

# PHOTOCURE ASA

## RESULTS FOR THIRD QUARTER AND THE FIRST NINE MONTHS 2018

8 November 2018

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Commercial Operations  
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THE  
BLADDER CANCER  
COMPANY™

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# DELIVERING ON KEY 2018 OBJECTIVES

## Significant growth of Cysview® in US TURBT market

- Q3 US sales revenue up 42% in US\$ YOY, driven by in-market volume increase in Q3 of 35%. YTD revenue growth 45% in US\$
- 43% growth YOY in installed blue light enabled cystoscopes in market to 137 by end of Q3
- Improved reimbursement has positively impacted sales development including new account install base

## Launch Cysview® in US flexible cystoscopy surveillance market

- Our launch priority is focused on the accounts that participated in the BL Flex trial, current existing targeted accounts and the top large Urology groups in the US
- Our pipeline of potential new accounts continues to grow driven by customer and patient demand

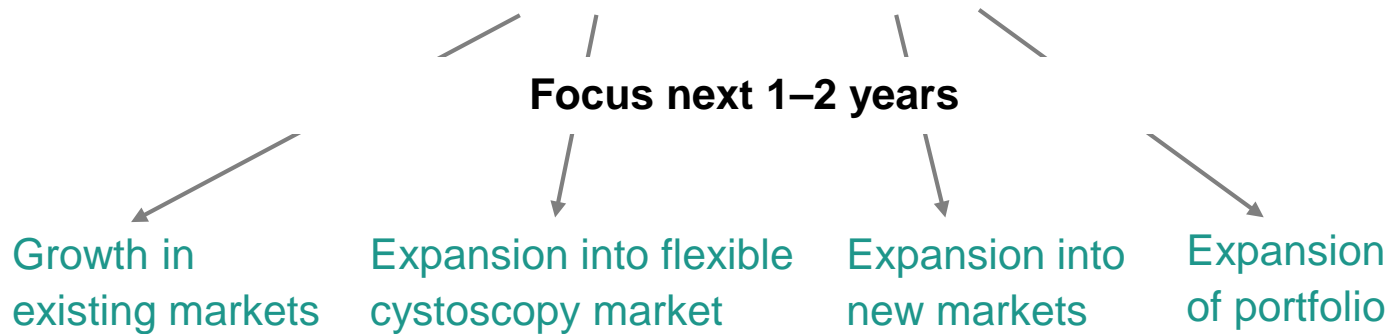
## Increase Hexvix® / Cysview® global in-market unit sales

- Total Hexvix/Cysview revenue increased 26% YOY to NOK 43.5 million in Q3, highest ever. YTD growth of 16% (proforma)
- Total in-market unit sales increased 8% in Q3. YTD increase of 2% driven by US

# STRATEGIC FOCUS ON TRANSFORMING BLADDER CANCER MANAGEMENT

## HEXVIX<sup>®</sup> CYSVIEW<sup>®</sup>

*Strategic focus on bladder cancer detection & management core products, including potential new, complementary products*



### NON-CORE PIPELINE PRODUCTS:

Visonac<sup>®</sup> (Acne treatment)

Cevira<sup>®</sup> (Cervical disease treatment)

### Partner out

Assess partnering opportunities and strategic alternatives

Strategy built on leveraging our unique know-how and capabilities

# *Hexvix/Cysview Update*



# CYSVIEW CONTINUED STRONG MOMENTUM IN US

- 42% increase in U.S. Cysview sales revenue driven by in market volume growth from both current and new accounts.
- Year to date U.S. revenues increased 45% and unit growth of 38%
- 43% YoY increase in permanent Blue Light Cystoscope placements finishing with 137 installed Blue Light scopes including 6 Blue Light flex scopes
- Positive reimbursement for BLC with Cysview continues to drive sales volume and install base for BLC with Cysview in multiple settings of care
  - In November CMS announced a permanent A Code for Cysview for use in the physician office and clinic starting in January 1<sup>st</sup> 2019 and an additional \$1,187 / case reimbursement for certain BLC with Cysview procedures
- Increasing awareness on BLC with Cysview coming from new clinical publications, CME symposium and podium presentations at multiple international, national and regional medical meetings.
- US strategic investment plan is on track with additional sales resources that are positively impacting productivity

**GLOBAL CONGRESS ON BLADDER CANCER**

American Urological Association

Urothelial Cancer (S Daneshmand, SECTION EDITOR)

**Enhanced Endoscopy in Bladder Cancer**

Thane Pearce<sup>1</sup> · Slamak Daneshmand<sup>1</sup>

Springer Science+Business Media, LLC, part of Springer Nature 2018

**Abstract**

**Purpose of Review** Endoscopy coupled with targeted resections represents a cornerstone in the diagnosis, staging, and treatment of patients with bladder cancer. Direct visualization can be challenging and imprecise due to patient-, tumor-, and surgeon-specific factors. We will review contemporary endoscopic technologies and techniques used to improve our ability to safely identify and resect malignant lesions in patients with bladder cancer.

**Recent Findings** Enhanced endoscopic imaging technology may improve detection rates for bladder cancer throughout the upper and lower urinary tract, which may lead to improvements in recurrence and progression rates for non-muscle invasive bladder cancer (NMIBC). New techniques including narrow-band imaging (NBI), photodynamic diagnosis (PDD), Storz Professional Image Enhancement System (SPIES), optical coherence tomography (OCT), and others have shown benefit and may further improve our ability to detect and stage bladder tumors.

