



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	967 598 593
Organisasjonsform:	Allmennaksjeselskap
Foretaksnavn:	PHOTOCURE ASA
Forretningsadresse:	Hoffsveien 4 0275 OSLO

Regnskapsår

Årsregnskapets periode:	01.01.2023 - 31.12.2023
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Konsern

Mørselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	IFRS
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	IFRS

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Vivi Engebretsen
Dato for fastsettelse av årsregnskapet:	29.04.2024

Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 10.08.2025



Resultatregnskap

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	1,2,3	334 724 000	255 208 000
Sum inntekter		334 724 000	255 208 000
Kostnader			
Varekostnad	4	25 389 000	23 269 000
Lønnskostnad	6,7	117 117 000	102 315 000
Avskrivning på varige driftsmidler og immaterielle eiendeler	13,14	20 803 000	20 051 000
Annen driftskostnad	5,6,7,8	156 625 000	158 926 000
Sum kostnader		319 934 000	304 561 000
Driftsresultat		14 790 000	-49 353 000
Finansinntekter og finanskostnader			
Annen renteinntekt	9	11 124 000	2 287 000
Annen finansinntekt	9	22 806 000	45 850 000
Sum finansinntekter		33 930 000	48 137 000
Annen rentekostnad	9	25 964 000	25 478 000
Annen finanskostnad	9	20 669 000	34 327 000
Sum finanskostnader		46 633 000	59 805 000
Netto finans		-12 703 000	-11 668 000
Ordinært resultat før skattekostnad		2 087 000	-61 021 000
Skattekostnad på ordinært resultat	11	5 644 000	-2 166 000
Ordinært resultat etter skattekostnad		-3 557 000	-58 855 000
Årsresultat		-3 557 000	-58 855 000
Overføringer og disponeringer			
Overføringer til/fra annen egenkapital		-3 557 000	-58 855 000
Sum overføringer og disponeringer		-3 557 000	-58 855 000



Balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Konsesjoner, patenter, lisenser, varemerker og lignende rettigheter	13	112 536 000	129 209 000
Utsatt skattefordel	11	49 476 000	55 120 000
Goodwill	13	144 000 000	144 000 000
Sum immaterielle eiendeler		306 012 000	328 329 000
Varige driftsmidler			
Tomter, bygninger og annen fast eiendom		9 149 000	10 736 000
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende		3 444 000	3 312 000
Sum varige driftsmidler		12 593 000	14 048 000
Finansielle anleggsmidler			
Investering i datterselskap	15	22 696 000	17 171 000
Lån til foretak i samme konsern	10,11	340 918 000	315 006 000
Sum finansielle anleggsmidler		363 614 000	332 177 000
Sum anleggsmidler		682 219 000	674 554 000
Omløpsmidler			
Varer			
Varer	16	34 411 000	24 412 000
Sum varer		34 411 000	24 412 000
Fordringer			
Kundefordringer	17,19	37 129 000	27 005 000
Andre fordringer	17,19	8 268 000	6 517 000
Konsernfordringer	17,19	6 473 000	4 733 000
Sum fordringer		51 870 000	38 255 000
Investeringer			
Markedsbaserte obligasjoner	18,20	192 661 000	234 202 000
Sum investeringer		192 661 000	234 202 000



Balanse

Beløp i: NOK	Note	2023	2022
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	18,20	45 591 000	24 856 000
Sum bankinnskudd, kontanter og lignende		45 591 000	24 856 000
Sum omløpsmidler		324 533 000	321 725 000
SUM EIENDELER		1 006 752 000	996 279 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	21	13 560 000	13 560 000
Beholdning av egne aksjer		-300 000	-300 000
Overkurs		347 973 000	347 973 000
Annen innskutt egenkapital		112 900 000	92 742 000
Sum innskutt egenkapital		474 133 000	453 975 000
Opptjent egenkapital			
Annen egenkapital		317 161 000	320 296 000
Sum opptjent egenkapital		317 161 000	320 296 000
Sum egenkapital		791 294 000	774 271 000
Gjeld			
Langsiktig gjeld			
Pensjonsforpliktelser	7	1 701 000	2 523 000
Sum avsetninger for forpliktelser		1 701 000	2 523 000
Annen langsiktig gjeld			
Øvrig langsiktig gjeld	22	134 555 000	135 365 000
Sum annen langsiktig gjeld		134 555 000	135 365 000
Sum langsiktig gjeld		136 256 000	137 888 000
Kortsiktig gjeld			
Gjeld til kredittinstitusjoner	22	0	12 500 000
Leverandørgjeld	17,23	13 324 000	12 479 000



Balanse

Beløp i: NOK	Note	2023	2022
Skyldige offentlige avgifter		2 205 000	2 344 000
Kortsiktig konserngjeld	17,23	1 220 000	3 388 000
Annen kortsiktig gjeld		62 453 000	53 409 000
Sum kortsiktig gjeld		79 202 000	84 120 000
Sum gjeld		215 458 000	222 008 000
SUM EGENKAPITAL OG GJELD		1 006 752 000	996 279 000



Konsernets resultatregnskap

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	1,2,3	500 657 000	393 132 000
Sum inntekter		500 657 000	393 132 000
Kostnader			
Varekostnad	4	26 137 000	22 697 000
Lønnskostnad	6,7	276 192 000	244 881 000
Avskrivning på varige driftsmidler og immaterielle eiendeler	13,14	27 686 000	24 378 000
Annen driftskostnad		142 835 000	150 179 000
Sum kostnader		472 850 000	442 135 000
Driftsresultat		27 807 000	-49 003 000
Finansinntekter og finanskostnader			
Annen renteinntekt	9,10	11 714 000	2 336 000
Annen finansinntekt	9,10	12 841 000	6 882 000
Sum finansinntekter		24 555 000	9 218 000
Verdireduksjon andre finansielle instrumenter vurdert til virkelig verdi			758 000
Annen rentekostnad	9,10	26 327 000	25 804 000
Annen finanskostnad	9,10	14 851 000	4 787 000
Verdiendring av finansielle instrumenter vurdert til virkelig verdi	9,10	1 444 000	0
Sum finanskostnader		42 622 000	31 349 000
Netto finans		-18 067 000	-22 131 000
Ordinært resultat før skattekostnad		9 740 000	-71 134 000
Skattekostnad på ordinært resultat	11	8 761 000	723 000
Ordinært resultat etter skattekostnad		979 000	-71 857 000
Årsresultat		979 000	-71 857 000
Andre resultatkomponenter for IFRS-foretak		-1 021 000	2 203 000
Sum resultatkomponenter for IFRS-foretak		-1 021 000	2 203 000



Konsernets resultatregnskap

Beløp i: NOK	Note	2023	2022
Totalresultat		-42 000	-69 654 000
Overføringer og disponeringer			
Overføringer til/fra annen egenkapital		42 000	-69 654 000
Sum overføringer og disponeringer		42 000	-69 654 000



Konsernets balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Konsesjoner, patenter, lisenser, varemerker og lignende rettigheter	13	112 537 000	129 209 000
Utsatt skattefordel	11	49 476 000	55 120 000
Goodwill	13	144 000 000	144 000 000
Sum immaterielle eiendeler		306 013 000	328 329 000
Varige driftsmidler			
Tomter, bygninger og annen fast eiendom	14	19 040 000	26 091 000
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende	14	14 489 000	6 388 000
Sum varige driftsmidler		33 529 000	32 479 000
Sum anleggsmidler		339 542 000	360 808 000
Omløpsmidler			
Varer			
Varer	16	37 190 000	26 534 000
Sum varer		37 190 000	26 534 000
Fordringer			
Kundefordringer	17,19	59 704 000	47 164 000
Andre fordringer	17,19	16 033 000	16 455 000
Sum fordringer		75 737 000	63 619 000
Investeringer			
Andre markedsbaserte finansielle instrumenter	18,20	192 661 000	234 202 000
Sum investeringer		192 661 000	234 202 000
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	18,20	66 843 000	33 871 000
Sum bankinnskudd, kontanter og lignende		66 843 000	33 871 000
Sum omløpsmidler		372 431 000	358 226 000



Konsernets balanse

Beløp i: NOK	Note	2023	2022
SUM EIENDELER		711 973 000	719 034 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital		13 560 000	13 560 000
Beholdning av egne aksjer		-300 000	-300 000
Overkurs		347 973 000	347 973 000
Annen innskutt egenkapital		112 898 000	92 742 000
Sum innskutt egenkapital		474 131 000	453 975 000
Opptjent egenkapital			
Annen egenkapital		8 717 000	8 758 000
Sum opptjent egenkapital		8 717 000	8 758 000
Sum egenkapital		482 848 000	462 733 000
Gjeld			
Langsiktig gjeld			
Pensjonsforpliktelser		4 322 000	4 756 000
Sum avsetninger for forpliktelser		4 322 000	4 756 000
Annen langsiktig gjeld			
Ansvarlig lånekapital		141 654 000	147 489 000
Sum annen langsiktig gjeld		141 654 000	147 489 000
Sum langsiktig gjeld		145 976 000	152 245 000
Kortsiktig gjeld			
Gjeld til kredittinstitusjoner		0	12 500 000
Leverandørgjeld		19 660 000	21 281 000
Skyldige offentlige avgifter		1 230 000	4 587 000
Annen kortsiktig gjeld		62 259 000	65 688 000
Sum kortsiktig gjeld		83 149 000	104 056 000
Sum gjeld		229 125 000	256 301 000



Konsernets balanse

Beløp i: NOK	Note	2023	2022
SUM EGENKAPITAL OG GJELD		711 973 000	719 034 000



Skattedirektoratet

Saksbehandler
Rune Tystad

Deres dato
22.10.2014

5 NOV 2014

Vår dato
03.11.2014

Telefon
977 59 464

Deres referanse
Kjell Halstvedt

Vår referanse
2014/777771

PHOTOCURE ASA
Hoffsveien 4
0275 OSLO

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for Photocure ASA, org.nr. 967 598 593

- Vi viser til deres brev av 22. oktober 2014 der dere søker om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Photocure ASA.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering Photocure ASA dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at opplysningene som vedtaket baserer seg på ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn

Photocure ASA er notert på Oslo Børs fra år 2000 og har dispensasjon fra språkkravet i verdipapirhandelloven § 5-13. Selskapets virksomhet er knyttet til forskning og utvikling, produksjon, distribusjon og salg av farmasøytiske produkter og tilhørende medisinsk teknisk utstyr. En vesentlig del av virksomheten foregår utenfor Norge og salg i USA skjer gjennom datterselskapet Photocure Inc. Ca. 40% av de ansatte i konsernet er bosatt utenfor Norge hvorav de fleste i USA. To medlemmer av ledergruppen er amerikanske statsborgere og to av i alt fire styremedlemmer er utenlandske statsborgere. En vesentlig andel av selskapets forretningspartnere, kunder og leverandører er lokalisert utenfor Norge. Selskapets ledelse og administrasjon benytter engelsk i utførelsen av sine daglige arbeidsoppgaver og gjøremål.

Skattedirektoratets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

Postadresse
Postboks 9200 Grønland
0134 Oslo

Besøksadresse:
Se www.skatteetaten.no
Org.nr: 996250318
E-post: skatteetaten.no/sendepost

Sentralbord
800 80 000
Telefaks
22 17 08 60



”Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.”

