PHOTOCURE ASA
BUILDING A SPECIALTY PHARMA COMPANY

RESULTS FOR FIRST QUARTER 2017

23 MAY 2017

Kjetil Hestdal, MD, President & CEO
Erik Dahl, CFO

DISCLAIMER

The information included in this Presentation contains certain forward-looking statements that address activities, events or developments that Photocure ASA (“the Company”) expects, projects, believes or anticipates will or may occur in the future. These statements are based on various assumptions made by the Company, which are beyond its control and are subject to certain additional risks and uncertainties. The Company is subject to a large number of risk factors including but not limited to economic and market conditions in the geographic areas and markets where Photocure is or will be operating, IP risks, clinical development risks, regulatory risks, fluctuations in currency exchange rates, and changes in governmental regulations. For a further description of other relevant risk factors we refer to Photocure’s Annual Report for 2016. As a result of these and other risk factors, actual events and our actual results may differ materially from those indicated in or implied by such forward-looking statements. The reservation is also made that inaccuracies or mistakes may occur in this information given above about current status of the Company or its business. Any reliance on the information above is at the risk of the reader, and Photocure disclaims any and all liability in this respect.

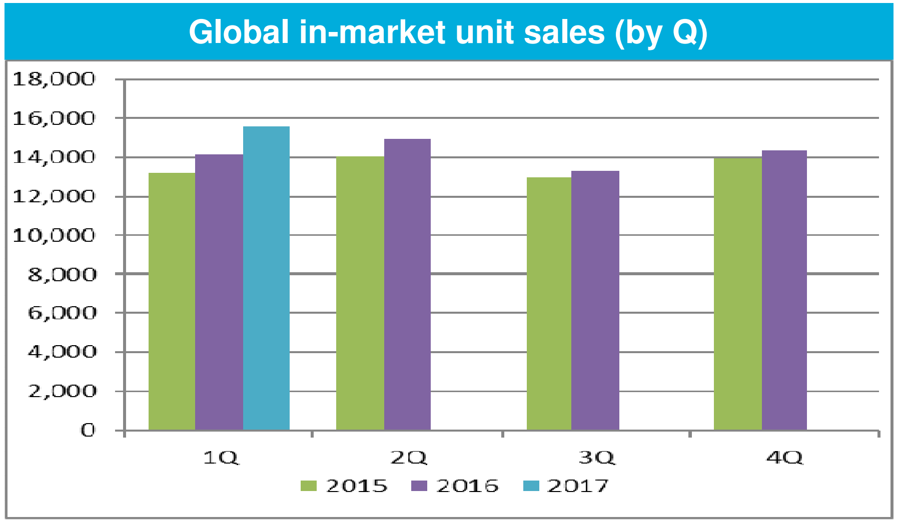
KEY OBJECTIVES AND ACHIEVEMENTS

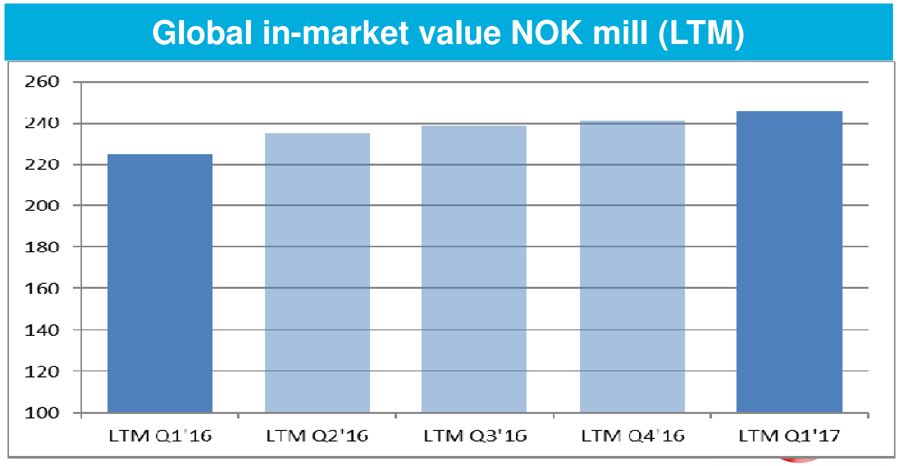
KEY OBJECTIVES	1Q KEY ACHIEVEMENTS
• Increase Hexvix/Cysview global in-market unit sales	• Hexvix/Cysview global in-market volume increased YoY 10% in first quarter
• Increase growth of Cysview in the US based on an increased investment in the US commercial operations	• In the US Cysview in-market volume increased YoY 28% in first quarter • Continued to build awareness of BLC with Cysview among urologist and patients • Increase in activities in accordance with US strategic investment plan
• Obtain regulatory approval for market expansion of Cysview into surveillance market	• Patient enrollment finished January • Strong clinical data presented at Late Breaking Plenary Session at AUA in May • On track to submit supplement NDA to FDA later in 2017