**Summary** Enhanced endoscopy technologies have already demonstrated value in improving the sensitivity of bladder cancer detection and early results suggest they may improve short- and long-term oncologic outcomes.

**Keywords** Bladder cancer · Endoscopy · Cystoscopy · Transurethral resection · Diagnosis · Surveillance

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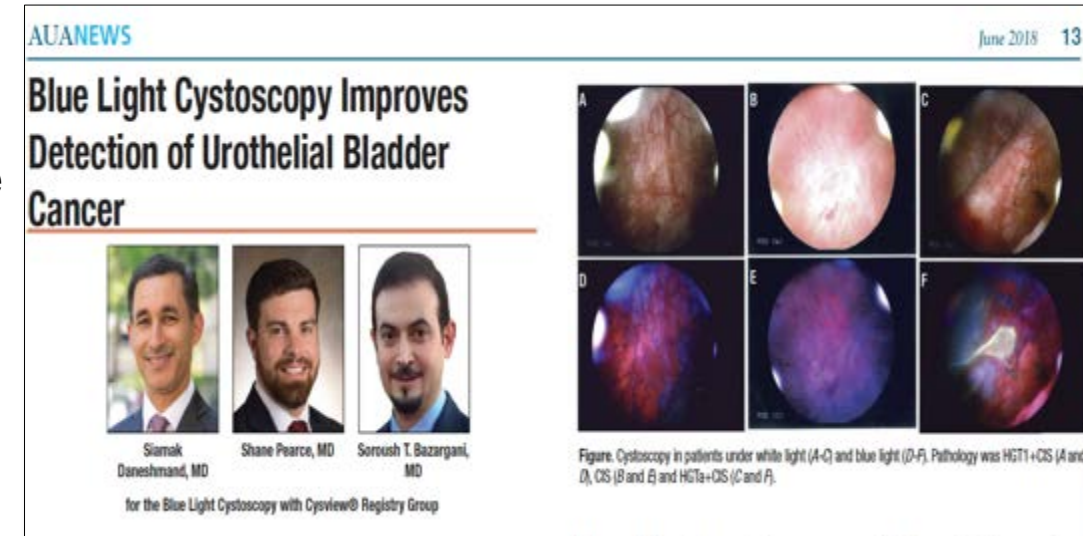
**SEOUL SIU 2018**

38th Congress of the Société Internationale d'Urologie October 4-7, 2018

Featuring the SIU-ICUD Joint Consultation on Congenital Lifelong Urology and the 4th SIU Global Nurses' Educational Symposium

# US LAUNCH OF CYSVIEW IN SURVEILLANCE OF BLADDER CANCER PATIENTS PRESENTS A LARGE MARKET OPPORTUNITY

- BLC with Cysview for surveillance launch strategy is focused on the accounts that participated in the BL Flex trial, current existing BL enabled accounts and the top large Urology groups in the US in the top MSA's
- Building on the positive clinical data published in Urologic Oncology Journal and British Journal of International Urology
- Continually assess the opportunities within flex and appropriately align our resources against those targets.
  - Market opportunity is ~4 times the size of the TURBT market
- BLC with Cysview with flexible cystoscopes current install base of six centers
  - Customer and Patient demand has resulted in a robust pipeline of potential flex accounts and rapidly working to close those accounts



# BLUE LIGHT CYSTOSCOPY WITH CYSVIEW FOR SURVEILLANCE



Video clip from UT Southwestern in Dallas, TX



# 2018 MEDIA PROGRAMS

## Renal and Urology News (RUN) Article Series: April, May, Sep 2018

Renal & Urology News

PROSTATE CANCER | ED | CVD | UROLOGY | NEPHROLOGY | URO PRACTICE | WEB EXCLUSIVES | RESOURCES

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Learn More About Updates on NMIBC Diagnosis and Management [Click Here](#)

Renal and Urology News > News > Urology > Bladder Cancer > Developments in the Management of BCG-Unresponsive NMIBC

Mohit Gupta, MD,\* and Trinity J. Bivalacqua, MD, PhD  
May 17, 2018

### Developments in the Management of BCG-Unresponsive NMIBC

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The standard of care for patients with high-grade (HG) non-muscle invasive bladder cancer (NMIBC) remains intravesical bacillus Calmette-Guérin (BCG) following transurethral resection. Unfortunately, up to 75% will develop tumor recurrence and 20% will progress within 5 years despite intravesical therapy.<sup>1-4</sup> While current guidelines advise offering early radical cystectomy as an option for patients who have high-risk disease after BCG induction, there is a notable subset of patients who would like to preserve their bladders or are not suitable surgical candidates.<sup>5,6</sup> Non-surgical options in this setting, however, remain limited. In fact, since 1959, the FDA has only approved 2 additional intravesical agents for bladder cancer: thapsigargin and valrubicin, and neither of these has been found to be truly effective salvage options.<sup>7</sup> As a result, there is a significant unmet need for efficacious second-line treatment options for patients who have failed BCG therapy for NMIBC.