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til *“informative regnskaper for ulike grupper av regnskapsbrukere”*. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at flere av styremedlemmene og medlemmene i ledergruppen er utenlandske statsborgere. Videre er det vektlagt at engelsk er arbeidsspråket i selskapet og at en vesentlig del av virksomheten foregår utenfor Norge.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Torstein Kinden Helleland
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Rune Tystad

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer



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To the General Meeting of Photocure ASA

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Photocure ASA, which comprise:

- the financial statements of the parent company Photocure ASA (the Company), which comprise the statement of financial position as at 31 December 2023, the statement of profit or loss and comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, and
- the consolidated financial statements of Photocure ASA and its subsidiaries (the Group), which comprise the statement of financial position as at 31 December 2023, the statement of profit or loss and comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the Audit Committee.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have

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Statsautoriserte revisorer - medlemmer av Den norske Revisorforening

Offices in:

Oslo	Elverum	Mo i Rana	Tromsø
Alta	Finnsnes	Molde	Trondheim
Arendal	Hamar	Sandefjord	Tynset
Bergen	Haugesund	Stavanger	Ulsteinvik
Bodø	Knarvik	Stord	Ålesund
Drammen	Kristiansand	Straume	



obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of the Company for 15 years from the election by the general meeting of the shareholders on 29 April 2009 for the accounting year 2009.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. Deferred tax asset

Reference is made to Note 11 Tax in the financial statements

<i>The Key Audit Matter</i>	<i>How the matter was addressed in our audit</i>
<p>The Group has recognized a deferred tax asset of NOK 49.5 million in the Company and Group's financial statements as of 31 December 2023.</p> <p>The recognized deferred tax asset relates to deductible temporary differences and unused tax losses in the Company in Norway. Management has assessed that there is convincing evidence that it is probable that taxable profits from the product Hexvix®/Cysview®, will be available in the future, against which unused tax losses in Norway can be utilized.</p> <p>Due to the application of the profit/loss split method for the business in the US, future taxable profits in Norway are not only dependent on the development for Hexvix® in Europe, but also the market development for Cysview® in the US.</p> <p>We have determined this to be a key audit matter, due to the inherent uncertainty in forecasting the amount of future taxable profits.</p>	<p>Our audit procedures included, among others:</p> <ul style="list-style-type: none"> Evaluating the appropriateness of key assumptions in the estimated future taxable profit analysis prepared by management, including revenue and cash flow growth, the impact of the expiry of patents and the reversal of significant temporary differences Comparing financial performance with the original forecasts, to evaluate the reliability of management's prognoses related to future taxable profit Evaluating management's sensitivity analysis to assess the impact of reasonable changes in key assumptions including future sales for Hexvix®/Cysview® Evaluating the adequacy of the disclosures in the financial statements.



2. Loan to subsidiary

Reference is made Note 10 Related Parties – Companies in the financial statements

<i>The Key Audit Matter</i>	<i>How the matter was addressed in our audit</i>
<p>Photocure ASAs subsidiary, Photocure Inc, was established in order to carry out the marketing-, selling- and distribution activities for the Cysview ® product in the US. Photocure ASA has a long-term loan to Photocure Inc. that is recognized at NOK 338.9 million in the Company's financial statement as of 31 December 2023.</p> <p>We have determined risk of impairment of the loan to be a key audit matter, due to the inherent risk related to future cash flow estimates and the Group's ability to successfully commercialize the individual product concerned.</p>	<p>Our audit procedures in this area included, among others:</p> <ul style="list-style-type: none"> • Challenging management and applying our own knowledge of the business and the industry to identify any indicators of impairment of the loan • Assessing the impairment documentation prepared by management • Evaluating the appropriateness of key assumptions in the impairment documentation, including revenue and cash flow growth, the impact of the expiry of patents and agree these with the relevant key assumptions used in determining the expected credit loss • Comparing historical cash flow development in mature markets in Europe with expected future cash flows in the US market • Evaluating management's sensitivity analysis to assess the impact of reasonable changes in key assumptions like future sales in the US for Cysview ® • Evaluating the adequacy of the financial statement disclosures in the Company's financial statement

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.



Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Our opinion on the Board of Director's report applies correspondingly to the statements on Corporate Governance and Corporate Social Responsibility.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.



- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Report on Compliance with Requirement on European Single Electronic Format (ESEF)

Opinion

As part of the audit of the financial statements of Photocure ASA, we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name 5967007LIEEXZYG8OW35-2023-12-31-en, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format, and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF regulation.

Management's Responsibilities

Management is responsible for the preparation of the annual report in compliance with the ESEF regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.

Auditor's Responsibilities

Our responsibility, based on audit evidence obtained, is to express an opinion on whether, in all material respects, the financial statements included in the annual report have been prepared in compliance with ESEF. We conduct our work in compliance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information". The standard requires us to plan and perform procedures to obtain reasonable assurance about whether the financial statements included in the annual report have been prepared in compliance with the ESEF Regulation.

As part of our work, we have performed procedures to obtain an understanding of the Company's processes for preparing the financial statements in compliance with the ESEF Regulation. We examine whether the financial statements are presented in XHTML-format. We evaluate the completeness and accuracy of the iXBRL tagging of the consolidated financial statements and assess management's use of judgement. Our procedures include reconciliation of the iXBRL tagged data with the audited financial statements in human-readable format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Oslo, 29 April 2024

KPMG AS

Gunnar Sotnakk
State Authorised Public Accountant
(This document is signed electronically)



Board of Directors Report 2023

Photocure delivered strong financial performance in 2023, with revenue growth of 27% and EBITDA of NOK 55.5 million. During the year, the Company focused on expanding and upgrading the installed base of blue light cystoscopes in North America and Europe in addition to advancing other key initiatives. The number of rigid blue light cystoscopy (BLC®) towers installed in 2023 was the largest ever in the U.S. since the Company launched Cysview®, and in Europe, Photocure facilitated blue light image quality upgrades for approximately 25% of its target accounts. In Europe, the investment in priority growth markets is paying off, with the UK, France and Italy demonstrating growth after a significant negative trend in unit sales when the territories were first acquired in 2020. While U.S. sales in the flexible cystoscopy segment declined during the year due to Karl Storz discontinuing the manufacture and sale of new flexible BLC equipment, the Company is pursuing a strategy to reintroduce a high-definition flexible cystoscope solution to address this important and underserved market. The possible reclassification of blue light cystoscopes in the U.S. and the advancement of the license agreements with Asieris have potential to become significant drivers of future growth.

In 2023, installations of rigid BLC towers were strong with the continued rollout of Karl Storz' high definition Saphira™ blue light capital equipment. The installed base of rigid BLC towers in the U.S. grew 17%, or 51 towers, from the fourth quarter of 2022, which had a record number of rigid tower placements. The growth of rigid BLC capital equipment more than offset the loss of flexible BLC towers, which fell from 69 to 27 towers throughout the year.

Total revenue for the Company increased 27% to NOK 500.7 million in 2023, and

Hexvix®/Cysview® revenue grew 19% to NOK 443.3 million. Global unit sales in 2023 increased 2% compared to 2022.

Operating profit in 2023 was NOK 27.8 million, an increase of NOK 76.8 million from the NOK 49.0 million operating loss reported in 2022. The operating results in both 2022 and 2023 include milestone payments received from Asieris MediTech Co., Ltd. (Asieris) for the Phase III clinical trial advancement of Cevira®, which is being developed as a non-surgical treatment of high-grade

squamous intraepithelial lesions (HSIL), including all human papilloma virus (HPV) sub-types. Furthermore the 2023 and 2022 operating results include NOK 9.9 million and NOK 23.0 million, respectively for non-recurring business development expenses associated with the Company's objective to expand its revenue opportunities. Net profit in 2023 was NOK 1.0 million, compared to a net loss of NOK 71.9 million in 2022.

Despite the 2023 challenges including the phase-down of flexible BLC equipment in the U.S. and the launch delay of Olympus' upgraded blue light system in Europe, Photocure delivered on key corporate objectives during the year. The Company reported significant growth in revenues and EBITDA, driven by positive contributions from both its North American and European business units.

The launch of Karl Storz's Saphira™ BLC system in the U.S. in late 2022 was followed by record installations of this upgraded high definition rigid BLC equipment during 2023. Despite the loss of a significant number of flexible BLC towers and accounts during the year, Photocure's North American commercial team grew the overall business by focusing on the TURBT (rigid BLC) segment of the market.

The Company has vigorously supported the Citizen's Petition by Karl Storz requesting the U.S. Food and Drug Administration (FDA) to reclassify BLC equipment from Class 3 to Class 2, potentially opening a new pathway for



more capital equipment manufacturers to enter and expand the U.S. market for BLC. In 2023, the need for new equipment manufacturers in the U.S. market was discussed through several public comments from concerned individuals and organizations, submitted to the FDA and published in support of the Citizen's Petition including those from physicians, health systems, patient advocacy groups and equipment manufacturers such as Richard Wolf and Stryker Corporation.

Photocure's U.S. Registry is the largest bladder cancer patient registry in the country with over 3,000 patients included in the database to date. In 2023, the Company elected to capitalize expenses associated with this asset, given the high interest from companies pursuing new bladder cancer treatments and seeking access to the real-world data generated by this Registry. The interest, to a large extent, also relates to the use of BLC to identify patients who have failed first-line bladder cancer treatments. As a result, Photocure expects that it will continue to monetize this valuable resource going forward.

In Europe, Photocure's commercial organization delivered 143 blue light image quality upgrades, positioning nearly a quarter of its target accounts with upgraded BLC equipment to drive sales of Hexvix®. The Company also opened 23 new accounts in Europe during the year. In the fourth quarter of 2023, priority growth markets for Photocure such as the UK, France and Italy began to show strong responses to efforts made in 2023 to grow BLC use with upgraded image quality and new capital equipment. Increasing support from key opinion leaders (KOLs) in several European countries and the updated EAU guidelines in 2023, which clarify the benefits of BLC, were important drivers of the progress and should continue to reinforce the growth trend in these markets.

Photocure also announced clinical data presentations at major bladder cancer congresses in 2023 including those sponsored by the American Urology Association (AUA), the American Society of Clinical Oncology (ASCO GU), and the Société Internationale d'Urologie (SIU). In total, there were 7 abstracts accepted for presentation during the year. The Company also announced four publications in peer-reviewed journals highlighting the clinical and health economic benefits of using BLC with Hexvix/Cysview.

Photocure's partner Asieris continued to advance its product candidates licensed from the Company. In August 2023, Asieris announced that its Phase III Hexvix trial in China successfully met the primary endpoint, and in October, the positive results of the trial were presented at the SIU Congress. In November 2023, Asieris announced that the NMPA (Chinese FDA) had accepted its new drug application (NDA) for Hexvix in China, beginning the review process for potential market authorization.

In September 2023, Asieris announced that its international multicenter Phase III trial for Cevira met the primary endpoint. In March 2024 (post-period), Asieris unveiled the positive results for this trial at the EUROGIN HPV Congress, demonstrating highly statistically significant efficacy and a favorable safety profile for Cevira, with a significant clearance rate of high-risk HPV16 and/or HPV18 compared to placebo ($p=0.0001$). Photocure received milestone payments in both 2022 and 2023 related to the clinical development progress of Cevira.

As both of the Asieris-licensed assets advance, Photocure expects to receive additional regulatory milestones, and has potential to earn sales milestones and royalties on sales if these product candidates are approved by regulatory

authorities and generate commercial revenues.

Major strategic objectives that were initiated and announced in 2023 include Photocure's intent to partner with a capital equipment manufacturer to develop and commercialize a high definition flexible blue light system globally, expanding access to BLC.

About Photocure

Photocure ASA ("Photocure", "the Company" or "the Group"), the Bladder Cancer Company, delivers transformative solutions to improve the lives of bladder cancer patients. Photocure's unique product, sold under the brand names Cysview® (U.S. and Canada) and Hexvix® (all other markets), which make bladder cancer cells glow bright pink under blue light cystoscopy, has led to better health outcomes for patients worldwide.

Photocure is headquartered in Oslo, Norway and listed on the Oslo Stock Exchange (OSE: PHO).

Strategic direction – Photocure's strategy is to maximize the efforts of its commercial infrastructure and the market opportunity for its flagship brands Hexvix/Cysview in the management of bladder cancer. In addition, the Company will continue to explore new product and business opportunities that are complementary to Photocure's commercial activities and expertise in uro-oncology.



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Commercial Segment

Hexvix®/Cysview® – the innovative product for improved detection and management of Bladder cancer

Bladder cancer ranks as the 8th most common cancer worldwide – the 5th most common in men – with 1 949 000 prevalent cases (5-year prevalence rate), 614 000 new cases and more than 220 000 deaths in 2022. (Globocan. Incidence/mortality by population: Available at: <https://gco.iarc.fr/today>, accessed February 2024). Bladder cancer has the highest lifetime treatment costs per patient of all cancers (Sievert KD et al. World J Urol 2009;27:295–300). Patients often must undergo multiple cystoscopies due to the high risk of recurrence. There is an urgent need to improve both the diagnosis and the management of bladder cancer for the benefit of patients and healthcare systems alike. Bladder cancer is classified into two types, non-muscle invasive bladder cancer (NMIBC) and muscle-invasive bladder cancer (MIBC), depending on the depth of carcinoma invasion in the bladder wall. NMIBC is the most common type of bladder cancer cases (75%). In MIBC, the cancer has grown into deeper layers of the bladder wall, is more likely to spread, and is harder to treat (Bladder Cancer. American Cancer Society. <https://www.cancer.org/cancer/bladder-cancer.html>).