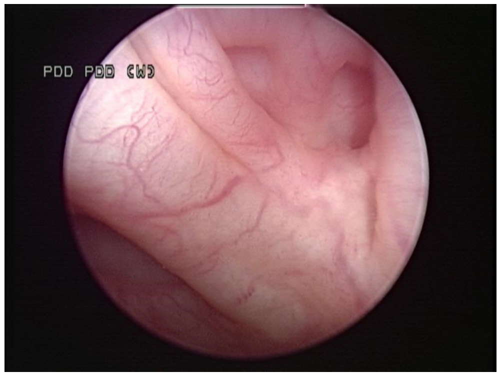
Hexvix/Cysview Update

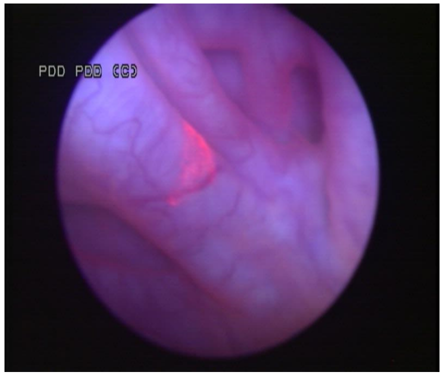
HEXVIX/CYSVIEW
A SIGNIFICANT GLOBAL SPECIALTY BRAND

- Value of in-market sales of Hexvix/Cysview in the first quarter increased YoY 7% to NOK 65 million
- Hexvix/Cysview global in-market volume increased YoY 10% in the first quarter
- Overall franchise EBITDA first quarter at NOK 4.9 million, EBITDA margin of 14%