Recent advances in our understanding of systemic immunotherapy, however, have transformed the management of urothelial carcinoma. Insight into T-cell biology related to checkpoint molecule inhibitors has resulted in the development of novel agents with applications in multiple malignancies, including advanced bladder cancer. With this insight, these agents are now also being investigated for use in NMIBC. In addition, multiple chemotherapeutic options recently have been evaluated as salvage intravesical options. In this article, we evaluate recent developments in the management of BCG-unresponsive NMIBC.

Novel immunotherapies and chemotherapies hold promise as non-surgical salvage options.

Learn More About Updates on NMIBC Diagnosis and Management [Click Here](#)

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- Predictors of Adverse Pathology After Prostate Cancer Surgery: ID#
- Sildenafil Improves Renal Safety in Patients With Chronic Hep C
- Gestational Diabetes May Indicate Future Subclinical Renal Issues

Mohit Gupta, MD, and Trinity J. Bivalacqua, MD, PhD  
September 12, 2018

### Urinary Cytology and Biomarkers in NMIBC: What's New?

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While patients with non-muscle invasive bladder cancer (NMIBC) have historically had favorable survival outcomes, patients with high-grade (HG) NMIBC have the potential to progress to muscle-invasive disease that is typically not amenable to the bladder-sparing treatments often utilized for NMIBC.<sup>1</sup> Contemporary evidence has found that as many as 70% to 80% of NMIBC tumors will recur after initial treatment, and nearly 20% will progress to muscle-invasive disease within 5 years.<sup>2-6</sup> As a result, the risk of disease recurrence and progression to muscle-invasive bladder cancer (MIBC) necessitate timely and extended surveillance strategies.

Surveillance for NMIBC has historically relied on the diagnostic combination of cystoscopy and urinary cytology, which has been reported to have high specificity (>90%) for HG lesions, including carcinoma *in situ* (CIS).<sup>3,7</sup> More recently, novel urinary markers also have been evaluated to augment these conventional methods. In this article, we evaluate current and emerging urinary markers used in the surveillance for NMIBC.

Cystoscopy and cytology remain the standard for diagnosis, but a plethora of urinary biomarkers could someday be a useful adjunct to NMIBC surveillance.

Natasha Gupta, MD, and Trinity J. Bivalacqua, MD, PhD  
September 12, 2018

### The Role of Enhanced Cystoscopy in Patients With Nonmuscle-Invasive Bladder Cancer

Share this content: [f](#) [t](#) [in](#) [g+](#) [e](#) [p](#)

Nonmuscle invasive bladder cancer (NMIBC) comprises a group of tumors—including pathological stages Ta, T1, and carcinoma *in situ* (CIS)—that constitutes approximately 75% of new bladder cancer diagnoses.<sup>1,2</sup> Variations in clinical and pathologic features of these tumors are associated with increasing risks of recurrence and progression, which are major determinants of prognosis and the development of more advanced disease, namely muscle invasive bladder cancer (MIBC). For example, evidence suggests that the risks of recurrence and progression for low-grade Ta tumors are approximately 55% and 6%, respectively, whereas the risks of recurrence and progression for high-grade T1 tumors are approximately 45% and 17%, respectively.<sup>2-4</sup> Similarly, in a long-term study of patients with NMIBC, the estimated 15-year progression-free survival (PFS) of patients with low-grade Ta disease was 95%, with no patients dying from bladder cancer during the study period, whereas the 15-year PFS of patients with T1 disease was 44% and the disease-specific survival was 62%.<sup>5</sup> The presence of CIS and persistent or recurrent disease after intravesical Bacillus Calmette-Guérin therapy also is associated with an increased risk of progression, as reflected in the American Urological Association (AUA) risk stratification categories for NMIBC.<sup>2,6</sup> Therefore, performance of accurate cystoscopy and transurethral resection of bladder tumor (TURBT) for proper diagnosis, staging, and surveillance of tumors is critical.

Enhanced cystoscopy at the time of cystoscopy and in the outpatient surveillance setting increases detection of high-grade NMIBC.

## Urology Times Email Oct 22

ModernMedicine NETWORK

# Urology Times

October 22, 2018

**FOCUS ON: BLADDER CANCER**

[Cystectomy best option for rare form of bladder Ca](#)

Compared with other approaches, definitive surgical extirpation provides the best survival outcomes in patients with invasive, non-urachal adenocarcinoma of the bladder.

[Get the data.](#)

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**BLUE LIGHT CYSTOSCOPY WITH CYSVIEW®**

Bladder image from white light cystoscopy

Bladder image from BLC with Cysview

CONFIDENCE AT FIRST SIGHT

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CYSVIEW® Hexamine/levulinate HCl

THE BLADDER CANCER COMPANY™

Please see the full Prescribing Information and Important Risk & Safety Information  
Cysview is not a replacement for random bladder biopsies

## www.auanet.org banners: July-Dec

American Urological Association

Advancing Urology

AUA promotes the highest standards of urological clinical care through education, research and the foundation of health and well-being.

Insider's Guide

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Check out the latest issue of AUA Investigator, a digital newsletter featuring the latest news and information impacting the urology research community.

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If you didn't make it to last year's AUGUST 2018, you can attend more than a dozen FREE webinars from the 2018 Annual Meeting! These webinars offer FREE CME and include either an immunosurveillance approach to bladder prostate cancer and renal cell carcinoma.