Photocure is leveraging its flagship brands Hexvix/Cysview to improve the detection of NMIBC and reduce disease recurrence and progression rates to improve cost-effective health outcomes for bladder cancer patients. Hexvix/Cysview is marketed in the U.S., Canada, and Europe by Photocure's own specialist commercial and medical teams and through partnerships in Chile, China, Australia/New Zealand, and Israel. In 2023 Photocure's revenues from Hexvix/Cysview totaled NOK 443.3 million, compared to NOK 373.0 million in 2022.

The Company continues to see significant growth opportunities in its markets and believes that it has a solid foundation for future growth of its breakthrough bladder cancer product. Furthermore, Photocure is exploring expansion of its product portfolio through internal product development and the potential to acquire new technologies, products, or businesses.

The Company has continued to invest in its North American commercial organization, in line with its commercial market opportunities and strategic objectives. The added resources have driven growth in the number of blue light cystoscopes installed at leading U.S. hospitals/urology centers, as well as growth in unit sales and revenue. The availability of Blue Light Cystoscopy (BLC®) with Cysview, for rigid and flexible cystoscopy means that Cysview can be used for both bladder cancer surgery and follow-up surveillance cystoscopy, allowing physicians to detect patients with the disease earlier and manage them more appropriately. Revenue in the Company's North America segment increased 18% in 2023 to NOK 178 million, while the installed base of rigid blue light cystoscopes in U.S. increased by 51 to a total of 352 at end of the year.

In addition to investments in the commercial capacity, growth has been supported by inclusion of Blue Light Cystoscopy with Cysview in prominent national guidelines for the management of bladder cancer and by improved reimbursement.

In February 2020, Photocure announced that the United States Patent and Trademark Office (USPTO) had granted U.S. Patent No. 10,556,010 covering the use of Blue Light Cystoscopy with Hexvix/Cysview as neoadjuvant therapy in the treatment of bladder cancer in patients who are scheduled for a cystectomy. The '010 patent expires in December 2036.

In July 2021, the USPTO granted U.S. Patent No. 11,066,478 which covers a method to treat bladder cancer

including the intravesical instillation of a composition comprising Hexvix/Cysview and anti-PD-L1 and/or anti-PD-1 antibodies followed by exposure of the inside of the bladder to light. The '478 patent expires in December 2036.

In February 2022, Photocure was granted U.S. Patent No. 11,235,168 covering the use of Blue Light Cystoscopy with Hexvix/Cysview as an adjuvant or neoadjuvant therapy for the treatment of bladder cancer. The '168 patent will expire in January 2038.

In line with Photocure's ambition to significantly penetrate the U.S. market, Cysview is on its way to becoming the standard of care for bladder cancer patients. Keys to success are in place and include:

- Approvals – Market authorizations for use in both trans-urethral bladder tumor resection (TURBT) procedures as well as surveillance cystoscopy
- Acceptance – Recommended use of Hexvix/Cysview by the AUA, EAU, SUO, NCCN, and many regional and local guidelines, as well as the published Expert Consensus Guidelines for surveillance with flexible blue light cystoscopes
- Access – Permanent codes authorized in 2020 and 2021 for the use of BLC in TURBT procedures, and improved Medicare reimbursement in surveillance settings as of January 2023.
- Activated Awareness – Demand via advocacy groups, clinics' advertising, and media.
- Acceleration – Commercial investment in the U.S. to optimize the opportunity.



Photocure plans to maximize the return on its commercial investment by growing its business in the largely untapped U.S. market, as well as in Europe where the Company expects to see strong returns in the form of revenue growth and improved profitability. Reacquisition of the broader European commercial rights has given Photocure global control of the Hexvix/Cysview brand, and the opportunity to generate sales in major countries in Europe where blue light cystoscopy is underpenetrated or not yet introduced.

On June 11, 2020, Photocure entered into an agreement with Ipsen Pharma SAS (Ipsen) regarding the return of Hexvix sales, marketing and distribution rights in Europe and other markets previously controlled by Ipsen to the Company. Commercial rights were transferred to Photocure on October 1, 2020. Photocure paid Ipsen EUR 15 million upon transfer on October 1, 2020, and Ipsen booked sales until this date. In addition, Ipsen is entitled to receive earn-out payments in the reacquired markets in the range of 10-15% of sales for the years 1-7 post-transfer and 7.5% of sales for the years 8-10 post-transfer.

By taking direct control of Photocure's own Hexvix/Cysview product in key regions, the Company is supporting its ambition to become a global leader in the treatment and management of bladder cancer, with a solid commercial foundation for expansion and further growth opportunities.

Full year 2023 European segment revenues increased 19% to NOK 263.5 million from NOK 221.8 million in 2022. The increase was mainly driven by higher unit volume, average price, and a benefit from foreign exchange.

During 2023, several scientific publications highlighted and confirmed key benefits of BLC with Hexvix/Cysview. Main publications, presentations are below:

- In January 2023, an article was published in the medical journal, Urologic Oncology entitled, *Clinical and Economic Impact of Blue Light Cystoscopy in the Management of NMIBC at U.S. Ambulatory Surgical Centers: What is the Site-of-Service Disparity?* A budget impact model (BIM) was built to assess projected ASC costs for a cohort of newly diagnosed bladder cancer patients over a 2-year follow-up comparing white light cystoscopy (WLC) alone versus WLC + BLC. Treatment and surveillance intervals were based on AUA/SUO clinical guidelines. The BIM found that use of BLC identified 5 additional NMIBC recurrences compared to WLC alone. There was an associated increased cost of performing BLC in an ASC setting (\$110 per cystoscopy over a two-year period). If recurrences missed using WLC alone were to progress prior to detection, the model projects an increase in treatment costs borne by Medicare of \$9,097-\$34,538 due to more intensive treatments required for more advanced disease. [Link to publication](#)
- In February 2023, clinical data were presented from the Veterans Affairs (VA) BRAVO study at the ASCO Genitourinary Cancers Symposium (ASCO GU) held in San Francisco. The study showed a significant decrease in the risk of recurrence & longer time to recurrence following Blue Light cystoscopy (BLC) with Cysview compared to White Light cystoscopy (WLC) alone. Median time to first recurrence following BLC was longer vs. WLC alone (40 months vs. 26 months, respectively, HR=0.70, 95% CI). The study abstract entitled, *The Impact of Blue Light Cystoscopy Use Among Non-Muscle Invasive Bladder Cancer Patients in an Equal Access Setting: Implications on Recurrence and Time to Recurrence Stratified by Race* was presented by Dr. Steven Williams, University of Texas-Medical Branch, Galveston. Dr. Williams concluded that "our findings demonstrate increased support for blue light cystoscopy's clinical role in reducing bladder cancer recurrence, and that equal access to health care can achieve equitable outcomes. These data support current AUA/SUO guidelines recommending BLC usage in patients with NMIBC to increase detection and decrease recurrence." [Link to interview with Dr. Williams](#)
- In March 2023 at the European Association of Urology congress in Milan, Italy, two abstracts were presented featuring the blue light cystoscopy procedure. One entitled Immunological changes following blue light cystoscopy with hexaminolevulinate in bladder cancer, in which the preliminary findings suggest that BLC-guided TURBT changes the expression of immune cells of both the adaptive and innate immune system compared to WLC-guided TURBT. And the other from the U.S. BLC with Cysview® Registry entitled, *Blue Light Cystoscopy Delays Time to Recurrence in Non-Muscle Invasive Bladder Cancer Patients Treated in a Real-World Setting*, demonstrated that use of BLC significantly decreased the risk of recurrence and prolonged time to recurrence compared to White Light alone (p<0.0001). Additionally, BLC in patients with primary tumors extended the time to recurrence compared to recurrent patients (p<0.001), suggesting that earlier use of BLC may have more favorable long-term outcomes. [Link to press release and abstracts](#)
- In April 2023, results from the Nordic Registry for blue light flexible cystoscopy were presented at the American Urological Association (AUA) Congress 2023. Urologist, Karsten Zieger, MD, Ph.D, Lillebælt Hospital, Department of Urology, Vejle, Denmark, presented the



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results. The Nordic Registry included data from 319 patients and 436 blue light flexible cystoscopies performed. In the study, biopsies were taken from 452 lesions, showing malignancy in 31% (126/409) of lesions positive for blue light. In 86 of the cystoscopies (20%), lesions were identified only by blue light. The results highlighted that flexible BLC in the surveillance of patients diagnosed with non-muscle invasive bladder cancer improves the detection of malignant lesions, enhances physician confidence, and may reduce patients' tumor burden by enabling immediate fulguration. [Link to abstract](#)

- In May 2023, results from a study entitled, "*Blue-Light Transurethral Resection and Biopsy of Bladder Cancer with Hexaminolevulinate: Histopathological Characteristics and Recurrence Rates in a Single Center Prospective Study*" were published in the journal, *BJU International Compass*. The prospective study enrolled and analyzed 101 patients who underwent BLC between July 2017 and November 2020. Results demonstrated that BLC detected significantly more CIS lesions (41.2% vs 11.8%, $p=0.0491$), compared to white light cystoscopy, and also resulted in 5.8% of patients being re-staged to muscle invasive bladder cancer. The authors concluded that BLC with Hexvix provides superior detection and diagnosis of CIS in patients with previous white light cystoscopy. [Link to article](#)
- In May 2023, results from a study entitled, "*The Impact of Blue Light Cystoscopy Use Among Non-Muscle Invasive Bladder Cancer Patients in an Equal Access Setting: Implications on Recurrence and Time to Recurrence*" were published on-line in the peer-reviewed medical journal, *Clinical Genitourinary Cancer*. The study sought to

describe bladder cancer outcomes and the impact of BLC with Cysview® among patients with non-muscle invasive bladder cancer (NMIBC) in an equal access setting (the United States Veterans Affairs Healthcare System, or the "VA"). In the study, 378 patients diagnosed with NMIBC within the VA who received BLC were assessed to determine the association between BLC and recurrence, progression, and overall survival; and further, whether these outcomes differed by race. Median follow-up was 40.7 months from bladder cancer diagnosis. Median time to first recurrence following BLC was longer vs. WLC alone (40 vs. 26 months). Recurrence risk was significantly lower following BLC (Hazard Ratio (HR) 0.70; 95% Confidence Interval (CI)). Additionally, there was no significant difference in recurrence (HR 0.69; 95% CI), progression (HR 1.13; 95% CI), and overall survival (HR 0.74; 95% CI) following BLC when patients were analyzed by Black vs. White race, which suggests equal access to care benefits. [Link to publication](#)

- In October 2023, an article was published in the peer-reviewed international *Journal of Medical Economics* entitled, "*A cost-consequences and budget impact analysis of blue light-guided cystoscopy with Hexvix in patients diagnosed with non-muscle-invasive bladder cancer in France*". The subject of the article was a budget impact model (BIM) developed as an interactive tool to assess the cost of using blue light cystoscopy compared to white light cystoscopy alone, according to French Medical guidelines. Based on the analysis in this paper, study author, Dr. Jonathan Belsey, Health Economist & Managing Director of JB Medical Ltd., concluded that "Using a model of patient care that reflects the current recommendations of the cCAFU in France, we have shown that the additional expenditure

required to implement BLC-assisted TURBT within individual hospitals is modest and not disproportionate to the overall cost of care for these patients. More nuanced targeting of BLC use has the potential to further improve the budget impact, while future research relating to subsequent event rates and progression risk offer the potential to move towards cost neutrality." [Link to publication](#)