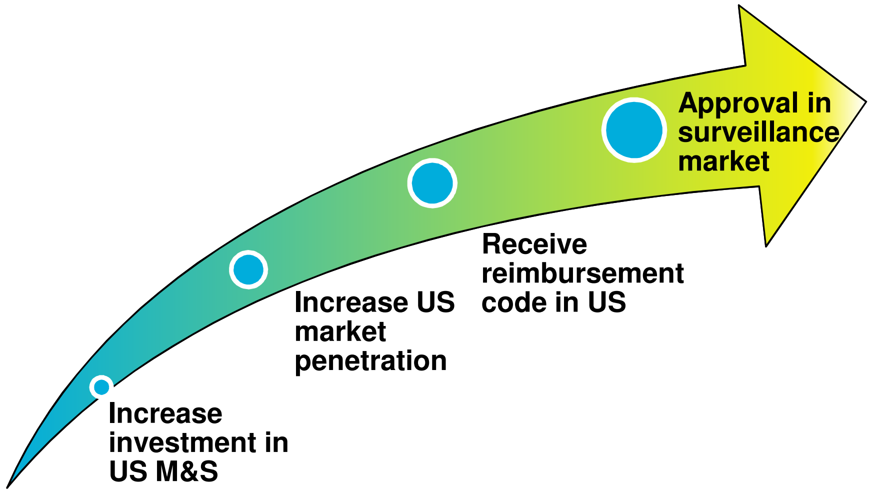






HEXVIX/CYSVIEW
PROGRESS UPDATE IN USA

- Photocure own sales revenue in the US in 1Q increased 32%
  - Driven by YoY in-market volume growth of 28% in first quarter
- Permanent Blue Light Cystoscope placements of 89 at the end of quarter, increase of 6 since end of 2016
  - Current hospital base includes major high volume hospitals
  - BLCC is available in approximately 70% of all the National Comprehensive Cancer Network (NCCN) member institutions
- Initiated our US strategic investment plan which includes doubling our sales organization and increased marketing activities
- Continued efforts to obtain reimbursement, with preparations ongoing for introduction of a new bill



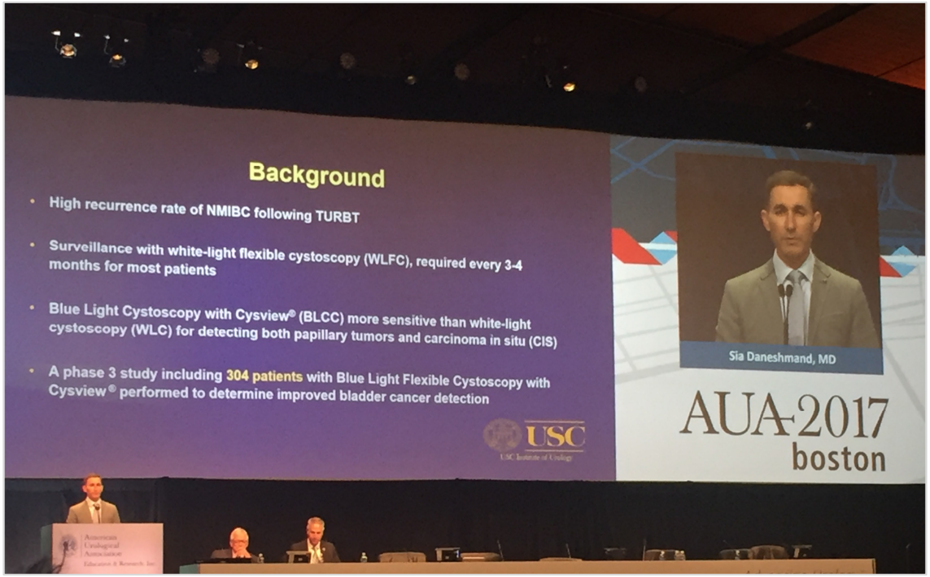
Maximizing the US Cysview opportunity is essential to Photocure's strategy to create a Specialty Pharmaceutical Company in Urology

HEXVIX/CYSVIEW
PHASE 3 SURVEILLANCE STUDY
SHOWED SIGNIFICANT CLINICAL BENEFITS

Phase 3 Surveillance Study Conclusions

- BLFCC significantly improves the detection of patients with recurrent bladder cancer (21.5%, p<0.0001)
- BLCC significantly improves the detection of patients with CIS (34.6%, p<0.0001)
- Tumor detection was improved in 46.2% of patients who underwent repeat BLCC
- Repeat use of BLCC is safe
- Patients found it worthwhile to undergo BLFCC (92.7%) and BLCC (87.0%) and would recommend it to others
- BLFCC should be used for patients in surveillance of their bladder cancer recurrence and for management in the OR
- Planned to file supplemental NDA for BLFC with Cysview to FDA by end of 2017