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Physician Scientific Residency Training Award - Now Accepting Applications

Made of experts in their senior year and recent medical school graduates with a passion for urology

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18 AUA Customized Resident Prostate Cancer (CRP) Guideline Amendment Webinar

21 Online

22 Emerging Treatment of Non-Metastatic Capecitabine-Resistant Prostate Cancer (CRP) Webinar

23 Online

12 Androgen Axis Agents and Bone Target Therapies in Advanced Prostate Cancer Webinar

14 Life Long Learning Prep Course: A Focused Review

As soon as you see a rapidly rising PSA and confirm a diagnosis of non-muscle-invasive capecitabine-resistant prostate cancer...

BLUE LIGHT CYSTOSCOPY WITH CYSVIEW®

Important risk & safety information



# NEW POSITIVE 2019 REIMBURSEMENT CODING, COVERAGE AND PAYMENT

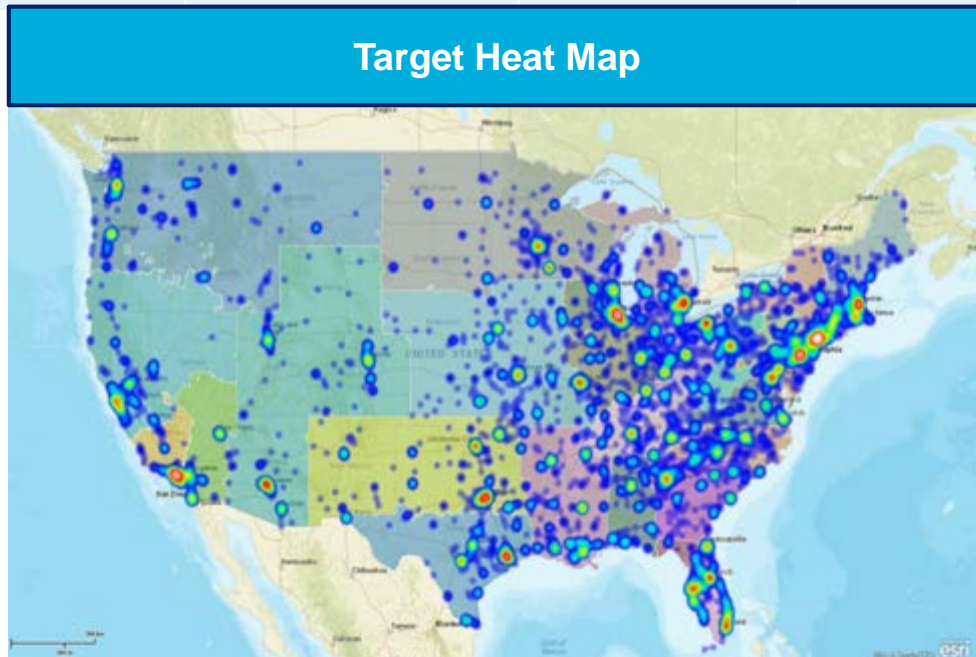
		Medicare	Private payer
		Cystoscopy	<ul style="list-style-type: none"> <li>• Procedure fee for cystoscopy</li> <li>• Cysview paid at ASP +6% in clinic or Physician Office setting with the new A Code for Cysview – A9589</li> </ul>
Coding, Coverage and Payment	TURBT	<ul style="list-style-type: none"> <li>• <b>Hospital Outpatient Depts. Will receive an additional \$1,187 to cover the complexity of using Cysview® and Blue Light Cystoscopy procedure for the following codes: 52204 &amp; 52224</b></li> <li>• Bundled into ambulatory payment classification (APC – varies by TURBT type) * For the following procedure codes <b>52214, 52234, 52235 and 52240</b></li> <li>• Add in code for Cysview – A9589</li> </ul>	<ul style="list-style-type: none"> <li>• Procedure fee for TURBT – varies by type</li> <li>• Cysview paid at (Average Selling Price -ASP +6 to 15%)</li> </ul>

*New Medicare reimbursement accounts for ~50% of TURBT Medicare market and 100% of the Physician Office / Clinic use*

# CYSVIEW

## SIGNIFICANT GROWTH OPPORTUNITY WITH NEW US LABEL

BLC with Cysview Market segment	Total Number of Cystoscopy Procedures	Number of Procedures in top 25 MSA*	Market potential in top 25 MSAs*
TURBT	324,094	130 000	130 MUSD
Surveillance Cystoscopy	1.2 - 1.4 million	540 000	540 MUSD



- Our focus is to establish and build BLC with Cysview business in the top 25 TURBT and Surveillance markets utilizing the MSA Strategy
- BLC with Cysview has achieved significant market penetration in In the top 10 MSA's: *New York , Los Angeles, Houston, Chicago and Washington DC* in the last 18 months
  - Large install base in TURBT segment has set a great stage for the surveillance BLC with Cysview opportunity
- Focused investment of commercial and medical resources is driving our growth

# BLUE LIGHT CYSTOSCOPY WITH CYSVIEW

## New Standard of Care for Bladder Cancer

Over **130** hospitals and institutions  
and counting!