- On October 12, 2023, Photocure's partner, Asieris, presented results from its Phase III randomized controlled clinical trial evaluating the use of Hexvix and blue light cystoscopy in a Chinese population. The highly statistically significant results were presented at the 43rd Congress of the Société Internationale d'Urologie (SIU) Congress and confirmed that, in a Chinese population, BLC with Hexvix outperformed white light cystoscopy (WLC) in the detection of bladder cancer, particularly in cases of carcinoma in situ (CIS) and exhibited good tolerability. The results corroborate the findings of Photocure's own randomized controlled trials (RCTs) that demonstrate the clinical benefits of Hexvix BLC over WLC. Moreover, Asieris' Phase III Hexvix trial is the first RCT conducted with high definition 4K blue light capital equipment. [Link to Asieris press release](#)
- In November 2023, Photocure announced the publication of a study in the journal *European Urology Open Science* entitled: "*Immune Contexture Changes Following Blue Light Cystoscopy with Hexaminolevulinate in Bladder Cancer*". In the study, TURBT samples from bladder cancer patients were used to investigate if a change in tumor microenvironment composition could be observed as an effect of Hexaminolevulinate (HAL)-assisted BLC. The results

suggest that BLC-guided TURBT with the metabolic photosensitizer HAL, which has a preferential tumor accumulation, alters the expression of immune cells of both the adaptive and innate immune system compared to WLC-guided TURBT. The findings in the publication were previously presented at the EAU congress in March 2023. Further studies are required to validate the clinical impact of these observations. [Link to article](#)

- On December 1, 2023, Photocure announced that new clinical evidence from routine clinical practice in the Veterans Affairs (VA) healthcare system was presented at the 24th Annual Society of Urologic Oncology (SUO) meeting. The abstract and poster entitled *Comparing white light versus blue light cystoscopy recurrence outcomes among non-muscle invasive bladder cancer patients*

in an equal access setting: a propensity scored matched analysis was presented by Sanjay Das, MD. The study showed a 33% risk reduction in tumor recurrence in non-muscle invasive bladder cancer patients who received BLC compared to patients who only underwent standard White Light Cystoscopy (WLC). A total of 337 BLC recipients were first identified and compared to 337 WLC recipients using 1:1 propensity score matching. The cohorts predominantly were high-grade patients (64%) treated with the current standard of care, including adequate BCG treatment when appropriate. The study authors concluded that overall, the risk of recurrence was significantly lower following use of BLC (Hazard Ratio 0.67; p-value: 0.006) compared to WLC alone. [Link to abstract](#)

Development Portfolio

The Company's development portfolio mainly consists of projects related to the development of Hexvix/Cysview and activities related to the agreement with Asieris for Cevira.

During the full year of 2023, Photocure received milestone payments from Asieris totaling NOK 54.4 million (NOK 18.7 million). Operating expenses include business development expenses, R&D expenses related to the development of Cevira and Hexvix in China, and an allocation of overhead expenses. Full year business development expenses were NOK 9.9 million (NOK 23.0 million).





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Cevira® – in development for the non-surgical treatment of high-grade squamous intraepithelial lesions, including all HPV sub-types

Cevira is a photodynamic drug-device combination product candidate for the non-surgical treatment of high-grade cervical dysplasia.

In July 2019, the Company announced that it had entered into a License Agreement providing Asieris with a world-wide license to develop and commercialize Cevira (APL-1702) for the treatment of HPV-induced cervical precancerous lesions.

Subsequently, Asieris launched a global clinical development program initially focused on the Chinese market, based on Photocure's Phase IIb data for patients diagnosed with high grade lesions and Phase III study design elements discussed with the U.S. FDA. In late 2020, Asieris initiated patient enrollment in its global, multi-centered Phase III clinical trial for Cevira.

In August 2022, Asieris announced the completion of enrollment in this trial, accruing a total of 402 patients. The majority of patients in the study were enrolled in China, with the remainder enrolled in Europe. On September 20, 2023, Asieris announced that the Phase III trial met its primary endpoint, together with a robust safety profile. Comprehensive positive data from this trial was presented post-period at 2 congresses in March. Asieris plans to communicate with regulatory authorities on a new drug application in the coming months to pursue market approval in China and is expected to evaluate its plans for further development and regulatory activities required to pursue approvals in other regions. Information about the recently completed Phase III trial for Cevira can be found by clicking the following link: <https://clinicaltrials.gov/study/NCT04484415>

Under the License Agreement with Asieris, Photocure has received USD 15.0 million in milestones to date including a signing fee of USD

5.0 million in 2019 and additional development milestone payments. Photocure is eligible for milestone payments totaling USD 13.0 million for the anticipated regulatory submission and potential approval of Cevira in China. In addition, Photocure may also receive milestones of up to USD 31.0 million for regulatory submissions and approvals of Cevira in Europe and the U.S.

Initiation of patient dosing for a second indication of Cevira, and approvals for such an indication in China, Europe, and the U.S. would trigger additional aggregate development and regulatory milestone payments of up to USD 16.0 million to Photocure. The Company is also eligible to receive royalties between 10% and 20% of global sales based on the achievement of certain sales thresholds, as well as cumulative milestone payments up to USD 190.0 million associated with global sales, with a significant portion of those milestones being triggered if the product achieves blockbuster status.





Financial review

The Photocure annual accounts have been prepared in accordance with IFRS® accounting standards as adopted by EU.

Total revenue was NOK 500.7 million in 2023, an increase from the NOK 393.1 million reported in 2022. Total revenue includes signing fees and milestones of NOK 54.4 million in 2023 and NOK 18.7 million in 2022.

Sales revenues reached NOK 446.2 million in 2023, an increase of 19% from NOK 374.5 million in 2022. Sales revenues comprise the Company's own sales of Hexvix in Europe and Cysview in the U.S. and Canada and income from product sales and royalties from Photocure's license partners on sales of Hexvix/Cysview to hospitals and pharmacies in other regions. The increase in revenues was mainly driven by added volume, price increases and impact from foreign exchange.

The Company had signing and milestone revenues in 2023 of NOK 54.4 million compared to signing revenues of NOK 18.7 million in 2022. The 2023 and 2022 revenue included milestones totaling NOK 54.4 from Asieris related to Cevira.

Operating expenses increased from NOK 419.4 million in 2022 to NOK 446.7 million in 2023. The increase in operating expenses is mainly driven by foreign exchange effects and was partially offset by cost containment measures. Operating expenses include a total of NOK 16.7 million amortization of intangible assets related to the return on October 1, 2020, of Hexvix sales, marketing and distribution rights in Europe and other markets previously controlled by Ipsen.

Photocure's operating result was NOK 27.8 million in 2023, compared to an operating result of NOK -49.0 million in 2022. The profit increase is primarily attributable to the increases in sales revenues, milestone payments, and a

reduction in business development expenses, and was partially offset by the increase in expenses due to the effects of foreign exchange. The business development expenses were driven by activities related to the objective to increase the Company's product offering.

Net financial loss totaled NOK 18.1 million in 2023, compared to net financial loss of NOK 22.1 million in 2022. The losses were driven mainly by the Ipsen earnout payment and non-cash valuation adjustments of the earnout liability due to higher expected future sales in Europe.

Result before tax was a profit of NOK 9.7 million in 2023, compared to a loss of NOK 71.1 million in 2022. Tax expense was NOK 8.7 million in 2023 and NOK 0.7 million in 2022. The calculation of deferred tax at year end was based on a tax rate of 22% for both 2023 and 2022.

The Group's net result after tax was NOK 1.0 million in 2023, compared to NOK -71.9 million in 2022.

Net cash flow from operating activities was NOK 48.3 million in 2023 compared to NOK -2.0 million in 2022. The cash flow from operating activities in 2023 was mainly driven by positive operating results. Net cash flow from investing activities was NOK -0.6 million in 2023, compared to NOK -1.5 million in 2022. Net cash flow from financing activities was NOK -56.3 million in 2023 and included 12.5 million in term loan principal payments. This compares to net cash flow from financing activities in 2022 of NOK -51.8 million including 25.0 million in term loan principal payments.

Photocure secured bank financing of NOK 50 million during the second quarter of 2020 and has fully paid off the principal during second quarter 2023. The bank loan was secured under the State Guarantee Scheme for Loans to SMEs as a buffer for Covid-19 impacts.

Photocure follows a low-risk investment strategy for its liquid funds. The return on the liquid funds depends on the rate of interest in the money markets and will therefore vary over time. Liquid funds amounted to NOK 259.5 million on December 31, 2023, and NOK 268.1 million on December 31, 2022.

Shareholder equity was NOK 482.8 million on December 31, 2023, an equity ratio of 68%. At the end of 2022, shareholder equity was NOK 462.7 million (64%).

Dividend

The Board of Directors does not propose a dividend payment for 2023. Photocure is focusing its resources on building a therapeutic area-focused commercial stage pharmaceutical company with a focus on bladder cancer. The Board of Directors will recommend payment of dividends in line with the Company's results, financial position, product and market development plans, and outlook. Photocure does not expect to pay dividends in the near future.

Parent company

In 2023, Photocure ASA (Parent company) had a loss after tax of NOK 3.6 million, compared to a loss after tax of NOK 58.9 million in 2022. The equity in Photocure ASA totaled NOK 791.3 million on December 31, 2023. The equity ratio was 79%.

Share capital and board mandates

On December 31, 2023, 27,120,820 Photocure shares were registered. At the Ordinary General Meeting on April 28, 2023, the Board of Directors was granted authorization to purchase up to 10% of its own shares. On December 31, 2023, Photocure held 15,122 own shares.



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Going concern

Pursuant to § 3.3 (a) of the Norwegian Accounting Act, it is confirmed that the conditions for assuming that the Group is a going concern are present, and that the financial statements have been prepared on the basis of this assumption. No events have occurred since the end of 2023, except those which are stated in this report that are of major significance for the assessment of the Company's financial position and results.

Risk factors and risk management

Photocure is subject to several operational and financial risk factors and uncertainties which may affect parts or all the activities in the Group. The Company proactively manages such risks, and management and the Board of Directors regularly analyze operations and potential risk factors to take measures to reduce risk exposure.

Operational risk

Photocure develops innovative products and markets and sells these products through its own commercial teams and in partnerships with other companies. These activities entail exposure to various risks. The Board of Directors and management monitor and analyze the Company's operations and potential risk factors, and actively take risk reduction measures.

Commercial risk

Photocure is commercializing Hexvix/Cysview directly in the U.S., Canada, and Europe, and has strategic partnerships with Genotests SpA in Chile, Asieris in China, Endotherapeutics in Australia/New Zealand, and IGL Medical in Israel.

Any significant event that adversely affects revenues from Hexvix/Cysview could have a material and negative

impact on Photocure's results and cash flows. Key commercial risks include:

- Reimbursement may be limited or unavailable in certain markets, which could make it more difficult to achieve profitability in these markets. Changes in reimbursement in Europe and the U.S. may have a material impact on Photocure's results and cash flows.
- Inflationary pressures in the economy and budget tightening may inhibit the hospitals' ability to invest in equipment. This may have a negative impact on the Company's revenues, results and cash flows.
- Hospitals and other medical institutions may restrict access for our staff which will make the sales and support activities more challenging and therefore may have a negative impact on Photocure's results and cash flows.
- Hospitals and other medical institutions may find limited availability of nursing and other staff. This may impact the demand for Photocure's products and therefore may have a negative impact on the Company's revenues, results, and cash flows.
- Use of Hexvix/Cysview requires installation of Blue Light Cystoscopes which are manufactured and sold by other companies, only one of which is approved with Cysview in the U.S. These companies' ability and willingness to develop and promote these products may affect Photocure's results and cash flows.
- Partners' ability to support the brand in key markets.
- The expiration or loss of patent protection may adversely affect Photocure's future results and cash flows. Third parties may challenge

or seek to invalidate or circumvent Photocure's patents and patent applications. The patent for Hexvix expired in the main European countries in 2019 and the patent for Cysview in the U.S. expired in the fourth quarter 2020.

- Competitive products or technologies may emerge at any time, and changes in the competitive landscape may have a material impact on Photocure's results and cash flows.

Manufacturing risk

Photocure relies on third-party suppliers for manufacturing and assembly. Delays or interruptions and quality issues at the production facilities as well as improper transport, handling and delivery may impair supply of Hexvix/Cysview to the market and hence revenues, results, and cash flows.