Late-Breaking Presentation at AUA



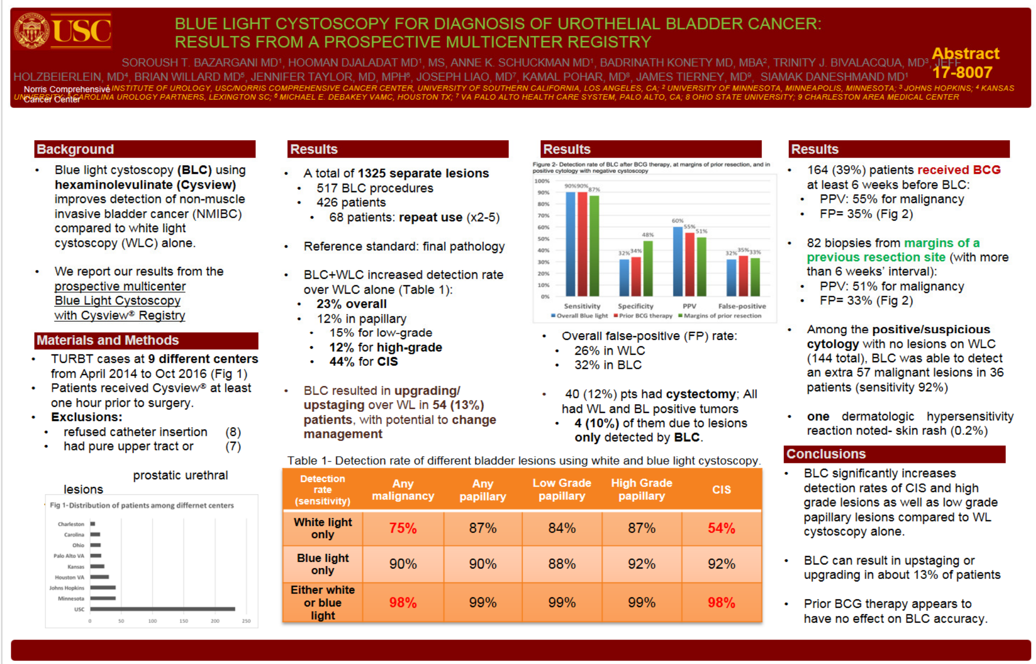
PHOTOCURE®

CYSVIEW US
NEW CLINICAL DATA THROUGH CLINICAL REGISTRY

BLC with Cysview Clinical Registry Study Results

- Bladder Cancer Registry Study in the US was presented at AUA Poster session “Blue Light Cystoscopy for the diagnosis of Urothelial Bladder Cancer: results from a prospective multicenter registry”
  - Largest Bladder Cancer Study in the US.
  - The results are from 9 centers included 1325 lesions, from 517 procedures in 426 patients.
  - BLC significantly increased the detection of CIS and papillary lesions over WLC alone and can result in upstaging and upgrading in about 13% of patients, which can affect patient outcomes.

BLCC Registry Poster


USC
Norris Comprehensive Cancer Center

BLUE LIGHT CYSTOSCOPY FOR DIAGNOSIS OF UROTHELIAL BLADDER CANCER: RESULTS FROM A PROSPECTIVE MULTICENTER REGISTRY

Abstract 17-8007

SOROUSH T. BAZARGANI MD[1], HOOMAN DJALADAT MD[1], MS, ANNE K. SCHUCKMAN MD[1], BADRINATH KONETY MD, MBA[2], TRINITY J. BIVALACQUA, MD[3], JEFF HOLZBEIERLEIN, MD[4], BRIAN WILLARD MD[5], JENNIFER TAYLOR, MD, MPH[6], JOSEPH LIAO, MD[7], KAMAL POHAR, MD[8], JAMES TIERNEY, MD[9], SIAMAK DANESHMAND MD[1]

[1] INSTITUTE OF UROLOGY, USC/NORRIS COMPREHENSIVE CANCER CENTER, UNIVERSITY OF SOUTHERN CALIFORNIA, LOS ANGELES, CA; [2] UNIVERSITY OF MINNESOTA, MINNEAPOLIS, MINNESOTA; [3] JOHNS HOPKINS; [4] KANSAS UNIVERSITY; [5] CAROLINA UROLOGY PARTNERS, LEXINGTON SC; [6] MICHAEL E. DEBAKEY VAMC, HOUSTON TX; [7] VA PALO ALTO HEALTH CARE SYSTEM, PALO ALTO, CA; 8 OHIO STATE UNIVERSITY; 9 CHARLESTON AREA MEDICAL CENTER