BLC with Cysview – A New Standard of Care  
in 74% of NCCN Designated Cancer Centers

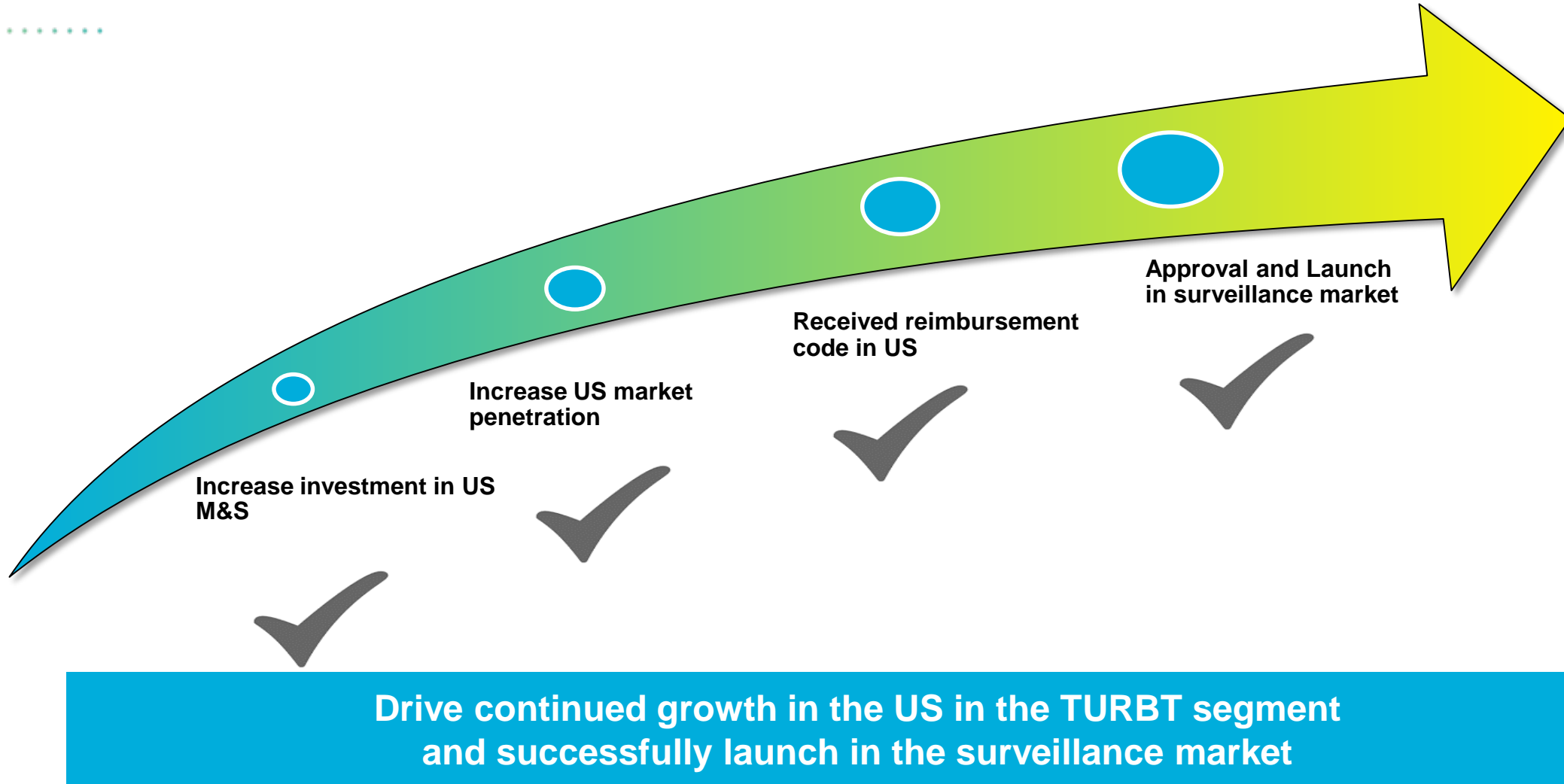


BLC with Cysview is in 39 of the  
NCI Designated Cancer Centers



A New Standard of Care in 74% of the top 25 of Best  
Hospitals in Adult Urology as per US News and World Report

# CYSVIEW PUSH & PULL STRATEGIES



# HEXVIX NORDIC UPDATE

- Third quarter revenue increased 19% YoY. The increase was driven by higher billing compared to last year as distributors third quarter last year reduced their inventory
  - Impact of inventory reduction in the third quarter 2017 approx. NOK 0.5 million
- YTD revenue increased 10% to NOK 33.5 million (NOK 30.4 million). In constant currencies, the increase was 9%
- In-market unit sales declined 3% YTD, partly due to large deliveries to hospitals at the end of the fourth quarter 2017. Third quarter in-market unit sales was at level with last year
- In August we signed an exclusive distribution agreement for Combat Medical's HIVEC for the Nordic region leveraging our existing Hexvix infrastructure
  - Commercial sales to commence in the first quarter of 2019.