Development and regulatory risk

Photocure's partner Asieris will need approval from regulatory authorities to market Cevira®. Efficacy or safety issues could arise, and approval may be denied, delayed or limited.

In general, successful launches and sales for pipeline products may not be achieved inter alia due to changes in market dynamics or competition, unsuccessful marketing, and/or pricing pressure due to limitations on healthcare budgets. As with any drug or device intended for diagnostic or therapeutic use, adverse clinical reactions are always a possibility.

Financial risk

Photocure has an international business operation and is exposed to liquidity and funding risk, credit risk, currency risk and interest rate risk. At the end of 2023, the Company had no derivatives or other financial instruments to reduce



the currency risk and interest rate risk. Company management is responsible for managing the financial risk. Financial risk is also monitored by the Board of Directors.

Liquidity and funding risk

The Company monitors its cash flows from both long and short-term perspectives through planning and reporting. Photocure does not have any loan agreements that involve covenants or other restrictions. Photocure uses a multi-currency consolidated accounts system that provides flexibility in relation to drawing on multiple currencies.

The company may require new capital in the future. Adequate sources of capital funding may not be available when needed or may not be available on favorable terms.

Credit risk

Photocure is primarily exposed to credit risk associated with accounts receivable and other short-term receivables. Photocure's sales are mainly to hospitals and pharmaceutical wholesalers. The credit risk is limited as the counterparties are mainly large and non-affiliated companies/hospitals. Photocure's credit risk is considered moderate, and the Company does not use credit insurance.

Currency risk

Because the Norwegian Kroner is the Company's presentation currency, Photocure is exposed to translation risk associated with the Company's net exposure in foreign currency. Photocure's revenues and costs are accrued in different currencies and the Company is therefore exposed

to exchange rate fluctuations. The Company monitors the need for hedging of large transactions on an ongoing basis. Photocure did not have outstanding hedging of future transactions on December 31, 2023, and December 31, 2022.

Interest rate risk

In the second quarter of 2020, Photocure received a loan of NOK 50 million, which is secured under the State Guarantee Scheme for Loans to SME's (Covid-19 related). The loan was a three-year term loan, with first year interest only and with quarterly repayments of NOK 6.25 million thereafter. The loan carried a floating interest rate, and the nominal interest rate at the end of the second quarter of 2023 was 5.4%. The loan was fully repaid in the second quarter of 2023. Interest rate risk is also associated with



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the Company's holdings of cash and cash equivalents. The main strategy is to diversify the risk and invest in money market funds and bond funds with low risk, high liquidity, and short duration. The investments are denominated in NOK.

Organization

The Group's Leadership Team at year-end consisted of Dan Schneider, President and Chief Executive Officer; Erik Dahl, Chief Financial Officer; Geoffrey Coy, Vice President and General Manager North America; Susanne Strauss, Vice President and General Manager Europe; Anja Gossens-von der Heide, Head of Global Human Resources and Anders Neijber, M.D., Chief Medical Officer, Global Medical Affairs and Clinical Development and R&D.

The Board of Directors held 16 meetings in 2023. All members of the Board of Directors are shareholder-elected. The members of the Board of Directors were at the end of 2023; Dylan Hallerberg, (Interim Chairperson), Johanna Holldack, M.D., Neal Shore, M.D., and Malene Brondberg.

Photocure ASA has acquired a director's and officer's liability insurance that applies to the board members and the CEO. The insurance also covers employees who assume independent managerial responsibilities, and includes controlled subsidiaries.

Photocure ASA has offices in Oslo, Norway, in Princeton, New Jersey, U.S. and in Düsseldorf, Germany.

Corporate social responsibility

Photocure's mission is to deliver transformative solutions to improve the lives of bladder cancer patients. It is about patient access to healthcare and quality of life.

This mission in society encompasses all activities from developing products, gaining approval by relevant authorities, working with patient organizations and hospitals, and finally getting products to the market either through Photocure's own sales organization or by partners. The Company is also continuously supporting clinical research activities and training a growing number of physicians in using the blue light cystoscopy procedure. Photocure is also taking part in community involvement activities and is partnering with prominent patient associations to enhance the access to care and awareness of bladder cancer in general.

Sustainability has been part of Photocure's business approach since its origin. The company believes that creating value for patients, customers and society strengthens the Company's business and provides value for shareholders. Beyond the business impact, Photocure has implemented further metrics and operating procedures linked to the UN Global Compact, the globally recognized framework for advancing sustainability in the public and private sectors, and to foster strong relationships with a variety of stakeholders through dialogue on material topics and through its commitment to corporate social responsibility.

Comprehensive ESG reporting for the Company is available at page 92 in this annual report.

The Norwegian Transparency Act has been implemented with written procedures. See further details on page 79 in the ESG section of this annual report. Photocure's Transparency Statement is available on <https://photocure.com/our-impact/corporate-social-responsibility>.

Photocure's corporate social responsibility guidelines are available at www.photocure.com.

Outlook

Photocure delivers transformative solutions that improve the lives of bladder cancer patients. Based on benefits of the Company's breakthrough product for the management of bladder cancer, Hexvix/Cysview, the Company has embarked on a stepwise approach for continued growth. Photocure sees significant long-term potential in the global bladder cancer treatment market and employs the following growth strategy:

- Acceleration – Drive the breadth and depth of Hexvix/Cysview usage in key accounts.
- Expansion – Generate sales in new geographies and product enhancements.
- Acquisition – Find and acquire or partner additional products used in the management of bladder cancer patients.
- Transformation – Acquire assets to strengthen the Company's uro-oncology product portfolio.

North America and Europe are Photocure's primary markets for growth, given the Company's two direct sales forces and a majority of the market still to be penetrated by Hexvix/Cysview with BLC. Photocure regained the sales and marketing rights to Hexvix in continental Europe in the fourth quarter of 2020 and regained the rights to Cysview in Canada in January 2022. As a result, the Company remains positioned to take advantage of the growth opportunity throughout these regions.

Photocure believes that the benefits of Blue Light Cystoscopy with Hexvix/Cysview offering superior detection and management of bladder cancer will continue to be adopted and become the standard of care. Indicators of an anticipated rebound in growth of the Company's business are: (1) ongoing expansion of the installed base of rigid



BLC towers in North America, (2) the potential for reclassification of BLC capital equipment from Class 3 to Class 2 in the U.S., (3) increasing momentum of BLC in the urology community as observed at the European Association of Urology and American Urological Association congresses in 2023,

(4) blue light image quality upgrades in European accounts that have

exceeded Photocure's full year plan, and (5) Photocure's plan to reintroduce flexible BLC in high definition globally. Photocure plans to continue supporting its commercial efforts with additional clinical publications in scientific journals and data presentations at medical conferences to underscore the clinical benefits and cost-effectiveness of using BLC with Hexvix/Cysview.

For 2024, Photocure has issued the following business and financial guidance: The Company anticipates new and upgraded Saphira™ blue light tower installations in the U.S. in the range of 40 to 70, consolidated product revenue growth of 6% to 9% in constant currency, and positive EBITDA excluding business development expenses.

Oslo, 29 April 2024
Photocure ASA

Dylan Hallerberg
Interim Chairperson

Johanna Holldack
Director

Neal Shore
Director

Malene Brondberg
Director

Dan Schneider
President and CEO





Confirmation from the Board of Directors and CEO 2023

We confirm that, to the best of our knowledge, that the financial statements for the period from January 1 to December 31, 2023 have been prepared in accordance with IFRS® accounting standards as adopted by EU and gives a true and fair view of the Group and the Company's consolidated assets, liabilities, financial position and results of operations, and that the Report of the Board of Directors provides a true and fair view of the development and performance of the business and the position of the Group and the Company together with a description of the key risks and uncertainty factors that the Company is facing.

Oslo, 29 April 2024
Photocure ASA

Dylan Hallerberg
Interim Chairperson

Johanna Holldack
Director

Neal Shore
Director

Malene Brondberg
Director

Dan Schneider
President and CEO



Dylan Hallerberg

Interim Chairperson of the Board
Chairperson of the Compensation Committee
Member of the Audit Committee



Attendance: Board meetings: 9/9
Compensation Committee: 3/3
Audit committee: 3/3

Dylan Hallerberg holds 150,000 shares
and no share options in Photocure.

Dylan Hallerberg is a seasoned private equity and investment executive with extensive experience operating and improving businesses. He started his career in investment banking at Moelis & Company, after which he worked at The Carlyle Group from 2010 to 2017, where he invested in European public and private markets. Following Carlyle, Mr. Hallerberg continued his investment career as an Analyst/PM at GoldenTree Asset Management before transitioning to leadership roles at Arcturus UAV and Fortress Marine Anchors. He has extensive board experience, having served on seven boards as a member, observer, or an executive. Dylan Hallerberg currently serves as the President and Owner of Fortress Marine Anchors and is an active real estate and private equity investor and family office advisor. He graduated Summa Cum Laude with Highest Honors from University of California, Santa Barbara with a degree in Business Economics. He is an independent director, without material relationship with Photocure and being neither part of its executive team nor involved in the company's day-to-day operations. He is Chairperson of the Compensation Committee and Member of the Audit Committee.

- Elected year 2023
- Position: Owner and president Fortress Marine Anchors
- Education: BA Business Economics, University of California
- Other assignments: Family office advisor

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Malene Brondberg

Director
Chairperson of the Audit Committee



Attendance: Board meetings: 8/9
Audit Committee: 3/3

Malene Brondberg holds no shares and no share options in Photocore.

Malene Brondberg served as interim CEO of Nordic Nanovector until 1 February 2023. She joined that company as Vice President Investor Relations in February 2018 and was appointed CFO in May 2020. She has over 20 years' operational experience in the financial services sector from a career that included being Global Head of Research and a member of the Executive Committee of the Nordic investment bank ABG Sundal Collier. Ms. Brondberg has also worked as a management consultant within the healthcare and financial sector and has acted as an advisor on investor relations and company funding. In addition, she has held interim CEO, COO and Head of Compliance / HR / Finance management positions at several companies. Malene Brondberg holds a Master of Science degree from Aalborg university in Denmark. She is an independent director, without material relationship with Photocore and being neither part of its executive team nor involved in the company's day-to-day operations. She is Chairperson of the Audit Committee.

- Elected year 2023
- Position: Director at Counting Performance and owner of We Love Seasons Ltd
- Education: Master of Science, Aalborg University, Denmark.
- Other assignments: n/a

Johanna Holdack

Director
Member of the Compensation Committee
Member of the Scientific Committee



Attendance: Board meetings: 16/16
Compensation Committee: 4/4
Scientific Committee: 3/3

Johanna Holdack holds no shares and 804 share options in Photocore.

Dr. Holdack has international operational experience from pharma companies, including clinical trials, drug approvals, IPOs and licensing. She has also managed several mergers and acquisitions. In addition, Dr. Holdack has venture capital experience from Swiss-based Aravis Venture where she was a partner for 5 years. Her industry career spans over 30 years, during which she held key positions in both start-up and large pharma companies. Her experience includes management and executive positions at Behringwerke, Chiron, MediGene, Borealis Pharma, Telormedix and Trethera Corporation. She is founder and CEO of Kupando GmbH. She was chairperson of Amal Therapeutics. Dr. Holdack has a medical degree from Georg-August-University in Göttingen, Germany and is a board certified pediatrician. In addition, she has held positions as an assistant professor at the University of Essen, research fellow for the Deutsche Krebshilfe and a research associate at Harvard Medical School. She is an independent director, without material relationship with Photocore and being neither part of its executive team nor involved in the company's day-to-day operations.

- Elected year 2017
- Position: CEO Kupando GmbH
- Education: MD
- Other assignments: Advisor to Spark at Charite, Berlin



Neal Shore

Director
Chairperson of the Scientific Committee
Advisor for ESG matters



Attendance: Board meetings: 16/16
Scientific committee: 3/3

Neal Shore holds no shares
and 804 share options in Photocure.