Background

- Blue light cystoscopy **(BLC)** using **hexaminolevulinate (Cysview)** improves detection of non-muscle invasive bladder cancer (NMIBC) compared to white light cystoscopy (WLC) alone.
- We report our results from the prospective multicenter Blue Light Cystoscopy with Cysview® Registry

Materials and Methods

- TURBT cases at **9 different centers** from April 2014 to Oct 2016 (Fig 1)
- Patients received Cysview® at least one hour prior to surgery.
- **Exclusions:**
  - refused catheter insertion (8)
  - had pure upper tract or prostatic urethral lesions (7)

Fig 1-Distribution of patients among differnet centers

Results

- A total of **1325 separate lesions**
  - 517 BLC procedures
  - 426 patients
    - 68 patients: **repeat use** (x2-5)
- Reference standard: final pathology
- BLC+WLC increased detection rate over WLC alone (Table 1):
  - **23% overall**
  - 12% in papillary
    - 15% for low-grade
    - **12%** for **high-grade**
    - **44%** for **CIS**
- BLC resulted in **upgrading/ upstaging** over WL in **54 (13%) patients**, with potential to **change management**

Table 1- Detection rate of different bladder lesions using white and blue light cystoscopy.

Detection rate (sensitivity)	Any malignancy	Any papillary	Low Grade papillary	High Grade papillary	CIS
White light only	75%	87%	84%	87%	54%
Blue light only	90%	90%	88%	92%	92%
Either white or blue light	98%	99%	99%	99%	98%

Results

Figure 2- Detection rate of BLC after BCG therapy, at margins of prior resection, and in positive cytology with negative cystoscopy

- Overall false-positive (FP) rate:
  - 26% in WLC
  - 32% in BLC
- 40 (12%) pts had **cystectomy**; All had WL and BL positive tumors
  - **4 (10%)** of them due to lesions **only** detected by **BLC**.

Results

- 164 (39%) patients **received BCG** at least 6 weeks before BLC:
  - PPV: 55% for malignancy
  - FP= 35% (Fig 2)
- 82 biopsies from **margins of a previous resection site** (with more than 6 weeks' interval):
  - PPV: 51% for malignancy
  - FP= 33% (Fig 2)
- Among the **positive/suspicious cytology** with no lesions on WLC (144 total), BLC was able to detect an extra 57 malignant lesions in 36 patients (sensitivity 92%)
- **one** dermatologic hypersensitivity reaction noted- skin rash (0.2%)

Conclusions

- BLC significantly increases detection rates of CIS and high grade lesions as well as low grade papillary lesions compared to WL cystoscopy alone.
- BLC can result in upstaging or upgrading in about 13% of patients
- Prior BCG therapy appears to have no effect on BLC accuracy.

PHOTOCURE®

CYSVIEW US
INCREASED AWARENESS KEY FOR CONTINUED GROWTH

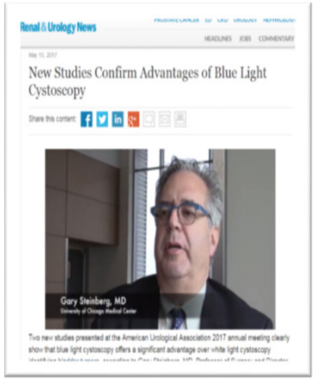
BLCC Patient and Urologists Awareness Campaigns

Media Campaigns

KOL interviews at AUA*

- Dr. Sia Daneshmand, MD
- Dr. Gary Steinberg, MD
- Dr. Joseph Liao, MD

E-newsletter on Bladder cancer and BLCC related topics



Publication in Uro Today: "TURBT More Important Than Ever"

