneider adds.

Over the past six months, Photocure has built the commercial infrastructure to launch direct to market operations for Hexvix in the European markets formerly operated by Ipsen. The successful transition and launch of European Hexvix operations on October 1st has created a robust platform for accelerated growth and expansion for Photocure.

The Hexvix rights were transferred to Photocure with the official launch of the commercial operations beginning 1 October 2020. Photocure has paid Ipsen EUR 15 million for regaining the Hexvix rights and Ipsen will also receive earn-out payments in the range of 10 -15% of sales (years 1-7 post-transfer) and 7.5% of sales (years 8-10) in the former Ipsen markets.

"The U.S. and Europe are Photocure's main growth markets, with large untapped opportunities, and the Ipsen agreement is expected to be EBITDA accretive from the full-year 2021 and beyond. Based on the outlook and strategic opportunities, Photocure maintains its group revenue ambitions for 2023 in the range of NOK 1 billion, with EBITDA margins of approximately 40%," Schneider concludes.

Please find the full financial report and presentation enclosed.

EBITDA and other alternative performance measures (APMs) are defined and reconciled to the IFRS financial statements as a part of the APM section of the third quarter 2020 financial report on page 22-23.

Photocure will present its third quarter 2020 report on Tuesday 9 November 2020 at 14:00 CET. The investor presentation will be streamed live and be hosted by Daniel Schneider, CEO and Erik Dahl, CFO.

The presentation will be held in English and questions can be submitted throughout the event. The streaming event is available through https://channel.royalcast.com/hegnarmedia/#!/hegnarmedia/20201110_3. The presentation is scheduled to conclude at 14:45 CET.

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About Photocure ASA

Photocure: The Bladder Cancer Company delivers transformative solutions to improve the lives of bladder cancer patients. Our unique technology, making cancer cells glow bright pink, has led to better health outcomes for patients worldwide. Photocure is headquartered in Oslo, Norway and listed on the Oslo Stock Exchange (OSE: PHO). For more information, please visit us at www.photocure.com, www.hexvix.com, www.cysview.com

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