Research and Reports in Urology

Dovepress

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ORIGINAL RESEARCH

## Can routine outpatient follow-up of patients with bladder cancer be improved? A multicenter prospective observational assessment of blue light flexible cystoscopy and fulguration

This article was published in the following Dove Press journal  
Research and Reports in Urology

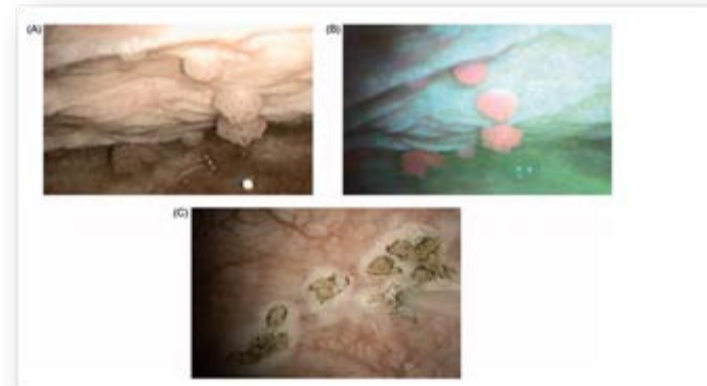
Reza Zare<sup>1</sup>  
Magnus Grabe<sup>2</sup>  
Gregers G Hermann<sup>3</sup>  
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**Background:** The aim of this prospective cohort study was to determine the feasibility of incorporating blue light flexible cystoscopy (BLFC) and biopsy/fulguration into routine outpatient follow-up of non-muscle-invasive bladder cancer patients.

**Methods:** The study included patients with non-muscle-invasive bladder cancer (NMIBC) who were scheduled for routine follow-up. Hexaminolevulinate was instilled in the outpatient department, and the bladder was examined under white light and then with BLFC. Biopsies were taken from all suspicious lesions. Small tumors and suspicious lesions were fulgurated on site; patients with larger lesions were referred to the operating room for resection.

**Results:** The study included 69 patients, with a mean age of 70 years (range 33–89 years) and a mean duration since NMIBC diagnosis of 8 years. Most patients had high-grade cancer at initial diagnosis (52/69) and were at high risk of recurrence (48/69). Two patients per hour could be assessed using outpatient BLFC. Preparation and instillation of hexaminolevulinate

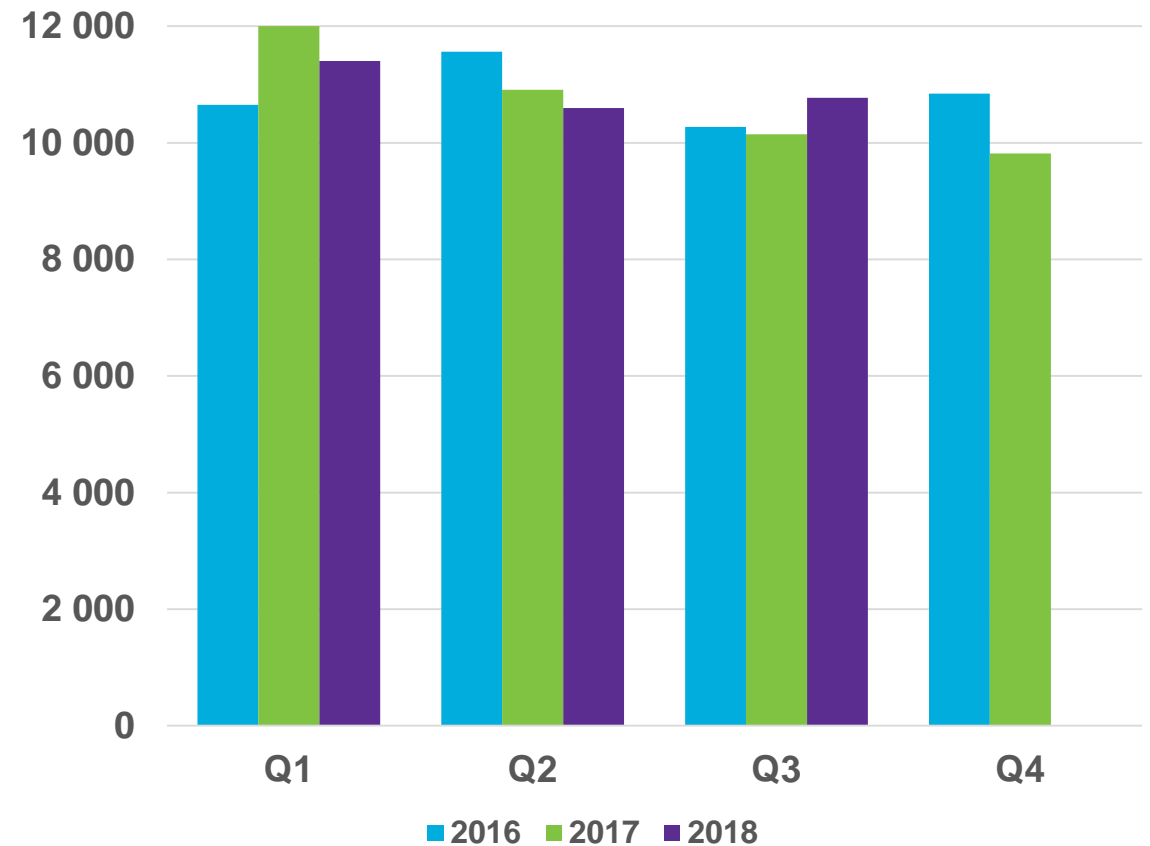


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# HEXVIX/CYSVIEW PARTNER UPDATE