- Authors: Ashish Kamat, MD and Kamal Pohar, MD

Key Market Awareness Campaign

Focused Blue Light Cystoscopy with Cysview (BLCC) awareness campaign in select high volume markets

Key Media Focus Markets (MSA's)

- Nashville
  - Physician and Patient media interviews completed
- Next planned cities: Los Angeles and Boston

Bladder Cancer Awareness Month

May 2017: Collaborating with BCAN, the Photocure is the national sponsor of the Bladder Cancer walk and the team participated in various Bladder Cancer walks across the US to increase awareness on bladder cancer

PHOTOCURE®

HEXVIX
PERFORMANCE NORDICS

- Photocure own sales revenue in the Nordics decreased YoY 4% in first quarter
  - Decrease in revenue caused by YoY in-market volume decline of 8% in first quarter and FX impact
  - A temporary loss of procedures through recent months related to reorganization of clinics and introduction of a new centralized IT system in Denmark
- Blue Light Flex Cystoscopy (BLFC) with Hexvix gets a foothold in the Nordic countries
  - 6 clinics in the Nordic region have routinely taken the procedure in use with additional clinics in the pipeline
  - A Nordic blue light flex register has been established to map experience, usefulness and real-world data with BLFC with Hexvix
  - Investigator initiated studies (IITs) ongoing at key hospitals in Denmark to provide additional clinical data

SUNDHEDSPLATFORMEN

Nyt it-system giver færre behandlinger og milliontab for sygehuse

Politikerne i Region Hovedstaden ruster sig til tab på op mod 430 millioner i år. Den nye sundhedsplatform fører til færre behandlinger.

PHOTOCURE®

HEXVIX/CYSVIEW
PARTNER PROGRESS

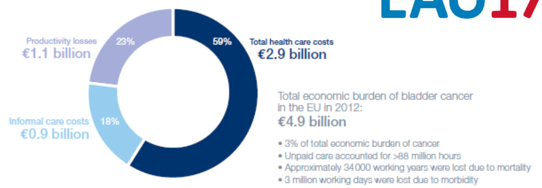
- Partner revenue increased 6% in 1Q to NOK 16.2 million
  - Driven by YoY in-market volume growth of 13% in first quarter
- Ipsen in EU:
  - Strong visibility for Hexvix at European Association of Urology Congress
  - March “List en sus” delisting of Hexvix in France.
    - Expect limited impact as strong support by French guidelines, Key Opinion Leaders, and strong Health Economic data to support obtaining a permanent future reimbursement (specific DRG code)
- BioSyent in Canada and Juno in Australia/New Zealand:
  - Sales uptake pending equipment outplacement and reimbursement
  - Significant support from the urological community
  - Local Canadian Health Economic analysis to be presented at the Canadian Urological Association annual meeting in June
  - Australian application for reimbursement submitted
  - Response on MAA in New Zealand expected by the end of 2017

Cost of Bladder Cancer represents € 4.9 bn (Leal et al, 2016)

Results and limitations: Bladder cancer cost the EU €4.9 billion in 2012, with health care accounting for €2.9 billion (59%) and representing 5% of total health care cancer costs. Bladder cancer accounted for 3% of all cancer costs in the EU (€143 billion) in 2012 and represented an annual health care cost of €57 per 10 EU citizens, with costs varying >10

Economic burden of bladder cancer

Costs of bladder cancer in the European Union



EAU17 | LONDON 24-28 March 2017

Donors help bring Cysview technology to Humber River Hospital's urology department

Cysview aids surgeons in the diagnosis and management of non-muscle invasive bladder cancer.