Dr. Shore is Medical Director for the Carolina Urologic Research Center and is a Fellow of the American College of Surgeons. He has conducted more than 400 clinical trials focusing mainly on genitourinary oncology. Dr. Shore performs peer reviews for Lancet Oncology, New England Journal of Medicine, European Urology, the Journal of Urology, Urology, BJUI, PCPD, and other high-impact scientific journals. He serves on the executive boards of the Society of Urologic Oncology and the Bladder Cancer Advocacy Network (BCAN). He has served as the National/Global Urology Research Director for GenesisCare from 2019-2023. From 2016 to 2018 Dr. Shore was the President of the Large Urology Group Practice Association. In addition, he has served on numerous Committees, Editorial and Review boards, such as the AUA Research and Innovations Committees, Health and Data Committees, the SITC Task Force for Prostate Cancer and Bladder Cancer, the Editorial Boards of Review in Urology, Urology Times, Chemotherapy Advisor, OncLive, PLOS ONE, Urology Practice, and the World Journal of Urology. He is an independent director, without material relationship with Photocure and being neither part of its executive team nor involved in the company's day-to-day operations.

- Elected year 2022
- Position: Medical Director for the Carolina Urologic Research Center, USA
- Education: MD, FACS Duke University/Duke University Medical School; General Surgery/Urology Residency: New York Hospital-Cornell and Memorial Sloan Kettering Cancer
- Other assignments: Fellow of the American College of Surgeons, serves on the executive boards of the Society of Urologic Oncology, the Bladder Cancer Advocacy Network (BCAN)



Financial Statements

Photocure ASA

STATEMENT OF PROFIT AND LOSS AND COMPREHENSIVE INCOME

STATEMENT OF FINANCIAL POSITION as of 31 December

STATEMENT OF CASH FLOWS

STATEMENT OF CHANGES IN EQUITY



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STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME

Parent				Group	
2023	2022	Amounts in NOK 1,000	Notes	2023	2022
280 281	236 550	Revenues from contract with customers	1,2,3	446 214	374 474
54 443	18 658	Signing fees and milestone revenues	1,2,3	54 443	18 658
334 724	255 208	Total revenues		500 657	393 132
-25 389	-23 269	Cost of goods sold	4	-26 137	-22 697
309 335	231 939	Gross profit		474 521	370 434
504	899	Other income		-	-
-12 615	-15 371	Indirect manufacturing expenses	5	-12 615	-15 371
-2 070	-3 342	Research and development expenses	5	-2 070	-3 342
-210 863	-192 542	Marketing and sales expenses	5	-334 940	-303 434
-69 501	-70 937	Other operating expenses	5,6,7,8	-97 089	-97 290
-294 545	-281 292	Total other income and expenses		-446 714	-419 437
14 790	-49 353	Operating profit/loss(-)		27 807	-49 003
33 930	48 137	Financial income	9,10	24 554	9 218
-40 804	-30 240	Financial expenses	9,10	-41 177	-30 591
-5 828	-29 565	Remeasure financial balances	9,10	-1 444	-758
-12 703	-11 668	Net financial profit/loss(-)		-18 067	-22 131
2 087	-61 021	Profit/loss(-) before tax		9 740	-71 134
-5 644	2 166	Income tax	11	-8 761	-723
-3 557	-58 856	Net profit/loss(-)		979	-71 857
		Currency translation		-1 021	2 202
		Total other comprehensive income items that may be reclassified to profit & loss		-1 021	2 202
		Comprehensive income		-42	-69 654
		Earnings per share (Amounts in NOK):	12		
		Basic		0.04	-2.66
		Diluted		0.04	-2.66



STATEMENT OF FINANCIAL POSITION as of 31 December - ASSETS

Parent				Group	
2023	2022	Amounts in NOK 1,000	Notes	2023	2022
ASSETS					
112 537	129 209	Customer relations	13	112 537	129 209
144 000	144 000	Goodwill	13	144 000	144 000
12 593	14 048	Property, plant, equipment and other assets	14	33 529	32 479
340 918	315 006	Loan to group company	10, 11	-	-
22 696	17 171	Shares in subsidiaries	15	-	-
49 476	55 120	Deferred tax asset	11	49 476	55 120
682 219	674 554	Total non-current assets		339 541	360 808
34 411	24 412	Inventories	16	37 190	26 534
43 602	31 738	Accounts receivable	17, 19	59 704	47 164
8 268	6 517	Other receivables	17, 19	16 033	16 455
238 252	259 058	Cash and short term deposits	18, 20	259 504	268 073
324 533	321 725	Total current assets		372 431	358 226
1 006 752	996 279	Total assets		711 973	719 034



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STATEMENT OF FINANCIAL POSITION as of 31 December - EQUITY AND LIABILITIES

Parent		Amounts in NOK 1,000	Notes	Group	
2023	2022			2023	2022
EQUITY AND LIABILITIES					
13 560	13 560	Share capital	21	13 560	13 560
460 572	440 415	Other paid-in capital		460 572	440 415
317 162	320 296	Retained earnings		8 716	8 758
791 294	774 271	Total equity		482 848	462 733
127 680	126 233	Earnout liability	22	127 680	126 233
-	-	Long term loan financial institution	22	-	-
1 701	2 523	Pension liabilities	8	4 322	4 755
6 875	9 132	Lease liabilities	22	13 974	21 256
136 256	137 888	Total non-current liabilities		145 976	152 245
14 544	15 867	Accounts payable	17, 23	19 660	21 281
2 205	2 344	Employee withholding taxes, social security tax and vat		1 230	4 587
11 292	23 902	Short term part non-current liabilities	22	14 017	27 382
51 161	42 007	Other current liabilities	17, 23	48 241	50 807
79 202	84 120	Total current liabilities		83 148	104 056
215 458	222 008	Total liabilities		229 125	256 301
1 006 752	996 279	Total equity and liabilities		711 973	719 034

Oslo, 29 April 2024
Photocure ASA

Dylan Hallerberg
Interim Chairperson

Neal Shore
Director

Johanna Holldack
Director

Malene Brondberg
Director

Dan Schneider
President and CEO



STATEMENT OF CASH FLOWS

Parent				Group	
2023	2022	Amounts in NOK 1,000	Notes	2023	2022
2 087	-61 021	Profit/loss(-) before tax		9 740	-71 134
20 803	20 051	Ordinary depreciation & amortisation	13, 14	27 687	24 378
14 631	16 907	Share-based payments expense	6	20 156	22 176
328	343	Pension costs	8	1 127	1 235
-11 122	-2 147	Interest income	9	-11 712	-2 147
25 965	25 477	Interest expenses	9	26 336	25 804
1 444	758	Remeasured earnout	13, 22	1 444	758
-9 965	-38 971	Unrealized currency (gain)/loss loan subsidiary	9	-	-
857	763	Unrealized currency (gain)/loss other		858	763
-1 739	574	Other items		-738	-893
		Changes in			
-9 999	2 248	- inventories		-10 656	1 000
-13 615	-3 437	- trade and other receivables		-12 118	-859
-1 323	7 647	- trade and other payables		-1 620	-782
17 417	-2 443	- provisions and other accruals		2 482	460
4 384	28 807	Loss allowance internal loan		-	-
-1 151	-	Settlement employee benefits		-1 560	-
-	49	Tax paid	11	-3 117	-2 777
39 002	-4 395	Net cash flow from operating activities		48 309	-2 018
11 122	2 147	Interest received		11 712	2 147
-19 907	-2 710	Loan to subsidiary	10	-	-
-	-	New subsidiary capital		-	-
-1 918	-1 278	Investments in systems and equipment	14	-12 306	-3 609
-10 703	-1 841	Net cash flow from investing activities		-594	-1 462
-1 669	-1 619	Lease offices and company cars	14, 22	-8 475	-3 164
-12 500	-25 000	Loan financial institution	22	-12 500	-25 000
-540	-1 095	Interest paid financial loans		-912	-1 368
-34 397	-29 390	Earnout liability	22	-34 397	-29 390
-	7 580	Employee options exercised		-	7 580
-49 106	-49 524	Net cash flow from financing activities		-56 284	-51 342
-20 807	-55 760	Net change in cash during the year		-8 569	-54 822
259 058	314 817	Cash and cash equivalents as of 01 January		268 073	322 895
238 252	259 058	Cash and cash equivalents as of 31 December		259 504	268 073



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STATEMENT OF CHANGES IN EQUITY - Parent Company

Parent company

(Amounts in NOK 1 000)	Issued capital	Treasury shares	Other paid-in equity	Translation reserve	Retained earnings	Total equity
Equity as of 31 December 2021	13 487	-311	411 045	0	377 469	801 690
Comprehensive income:						
Net profit for the year					-58 856	-58 856
Adjustment previous year					1 680	1 680
Other comprehensive income that may be reclassified to p&l			-	-		0
Total comprehensive income	0	0	0	0	-57 176	-57 176
Transaction with owners:						
Capital increase						0
Sale own shares						0
Buy back own shares		-3 685				-3 685
Employees' options	74	3 695	29 671			33 440
Total transaction with owners	74	10	29 671	0	0	29 755
Equity as of 31 December 2022	13 560	-301	440 718	0	320 293	774 271
Comprehensive income:						
Net profit for the year					-3 557	-3 557
Adjustment previous year					423	423
Other comprehensive income that may be reclassified to p&l			-	-		0
Total comprehensive income	0	0	0	0	-3 134	-3 134
Transaction with owners:						
Capital increase						0
Sale own shares						0
Buy back own shares						0
Employees' options			20 156			20 156
Total transaction with owners	0	0	20 156	0	0	20 156
Equity as of 31 December 2023	13 560	-301	460 874	0	317 160	791 294



STATEMENT OF CHANGES IN EQUITY - Group

Group

(Amounts in NOK 1 000)	Issued capital	Treasury shares	Other paid-in equity	Translation reserve	Retained earnings	Total equity
Equity as of 31 December 2021	13 487	-310	411 045	-2 084	80 495	502 633
Comprehensive income:						
Net profit for the year					-71 857	-71 857
Other comprehensive income that may be reclassified to p&l			-	2 202	-	2 202
Total comprehensive income	0	0	0	2 202	-71 857	-69 654
Transaction with owners:						
Capital increase						0
Sale own shares						0
Buy back own shares		-3 685				-3 685
Employees' options	74	3 695	29 671			33 440
Total transaction with owners	74	10	29 671	0	0	29 755
Equity as of 31 December 2022	13 560	-300	440 717	118	8 638	462 733
Comprehensive income:						
Net profit for the year					979	979
Other comprehensive income that may be reclassified to p&l			-	-1 021		-1 021
Total comprehensive income	0	0	0	-1 021	979	-42
Transaction with owners:						
Capital increase						0
Sale own shares						0
Buy back own shares						0
Employees' options			20 156			20 156
Total transaction with owners	0	0	20 156	0	0	20 156
Equity as of 31 December 2023	13 560	-300	460 873	-903	9 617	482 848

Accounting principles 2023

I. General information

The annual accounts for 2023 for Photocure Group (Photocure) comprises Photocure ASA and the four wholly owned subsidiaries; Photocure Inc. registered in U.S, Photocure GmbH registered in Germany, Photocure SAS registered in France and Photocure Canada Inc. registered in Canada. The annual accounts for Photocure were approved for publication by the Board of Directors on 29 April 2024.

Photocure ASA is a public limited company domiciled in Norway. The business of the Group is associated with research, development, production, distribution, marketing and sales of pharmaceutical products. The Company's shares are listed on the Oslo Stock Exchange. The Parent Company's registered office is Hoffsvæien 4, NO-0275 Oslo, Norway.

II. Basis for preparation of the annual accounts

The annual accounts for the Group and the Parent Company have been prepared on the basis of historical cost, with the exception of money market funds and earnout liability that are valued at fair value.

The Group and the Parent Company's annual accounts are prepared in accordance with IFRS Accounting Standards (R) as specified by the International Accounting Standards Board as adopted by the European Union (EU) as per 31 December 2023.

Photocure ASA has NOK (Norwegian kroner) as its functional currency and presentation currency. In the absence of any statement to the contrary, all financial information is reported in whole thousands. As a result of rounding adjustments, the figures in the financial statements may not add up to the totals.

