



Photocure ASA: Results for the first quarter of 2020

Oslo, Norway, 7 May 2020: Photocure ASA (OSE:PHO) announced the first quarter 2020 results in the trading update 27 April 2020, stating a revenue growth of 33% for the U.S. market in the first quarter of 2020, contributing to Hexvix®/Cysview® revenues of NOK 54.4 million (Q1 2019: NOK 51.2 million) and an EBITDA of NOK -4.8 million (NOK -1.5 million). The company has agreed terms with Ipsen Pharma SAS (Ipsen) for the return of Hexvix sales, marketing and distribution rights from the fourth quarter of 2020 and sees significant growth opportunities in Europe. The agreement is expected to be EBITDA accretive from full-year 2021 and beyond.

“Photocure had a strong first quarter in spite of the impact from the Covid-19 health crisis challenges. The continued strong U.S. sales momentum is the driver behind the positive development. Last week, we have agreed terms with Ipsen for gaining global rights back for Hexvix. This is a significant and transformative agreement in progressing our strategy of building a strong and profitable global business within bladder cancer. We have built a successful commercial organization for Hexvix/Cysview in the U.S. and the Nordics, with strong underlying business growth. Photocure aims to apply our deep knowledge and experience acquired in Nordic and U.S. markets to our newly regained European territories and in addition sees significant growth opportunities in Europe and other markets currently not served by Ipsen, “ says Daniel Schneider, President & Chief Executive Officer of Photocure.

Photocure reported total group revenues of NOK 55.0 million in the first quarter of 2020 (NOK 52.2 million), with an EBITDA of NOK -4.8 million (NOK -1.5 million) and a cash position of NOK 127.6 million at the end of the period. The Hexvix/Cysview revenues ended at NOK 54.4 million in the first quarter of 2020 (NOK 51.2 million), driven by a revenue growth of 21% in USD for the U.S. market. The installed base of rigid cystoscopes in the U.S. was 211 at the end of the first quarter, an increase of 51 units or 32% since the same quarter last year, and 27 flexible cystoscopes for the surveillance cystoscopy setting.

Regains worldwide rights of Hexvix

27 April 2020 Photocure announced an agreement with Ipsen for the return of Hexvix sales, marketing and distribution rights in Europe and other markets currently controlled by Ipsen. With taking direct control over Photocure's own Hexvix/Cysview product in key regions, the company reinforces the ambition of becoming a global leader in bladder cancer by creating a global business platform for further growth and expansion opportunities. Following a final agreement, Photocure will begin direct sales and marketing efforts in the fourth quarter of 2020 and expects the potential Ipsen agreement to be EBITDA accretive from full-year 2021 and beyond.

“The agreement will provide a platform for growth and we see the terms as financially highly attractive. The agreement is expected to be EBITDA accretive from full-year 2021 and beyond. Photocure sees major opportunities in Europe for accelerated growth and expansion going forward, “ says Schneider.

The parties have entered into a term sheet setting out the key terms and conditions for an agreement. Pursuant to the term sheet, Photocure will, by the fourth quarter of 2020, pay Ipsen EUR 15 million and at the same date regain all Hexvix marketing rights from Ipsen. Ipsen will book sales up until these dates. Ipsen will in addition receive earn-out payments in the range of 10-15% of sales (years 1-7 post-termination) and 7.5% of sales (years 8-10) in the current Ipsen markets. Photocure conducted a private placement 27 April 2020 raising NOK 143 million in gross proceeds. Reference is made to OSE notifications 27 and 28 April regarding the private placement and the use of proceeds.

Outlines updated potential group 2023 ambitions



Photocure delivers transformative solutions which improve the lives of bladder cancer patients. Based on experience and the performance of the breakthrough bladder cancer product Hexvix/Cysview, Photocure has embarked on a stepwise approach to continued growth. Photocure sees significant long-term value creation potential in the global bladder cancer market and has developed a defined growth strategy:

- Accelerating - Drive the breadth and depth of Hexvix/Cysview usage in key
- Accounts Expanding - Generate sales in new geographies and product enhancements
- Acquiring - Products used in the management of bladder cancer patients
- Transforming - Partner and in-license assets to strengthen the bladder cancer portfolio

The primary growth geographies for Photocure are the U.S. and European markets with large untapped market opportunities. The company will regain the sales and marketing rights from Ipsen in the fourth quarter of 2020 and sees significant growth opportunities in Europe. The agreement is expected to be EBITDA accretive from full-year 2021 and beyond.

“Based on the outlook and strategic opportunities, Photocure aims to increase its group revenue ambitions for 2023 in the range of NOK 1 billion with EBITDA margins of approximately 40%, following the completion of the potential transaction, “ 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 first quarter 2020 financial report on pages 20-21.

Photocure will present its first quarter 2020 report on Thursday 7 May 2020 at 15:00 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/webcast/hegnarmedia/20200507_6/ The presentation is scheduled to conclude at 15:45 CET.

For further information, please contact:

Dan Schneider
President and CEO
Photocure ASA
Tel: + 1-609 759-6515
Email: ds@photocure.com

Erik Dahl
Chief Financial Officer
Tel: +47 450 55 000
Email: ed@photocure.no

Media and IR enquiries:
Geir Bjørlo
Corporate Communications (Norway) Tel: +47 91540000
Email: geir.bjorlo@corpcom.no

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

This information is subject to the disclosure requirements pursuant to section 5-12 of the Norwegian Securities Trading Act.