COMMUNITY Jan 30, 2017 InsideToronto.com

Jack Barkin (centre) pictured with Cysview technology. - Submitted photo

Procedure improves quality of life for bladder cancer patients

WADE MORRIS
FOR THE WHIG-STANDARD
Wednesday, April 5, 2017 4:35:21 EDT PM

PHOTOCURE®

Cevira/Visonac Update

CEVIRA & VISONAC
PHASE 3 READY PRODUCTS WITH SIGNIFICANT SALES POTENTIAL

- Cevira - Breakthrough single use and fully integrated drug-device technology to satisfy high need for novel non-surgical therapies to treat global epidemic of HPV/HSIL populations
- Visonac – Novel topical non-antibiotic/non-isotretinoin treatment to satisfy high unmet medical need among patients with inflammatory, severe acne (IGA 4)
- Cevira and Visonac both phase 3 ready with Special Protocol Agreement on phase 3 program with FDA
- Cevira and Visonac both addressing large patient populations with significant unmet medical needs
- After a non-conclusive comprehensive partnering process, PHO will initiate a broad review of possible strategic alternatives for Cevira and Visonac


RESEARCH ajog.org

GYNECOLOGY

A randomized study of hexaminolevulinate photodynamic therapy in patients with cervical intraepithelial neoplasia 1/2

Peter Hillemanns, MD; Francisco Garcia, MD, MPH; Karl Ulrich Petry, MD; Vladimír Dvorak, MD; Oliver Sadovsky, MD; Ole-Erik Iversen, MD; Mark H. Einstein, MD, MS

OBJECTIVE: The objective of the study was to investigate the efficacy and safety of hexaminolevulinate (HAL) photodynamic therapy (PDT), a novel therapy for women with cervical intraepithelial neoplasia (CIN) 1/2, to define the appropriate population and endpoints for a phase 3 program.

STUDY DESIGN: This was a double-blind, randomized, placebo-

clear dose effect with a statistically significant response in the HAL 5% group of 95% (18/19 patients) compared to 57% (12/21 patients) in the placebo group ($P < .001$) was observed at 3 months in women with CIN2, including an encouraging 83% (5/6 patients) clearance of HPV 16/18 compared to 33% (2/6 patients) in the placebo group at 6 months. The treatment was easy to use and well accepted by patients and gynecologists. Only local self-

Drug Evaluation

EXPERT OPINION

1. Introduction
2. Treatment review
3. Conclusion
4. Expert opinion

Topical hexaminolevulinate photodynamic therapy for the treatment of persistent human papilloma virus infections and cervical intraepithelial neoplasia

Peter Hillemanns[†], Mark H Einstein & Ole Erik Iversen
[†]Hannover Medical School, Department of Obstetrics and Gynaecology, Hannover, Germany

Baseline

PHOTOCURE®

Financials

SEGMENT PERFORMANCE FIRST QUARTER 2017

Commercial franchise:

- Hexvix/Cysview total revenue increasing YoY 9% in the quarter, negatively impacted by FX movements. Revenue increase in constant currencies 14%
- First quarter total revenues negatively impacted by milestone revenues
- Increased operating expenses driven by sales & marketing in US
- EBITDA margin at 14% for the quarter

Development portfolio:

- Activities related to regulatory work and intellectual property. Cysview post marketing commitment phase 3 capitalized
- One-off items: Write down of Nedax lamp inventory and components

MNOK	Q1 '17	Q1 '16
Commercial Franchise		
Nordic revenues	9.7	10.1
US revenues	10.0	7.6
Partner revenues	16.7	15.8
Hexvix / Cysview	**36.5**	**33.5**
API revenues	0.0	0.0
Signing fee & milestones	0.0	1.3
Total revenues	**36.5**	**34.9**
Cost of goods sold	-2.9	-2.4
Gross profit	**33.7**	**32.5**
Operating expenses	-28.7	-27.2
EBITDA recurring	**4.9**	**5.3**
Development Portfolio		
Operating expenses	-9.2	-9.1
EBITDA recurring	**-9.2**	**-9.1**
Total		
EBITDA recurring	**-4.2**	**-3.7**
One-Off items	-4.0	0.0
EBITDA	**-8.2**	**-3.7**