- Partner in-market unit sales increased 6% YoY in the third quarter. YTD decline of 1%
  - Germany at level with last year.
  - Decline in France caused by loss of very favorable reimbursement since Q2'17; decline counteracted by strong guideline recommendation
  - Other countries in total at level with last year
- Revenue decline (proforma) YTD of 2% in constant currencies

In-market unit sales (by Q)



# *Financials*





# SEGMENT PERFORMANCE - PROFORMA

## THIRD QUARTER 2018

### Commercial Franchise

- Strong revenue growth in US, third quarter revenue growth in US\$ 42%, YTD 45%
- Continued progress in Nordic, third quarter revenue growth 19%, impacted by inventory decreases last year. YTD growth 9% in constant currencies
- Ipsen improvements in third quarter, rebound driven mainly by Germany and France. YTD revenue decline 2% in constant currencies (proforma) driven by unit sales
- Increased operating expenses in quarter and full year driven by commercial organization in US

### Development Portfolio

- Significant cost reduction YOY driven by activity level and capacity reductions

<i>MNOK</i>	<u>Q3 '18</u>	<u>ProF Q3 '17</u>	<u>YTD '18</u>	<u>ProF YTD '17</u>
<b><u>Commercial Franchise</u></b>				
Nordic revenues	10.6	9.0	33.5	30.4
US revenues	16.5	11.3	45.3	32.3
Partner revenues	16.4	14.3	47.8	46.7
<b>Hexvix / Cysview</b>	<b>43.5</b>	<b>34.6</b>	<b>126.6</b>	<b>109.3</b>
Other revenues	0.9	1.0	5.1	4.4
<b>Total revenues</b>	<b>44.4</b>	<b>35.6</b>	<b>131.6</b>	<b>113.8</b>
Operating expenses	-39.0	-32.7	-112.4	-93.5
<b>EBITDA recurring</b>	<b>1.3</b>	<b>-0.2</b>	<b>7.1</b>	<b>11.7</b>
<b><u>Development Portfolio</u></b>				
Operating expenses	-4.4	-9.4	-13.5	-27.7
<b>EBITDA recurring</b>	<b>-4.4</b>	<b>-9.4</b>	<b>-13.5</b>	<b>-27.7</b>
<b><u>Total</u></b>				
<b>EBITDA recurring</b>	<b>-3.1</b>	<b>-9.6</b>	<b>-6.4</b>	<b>-16.1</b>

# CONSOLIDATED INCOME STATEMENT - PROFORMA

## THIRD QUARTER 2018

- Recurring EBITDA significantly improved from third quarter and YTD last year
  - Increased revenue driven by US
  - Increased sales & marketing expenses, partly offset by decline in R&D and other operating expenses
- Depreciation and amortization driven by amortization of Cysview phase 3 investments and IFRS 15 adjustments
- Restructuring expenses NOK 13.1 million, headcount reductions and organizational changes in second quarter

<i>MNOK</i>	<u>Q3 '18</u>	<u>ProF Q3 '17</u>	<u>YTD '18</u>	<u>ProF YTD '17</u>
Hexvix / Cysview revenues	43.5	34.6	126.6	109.3
Other revenues	0.9	1.0	5.1	4.4
<b>Total revenues</b>	<b>44.4</b>	<b>35.6</b>	<b>131.6</b>	<b>113.8</b>
<b>Operating expenses</b>	<b>-43.4</b>	<b>-42.2</b>	<b>-125.9</b>	<b>-121.2</b>
<b>EBITDA recurring</b>	<b>-3.1</b>	<b>-9.6</b>	<b>-6.4</b>	<b>-16.1</b>
Depreciation & amortization	-3.3	-4.5	-9.8	-9.5
Restructuring expenses	-	-	-13.1	-
One-Off items	-	-	-	-4.0
<b>EBIT</b>	<b>-6.4</b>	<b>-14.2</b>	<b>-29.3</b>	<b>-29.6</b>
Net financial items	0.0	0.4	-0.0	2.7
<b>Profit/loss(-) before tax</b>	<b>-6.3</b>	<b>-13.8</b>	<b>-29.4</b>	<b>-26.9</b>
Tax expenses	1.5	3.5	4.6	6.7
<b>Net earnings</b>	<b>-4.8</b>	<b>-10.3</b>	<b>-24.7</b>	<b>-20.2</b>

# CASH FLOW

## THIRD QUARTER 2018

- Cash flow from operations third quarter at NOK -5.3 million, an improvement from first and second quarter 2018
  - NOK -2 million related to Q2 restructuring
- Cash flow from investments third quarter NOK +0.2 million, an improvement of NOK 10.8 million from same period 2017
  - Decline driven by investments in development projects as Cysview phase 3 project is finalized
- Quarter end cash balance at NOK 92.8 million

<i>MNOK</i>	<u>Q3 '18</u>	<u>Q3 '17</u>	<u>YTD '18</u>	<u>YTD '17</u>
<b>Cash flow from:</b>				
- Operations	-5.3	-3.4	-35.3	-31.1
- Investments	0.2	-10.6	-0.7	-15.1
- Financing	-	-	-0.6	-
<b>Net change in cash</b>	<b>-5.1</b>	<b>-13.9</b>	<b>-36.5</b>	<b>-46.1</b>
<b>Ending cash balance</b>	<b>92.8</b>	<b>123.1</b>	<b>92.8</b>	<b>123.1</b>