Photocure performs the sales and distribution of Hexvix in the European markets. Photocure has established wholly owned subsidiaries in Germany (Photocure GmbH) and France (Photocure SAS) that provide marketing and promotion services. These entities have Euro (EUR) as functional currency. The sales, marketing and distribution in North America is in the U.S. performed through Photocure's wholly owned subsidiary Photocure Inc. and in Canada thorough Photocure's wholly owned





subsidiary Photocure Canada Inc. In both countries sales, marketing and distribution is performed under the trade name Cysview. Photocure Inc. has U.S. dollars (USD) as functional currency while Photocure Canada Inc. has Canadian dollars (CAD) as functional currency.

III. Changes in significant accounting policies

There are no significant new IFRS standards made effective in 2023 that affect the group accounts for Photocure.

IV. Disclosures regarding new standards not yet effective

There are no IFRS or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group. The new and amended standards and interpretations from IFRS that were adopted by the EU with effect from 2023 did not have any significant impact on the reporting for 2023.

V. Use of judgements and estimates

In preparation of these consolidated financial statements, management has made judgments, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively. Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized, and information about assumptions and estimation uncertainties that have significant risk of resulting in a material adjustment in the financial statements as of

31 December 2023, are included in the following notes:

- Note 13 and 22 Goodwill and customer relations: the assumptions in the application of IAS 36 of the annual goodwill impairment analysis, and the remeasurement of the fair value of the earnout liability according to IFRS 9.
- Note 11 Recognition of deferred tax asset: available future taxable profit against which tax losses carried forward can be used.
- Note 9 and 10 Long term loan subsidiaries: impairment and key assumptions underlying the balance sheet value in Parent company.

VI. Summary of important guidelines for accounting for the Group

A. Currency

Monetary items in foreign currencies are converted at closing rate of exchange. In the absence of any statement to the contrary, realized and unrealized exchange rate gains and losses are included in financial income or expenses. Transactions in foreign currencies are recorded at the exchange rate on the date of transaction. Assets and liabilities in foreign currencies are translated into NOK at the exchange rate applicable on the balance sheet date.

Income and expenses in foreign subsidiaries are translated into NOK at the average exchange rate for the financial statement period. The assets and liabilities of the foreign subsidiaries are translated to NOK at exchange rates at the reporting date.

B. Property, plant, equipment and intangible assets

Property, plant and equipment (PPE) are recognized at cost less deductions for accumulated depreciation and

accumulated impairment losses. PPE are depreciated over the expected useful life of the assets taking any residual value into consideration. Costs incurred for major replacements and upgrades of PPE are added to cost if it is probable that the costs will generate future economic benefits for the Group and if the costs can be reliably measured. Ordinary maintenance is expensed as incurred.

PPE are depreciated on a straight-line basis over the estimated useful life of the asset as follows:

Production and test equipment	5 years
Furniture and office equipment	3–5 years

Intangible development expenditures are amortized on a straight-line basis in the profit and loss over the remaining patent period for the approved product and indication as follows:

Product development	4 - 10 years
Customer relations	10 years

C. Impairment

Non-current & intangible assets that are recognized in the balance sheet, are tested for impairment if there are indications of a loss in value. If the book value of an asset is higher than the recoverable value of the asset, the loss in value is recognized in profit and loss. The recoverable value is the highest of net sales value and the value in use of the asset. Assets are grouped and measured at the lowest level for determining loss in value.

Goodwill is tested annually for impairment. For impairment testing, assets are grouped that generate cash inflows from continuing use that are largely independent from the cash inflows from other assets or cash generating units (CGU). The recoverable value of the asset is the greater of value in use and its fair value

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less cost of disposal. Value in use is based on estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is allocated first to reduce the book value of the goodwill related to the CGU and then to reduce the carrying amount of the other assets in the CGU on a pro rata basis. An impairment loss in respect of goodwill is not reversed.

D. Research and development costs

Research costs are expensed as incurred. Development costs are recognized in the balance sheet as intangible assets only if there is an identifiable asset that is expected to generate future financial benefits, and when the costs of such an asset can be reliably measured. Development costs that have been expensed in previous accounting periods cannot be recognized in the balance sheet at a later date. Cost-sharing of research and development expenses with license partners is booked as a reduction in costs.

The work of the regulatory function and services provided are related to both market expansion and product development. Photocure classifies for this reason the regulatory function into the following two categories:

- Regulatory work and services related to new products or product development based on new clinical trials up to and including phase 3, are classified as R&D costs.
- Regulatory work and services for new markets based on existing clinical data are classified as marketing costs.

E. Investment in subsidiary companies

Shares and investments with the aim of long-term ownership are booked in the balance sheet as long-term investments and are valued at the lower of cost and fair value. Write-downs for permanent declines in value are made on the basis of individual evaluations. Any realized and unrealized profits/ losses and any write-downs related to these investments will be booked in the income statement as financial items.

F. Inventories

Raw materials are valued at the lower of cost and net sales value in accordance with the first-in, first-out principle (FIFO). Semi-finished and finished goods are valued at production cost including a mark-up for their share of the indirect production costs based on the FIFO principle.

G. Financial assets and liabilities

All financial assets not classified as measured at amortized cost or fair value over comprehensive income are subsequently measured at fair value through profit and loss. Photocure's investments in money market funds are measured at fair value through profit and loss.

The earnout liability is measured at fair value at the date of acquisition and remeasured at fair value at each reporting date and subsequent changes in the fair value are recognized in profit or loss.

Interest bearing liabilities are recognized at fair value at the time of recognition. In subsequent periods, interest-bearing liabilities are booked at amortized cost according to the effective interest rate method.

Financial income consists of interest income on bank balances and money market fund as well as exchange rate

gains from currency items. Financial expense consists of interest expense on borrowing and exchange rate losses from currency items.

Impairment

The Group recognizes loss allowances for expected credit losses (ECLs) on financial assets measured at amortized cost.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

The Group assumes that the credit risk on a financial asset has increased if it is more than 60 days past due.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs. The Group uses an allowance matrix based on historical losses adjusted for forward-looking information.

H. Revenue recognition

The main revenue stream in the company is the sale of pharmaceutical products. The revenue is recognized on the date of delivery, when both control and risk essentially have been transferred to the customer. The license agreements that give the right to a signing fee or achieved milestones are recognized as revenue when the contractual conditions are met. Royalty revenue is booked as Sales revenue in line with the licensee's sale of licensed products.

The core principle in IFRS 15 is revenue should be recognized dependent



on the transfer of promised goods or services to the customer for an amount that reflects the consideration which should be received in exchange for those goods or services. The objective is to provide a five-step approach to revenue recognition that includes identifying contracts with customers, identifying performance obligations, determining transaction prices, allocating transaction prices to performance obligations, and recognizing revenue when or as performance obligations are satisfied.

In Photocure's customer contracts which are regarded to be within the scope of IFRS 15, the up-front fees not related to a separate performance obligation will be recognized over the term of the contract upon the delivery of goods.

If the promise to grant the license is distinct from other promised goods or services in the contract, the promise to grant the license is a separate performance obligation. A license contract with a customer is a right to use Photocure's intellectual property as it exists at the point in time at which the license is granted.

The total transaction price is allocated between the performance obligations based on the relative stand-alone selling price. The transaction price allocated to the license may consist of up-front fee, different milestone payments and sales based royalty payments. The part of the transaction price related to variable milestone payments are estimated as the most likely amount but constrained which currently means that these revenues

will be recognized if and when the relevant milestone are achieved. Sales based royalty is recognized when the subsequent sales occur.

I. Share remuneration and other benefits related to share based remuneration

Employees have been offered share options to the Company's shares as an element of the Group's employee incentive policy. If the Group has own shares, the Group may allot own shares instead of issuing new shares when share options are exercised. All share options are offered at strike prices that reflect the market price +10% of the shares at the time of allotment of the rights.

The fair value is expensed over the share options vesting period and





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the Company's equity is increased correspondingly. The fair value of share options is calculated according to the Black-Scholes model. Each program is calculated separately with the actual strike price and duration of the program. The share options cease to be valid when the employee's is leaving the Company.

Employer's social security contributions on outstanding share options are accrued as personnel costs based on the intrinsic value of the rights.

J. Tax

The tax expense in the income statement includes both the income tax payable for the period and changes in deferred tax. Deferred tax in Norway is calculated at rate of 22% and in the USA at a total rate of 28% on the basis of the temporary differences that exist between the tax value of the assets and liabilities, and their book value.

Liabilities for deferred tax are included for all temporary differences that increase tax, except when the asset in connection with deferred tax arises as a result of the first-time inclusion of an asset or liability in a transaction that is not in a business combination and affects neither the accounting nor the taxable profit or loss at the time of the transaction.

Assets in connection with deferred tax are included for all tax-reducing temporary differences, carry forward of tax deductions and tax losses in the extent that there is objective proof that there will be sufficient taxable profits against which to offset tax-reducing temporary differences, and carry forward of unused tax deductions and tax losses.

The book value of assets in connection with deferred tax is reviewed on every balance sheet date and is reduced to the degree that there is no longer any objective proof that there will be sufficient taxable profits to utilize all or parts of assets in connection with

deferred tax. Non-recognized assets in connection with deferred tax are reviewed every balance sheet date and are included to the degree that it is probable that future taxable profits will allow the recovery of assets in connection with deferred tax. Each taxable entity in the Group is treated separately.

K. Contingent liabilities and assets

Contingent liabilities are defined as:

- Possible liabilities as a result of earlier events where their existence depends on future events;
- Liabilities that are not included because it is not probable that they will lead to an outflow of resources from the Group;
- Liabilities that cannot be measured with sufficient reliability.

Contingent liabilities are not included in the annual accounts. Notes on significant contingent liabilities are provided, with the exception of contingent liabilities with little probability of occurring.

Contingent assets are not included in the annual accounts but are reported in cases in which there is a certain likelihood of their resulting in a benefit to the Group.

L. Cash flow statement

The cash flow statement has been prepared in accordance with the indirect method. Cash and cash equivalents consist of cash, bank deposits and other current investments like money market funds.

M. Lease agreements

The main rule is that the leased assets are recognized in the balance sheet as a fixed asset or in a disclosure note for fixed assets. Leased assets are shown

separately from other fixed assets owned by the company as "Right of use assets" in the related disclosure note. Although a lease is a right to use an asset and not a purchase of an asset, the classification in the balance sheet follows the leased asset.

The net present value of the lease liability is calculated by discounting the rental payments with the implicit interest rate of the lease, or the business's marginal borrowing rate if the implicit interest rate is unknown.