CONSOLIDATED INCOME STATEMENT FIRST QUARTER 2017

- Total revenue increase YoY 5% first quarter.
  - Negatively impacted by milestone revenues
- Operating expenses increase 5% YoY first quarter
  - R&D reduction 10%
  - Sales & marketing increase 9%, driven by US investments
  - Other Opex increase 3%
- Recurring EBITDA at NOK -4.2 million for the first quarter
- One-off items
  - Write down of Nedax lamp inventory and components

MNOK	**Q1 '17**	**Q1 '16**
Hexvix / Cysview revenues	36.5	33.5
Signing fees and milestones	-	1.3
Total revenues	**36.5**	**34.9**
Gross profit	**33.7**	**32.5**
Research & Development	-4.5	-5.0
Sales & Marketing	-22.0	-20.1
Other Opex	-11.5	-11.1
Operating expenses	**-37.9**	**-36.2**
EBITDA recurring	**-4.2**	**-3.7**
One-Off items	-4.0	-
EBITDA	**-8.2**	**-3.7**
Depreciation & Amortization	-2.2	-1.1
EBIT	**-10.4**	**-4.9**
Net financial items	1.1	0.5
Profit/loss(-) before tax	**-9.3**	**-4.4**
Tax expenses	2.4	3.6
Net profit/loss(-)	**-6.9**	**-0.7**

PHOTOCURE®

CASH FLOW
FIRST QUARTER 2017

- Cash flow from operations first quarter NOK -10.8 million (Q1 2016 NOK -9.3 million)
  - Working capital impact NOK -3.7 million
- Cash flow from investments first quarter NOK -3.0 million (Q1 2016 NOK -5.1 million)
  - Includes investments of NOK 4.0 million in development expenses
- Net cash flow first quarter NOK -13.8 million (Q1 2016 NOK -13.4 million)
- Quarter end cash balance at NOK 155.5 million

MNOK	Q1 '17	Q1 '16
Cash flow from:		
- Operations	-10.8	-9.3
- Investments	-3.0	-5.1
- Financing	0.0	1.0
Net change in cash	**-13.8**	**-13.4**
Ending cash balance	**155.5**	**120.6**

PHOTOCURE®

BALANCE SHEET
PER 31 MARCH 2017

- Non current assets include NOK 29.9 million in investments in tangible and intangible assets and deferred tax asset of NOK 48.4 million
- No interest bearing debt
- Shareholder's equity of NOK 245.9 million. Equity ratio of 88%
- Photocure held 809 own shares at end of the quarter

MNOK	**31.03 2017**	**31.12 2016**	**31.03 2016**
Non-current assets	78.3	74.1	54.6
Inventory & receivables	44.4	43.0	74.2
Cash & equivalents	155.5	169.2	120.6
Total assets	**278.1**	**286.3**	**249.5**
Shareholders equity	245.9	251.9	213.5
Long term liabilities	4.0	3.8	4.2
Current liabilities	28.3	30.6	31.8
Total equity & liabilities	**278.1**	**286.3**	**249.5**
Equity ratio	88 %	88 %	86 %

Outlook

KEY OBJECTIVES AND ACHIEVEMENTS

KEY OBJECTIVES	1Q KEY ACHIEVEMENTS
• Increase Hexvix/Cysview global in-market unit sales	• Hexvix/Cysview global in-market volume increased YoY 10% in first quarter
• Increase growth of Cysview in the US based on an increased investment in the US commercial operations	• In the US Cysview in-market volume increased YoY 28% in first quarter • Continued to build awareness of BLC with Cysview among urologist and patients • Increase in activities in accordance with US strategic investment plan
• Obtain regulatory approval for market expansion of Cysview into surveillance market	• Patient enrollment finished January • Strong clinical data presented at Late Breaking Plenary Session at AUA in May • On track to submit supplement NDA to FDA later in 2017