# BALANCE SHEET

## 30 SEPTEMBER 2018

- Non current assets include NOK 27.2 million in investments in tangible and intangible assets and deferred tax asset of NOK 57.5 million
- No interest bearing debt
- Shareholder's equity of NOK 182.6 million. Equity ratio of 80%

<i>MNOK</i>	<b>30.09</b>	<b>31.12</b>	<b>30.09</b>
	<b>2018</b>	<b>2017</b>	<b>2017</b>
Non-current assets	85.8	87.5	78.9
Inventory & receivables	49.9	46.2	47.4
Cash & equivalents	92.8	129.4	123.1
<b>Total assets</b>	<b>228.5</b>	<b>263.1</b>	<b>259.6</b>
Shareholders equity	182.6	218.1	230.7
Long term liabilities	5.2	4.8	4.5
Current liabilities	40.7	40.3	24.3
<b>Total equity &amp; liabilities</b>	<b>228.5</b>	<b>263.1</b>	<b>259.6</b>
<i>Equity ratio</i>	<i>80 %</i>	<i>83 %</i>	<i>89 %</i>

# *Summary and Outlook*



# DELIVERING ON KEY 2018 OBJECTIVES

## Significant growth of Cysview® in US TURBT market

- Q3 US sales revenue up 42% in US\$ YOY, driven by in-market volume increase in Q3 of 35%. YTD revenue growth 45% in US\$
- 43% growth YOY in installed blue light enabled cystoscopes in market to 137 by end of Q3
- Improved reimbursement has positively impacted sales development including new account install base

## Launch Cysview® in US flexible cystoscopy surveillance market

- Our launch priority is focused on the accounts that participated in the BL Flex trial, current existing targeted accounts and the top large Urology groups in the US
- Our pipeline of potential new accounts continues to grow driven by customer and patient demand

## Increase Hexvix® / Cysview® global in-market unit sales

- Total Hexvix/Cysview revenue increased 26% YOY to NOK 43.5 million in Q3, highest ever. YTD growth of 16% (proforma)
- Total in-market unit sales increased 8% in Q3. YTD increase of 2% driven by US

# *Attachments*



# INCOME STATEMENT

## THIRD QUARTER REPORTED

### Income Statement - Segment

<i>MNOK</i>	<u>Q3 '18</u>	<u>Q3 '17</u>	<u>YTD '18</u>	<u>YTD '17</u>
<b><u>Commercial Franchise</u></b>				
Nordic revenues	10.6	9.0	33.5	30.4
US revenues	16.5	11.3	45.3	32.3
Partner revenues	16.4	15.2	47.8	47.0
<b>Hexvix / Cysview</b>	<b>43.5</b>	<b>35.5</b>	<b>126.6</b>	<b>109.6</b>
Other revenues	0.9	0.2	5.1	1.9
<b>Total revenues</b>	<b>44.4</b>	<b>35.6</b>	<b>131.6</b>	<b>111.5</b>
Operating expenses	-39.0	-32.8	-112.4	-93.5
<b>EBITDA recurring</b>	<b>1.3</b>	<b>-0.2</b>	<b>7.1</b>	<b>9.4</b>
<i>EBITDA %</i>	3 %	-1 %	5 %	8 %
<b><u>Development Portfolio</u></b>				
Operating expenses	-4.4	-9.4	-13.5	-27.7
<b>EBITDA recurring</b>	<b>-4.4</b>	<b>-9.4</b>	<b>-13.5</b>	<b>-27.7</b>
<b><u>Total</u></b>				
<b>EBITDA recurring</b>	<b>-3.1</b>	<b>-9.6</b>	<b>-6.4</b>	<b>-18.3</b>

### Income Statement - Consolidated

<i>MNOK</i>	<u>Q3 '18</u>	<u>Q3 '17</u>	<u>YTD '18</u>	<u>YTD '17</u>
Hexvix / Cysview revenues	43.5	35.5	126.6	109.6
Other revenues	0.9	0.2	5.1	1.9
<b>Total revenues</b>	<b>44.4</b>	<b>35.6</b>	<b>131.6</b>	<b>111.5</b>
<b>Operating expenses</b>	<b>-43.4</b>	<b>-42.2</b>	<b>-125.9</b>	<b>-121.2</b>
<b>EBITDA recurring</b>	<b>-3.1</b>	<b>-9.6</b>	<b>-6.4</b>	<b>-18.3</b>
Depreciation & amortization	-3.3	-4.3	-9.8	-8.8
Restructuring expenses	-	-	-13.1	-
One-Off items	-	-	-	-4.0
<b>EBIT</b>	<b>-6.4</b>	<b>-13.9</b>	<b>-29.3</b>	<b>-31.1</b>
Net financial items	0.0	0.4	-0.0	2.7
<b>Earnings before tax</b>	<b>-6.3</b>	<b>-13.5</b>	<b>-29.4</b>	<b>-28.4</b>
Tax expenses	1.5	3.5	4.6	6.7
<b>Net earnings</b>	<b>-4.8</b>	<b>-10.1</b>	<b>-24.7</b>	<b>-21.7</b>