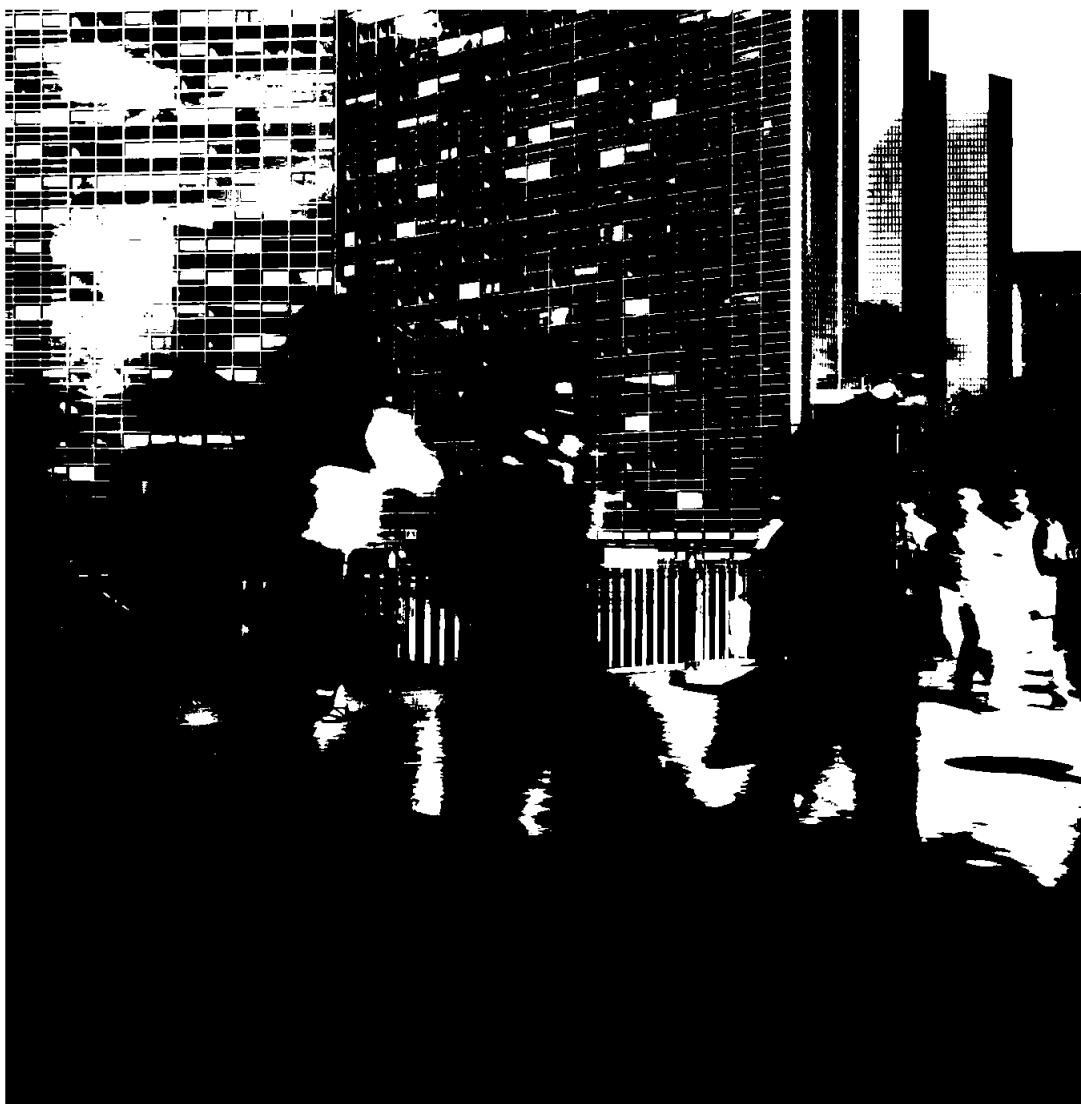
According to IFRS 16 depreciation is calculated for the right of use assets. Depreciation is presented together with other depreciation, while interest cost is included in financial expenses in the income statement.

The leased assets are depreciated over their useful lives. This is the shorter of the rental period and the assets economic life.





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Notes to the Financial Statements for 2023

Photocure ASA

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0. CURRENCY RATES CHANGES

Photocure revenues and costs are to a large degree in EUR and USD currencies while functional currency is NOK. Due to the strengthening of the EUR and the USD currency against the NOK during 2023, the revenues and costs reported in NOK have been materially affected. This is illustrated by the following table containing the average currency rates between NOK and USD/EUR in 2023 compared to 2022.

Currency rates development 2023 vs 2022

	2023	2022	% 23 vs 22
Avr currency rate NOK/USD	10.57	9.62	10%
Avr currency rate NOK/EUR	11.43	10.11	13%

1. PARTNERSHIPS

Photocure entered in July 2019 into a license agreement providing Asieris MediTech Co with a world-wide license to develop and commercialize Cevira® for the treatment of HPV induced cervical precancerous lesions. Under the agreement, Photocure will receive signing fees, development- and approval milestones, in addition to sales royalties.

Photocure entered in January 2021 into a license agreement providing Asieris MediTech Co with a license to commercialize Hexvix in mainland China and Taiwan. Under this agreement, Photocure will receive signing fees and approval milestones, in addition to sales royalties.

2. OPERATING SEGMENTS

Photocure has two segments: Commercial Franchise and Development Portfolio. Commercial Franchise includes Hexvix/Cysview by geography (North America and Europe) and other sales (partners and other products). Development Portfolio includes development of pipeline products. Sales revenue Europe in the Commercial segment consists of Hexvix direct sale to hospitals, wholesalers and pharmacies.

The Development segment is split by development of Cevira and other pipeline products.

Operating costs are charged directly to the respective segment involved if directly related. Indirect manufacturing costs are allocated based on sales within the commercial segment and other indirect costs are allocated based on time and resources utilized within the different subsegments.

Segments are reported similarly as the internal reporting to the Group's Chief Operating Decision Maker (CODM) s. CODM are defined as the Group's Senior management. Segment assets and liabilities are not reported to the Chief Operating Decision Makers (CODM) and therefore not allocated to reportable segments.

1 Jan - 31 December 2023	Commercial Franchise				Development Portfolio			Grand Total
	North Am.	Europe	Other Markets	Total Sales	Cevira	PDT & Explorativ	Total R&D	
(Amounts in NOK 1,000)								
Revenues from contract with customers	178 630	263 547	4 037	446 214	-	-	-	446 214
Signing fees and milestone revenues	-	-	-	-	54 443	-	54 443	54 443
Cost of goods sold	-5 866	-19 286	-986	-26 137	-	-	-	-26 137
Gross profit	172 764	244 262	3 051	420 077	54 443	-	54 443	474 520
Gross profit of sales %	97 %	93 %	76 %	94 %				94 %
R&D	-245	-867	-	-1 113	-818	-139	-957	-2 070
Sales & marketing	-164 622	-147 079	-3 621	-315 322	-941	-	-941	-316 262
Other & allocations	-37 369	-43 947	-5 009	-86 325	-1 693	-12 677	-14 370	-100 695
Operating expenses	-202 237	-191 893	-8 630	-402 760	-3452	-12 816	-16 268	-419 028
EBITDA	29 473	52 369	-5 579	17 317	50 991	-12 816	38 175	55 492
Depreciation and Amortization				-27 541			-146	-27 687
EBIT				-10 224			38 029	27 806



1 Jan - 31 December 2022	Commercial Franchise				Development Portfolio			
	North Am.	Europe	Other Markets	Total Sales	Cevira	PDT & Explorativ	Total R&D	Grand Total
(Amounts in NOK 1,000)								
Revenues from contract with customers	150 784	221 826	1 863	374 474	-	-	-	374 474
Signing fees and milestone revenues	-	-	152	152	18 506	-	18 506	18 506
Cost of goods sold	-4 835	-16 810	-1 052	-22 697	-	-	-	-22 697
Gross profit	145 950	205 016	963	351 929	18 506	-	18 506	370 435
Gross profit of sales %	97 %	92 %	44 %	94 %				94 %
R&D	-322	-1 211	-	-1 533	-739	-1 070	-1 809	-3 342
Sales & marketing	-163 706	-118 563	-3619	-285 888	-645	-	-645	-286 533
Other & allocations	-38 214	-52 758	-8 177	-99 149	-1 933	-4 106	-6 038	-105 187
Operating expenses	-202 242	-172 532	-11 795	-386 570	-3 317	-5 176	-8 492	-395 062
EBITDA	-56 292	32 484	-10 832	-34 641	15 189	-5 176	10 013	-24 627
Depreciation and Amortization				-24 231			-147	-24 378
EBIT				-58 872			9 866	-49 005

The definition of EBITDA is "Earnings Before Interest, Tax, Depreciation and Amortization."

3. REVENUES FROM CONTRACT WITH CUSTOMERS

Performance obligation product deliveries

For the general supply of products Photocure satisfy the contractual performance obligation upon delivery of products according to the delivery terms agreed. Invoices are issued at that point in time and the payment term is usually within 30 days. No discounts were provided to the customers and no return of products were accepted within the expiry of the products.

Performance obligation license

Photocure entered a license agreement with Asieris for the pipeline product Cevira in July 2019. The agreement was based on a "ready for Phase 3 study" concept and this study was carried out by Asieris in China from 2020 until July 2023. The Phase III Hexvix trial in China successfully met the primary endpoints, and in October 2023 the results were presented at the SIU Congress. In November 2023, Asieris announced that the NMPA (Chinese FDA) has accepted the new drug application (NDA) for Hexvix in China, beginning the review process for a potential market authorization.

Photocure has in the agreement with Asieris promised to transfer the rights for Cevira (license) and deliver the active substance for the phase 3 study and later potential commercialization. Asieris will be responsible for the remaining development of Cevira and pay all the costs. The license is a right to use Photocure's intellectual property as it existed at the contract date. The active substance will not be further developed or changed by Photocure for use by Asieris. The transfer of the license and the delivery of the active substance are by Photocure regarded as two separate performance obligations.

Asieris has in 2023 paid two milestones of USD 2.5 million each related to the phase 3 study and accumulated paid USD 15 million in milestones for Cevira. The agreement include additional milestones and potential sales royalty if a commercial product is approved, this will depend on the outcome of the ongoing phase 3 study. The transaction price allocated to the license consist of signing fee, different milestone payments and sales based royalty payments. The part of the transaction price related to milestone payments are estimated as the most likely amount, but constrained which currently means that these revenues will be recognized if and when the relevant milestone are achieved.

Revenue for the sale of active substance is recognized when the customer takes control of the goods, which is at the time of shipment.

Photocure entered in January 2021 into a partnership agreement with Asieris whereby Asieris has obtained exclusive rights to register and commercialize Hexvix[®] in Mainland China and Taiwan. Based on the agreement, Photocure received an upfront payment of USD 750,000 from Asieris for the rights to Hexvix in the designated territories as a non-refundable payment. Asieris fund all costs to secure required clinical studies and to regulatory approvals of Hexvix in Mainland China and Taiwan.

The license of the Groups intellectual property are under all current licensing agreement considered distinct from the delivery of goods and thus a separate performance obligation. Furthermore the licenses are considered to be a right to use the company's intellectual property as is, and therefore revenue allocated to the license is recognized at point in time taking into consideration the variable constraint for milestone payments that have not yet occurred and sales based royalty. Milestone payments related to future events and sales based royalties are recognized when the events and sales actually occur.



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Geographical information

(Amounts in NOK 1,000)

Group revenues from contract with customers	2023	2022
Nordic countries	22 390	22 647
Germany	182 199	148 936
France	31 404	27 032
Austria	12 070	9 500
UK	2 411	2 147
BeNeLux	5 804	4 597
Italy	5 057	4 368
Other European countries	3 025	3 905
United States	175 845	149 045
Canada	2 785	1 740
Own sales	442 990	373 917
Partner countries rest of world	3 224	557
	446 214	374 474

The geographical revenue in all countries except North America are in the parent company. The geographical revenue information is based on the location of the end customers.

The signing fees and milestone revenue are not included in the table above.

Revenue recognition by segments

1 Jan - 31 December 2023	Commercial Franchise			Development Portfolio		Grand Total	
	Hexvix/Cysview		Other Sales	Total Sales	Pipeline		Total R&D
(Amounts in NOK 1,000)	Own sales	Partner					
Contract revenue at point in time		1 700	1 524	3 224		0	3 224
Contract revenue over time				0		0	0
Signing fees and milestone revenues at point in time				0	54 443	54 443	54 443
Sales order revenue at point in time	442 177		813	442 990		0	442 990
	442 177	1 700	2 337	446 214	54 443	54 443	500 656

Revenue recognition by segments

1 Jan - 31 December 2022	Commercial Franchise			Development Portfolio		Grand Total	
	Hexvix/Cysview		Other Sales	Total Sales	Pipeline		Total R&D
(Amounts in NOK 1,000)	Own sales	Partner					
Contract revenue at point in time		430	128	558	0	0	558
Contract revenue over time				0		0	0
Signing fees and milestone revenues at point in time		152		152	18 506	18 506	18 658
Sales order revenue at point in time	372 611		1 306	373 917		0	373 917
	372 611	582	1 434	374 627	18 506	18 506	393 132



4. COST OF GOODS SOLD

Total cost of goods sold includes direct materials, services provided by contract manufacturers and packaging suppliers, products freights and distribution costs.

5. INCOME STATEMENT CLASSIFIED BY NATURE

(Amounts in NOK 1,000)

	Note	Group		Parent	
		2023	2022	2023	2022
Revenues from contract with customers	2	446 214	374 474	280 281	236 550
Signing fees and milestone revenues	2	54 443	18 658	54 443	18 658
Cost of goods sold		-26 137	-22 697	-25 389	-23 269
Gross profit		474 521	370 435	309 335	231 939
Other income		0	0	504	899
Payroll expenses	6, 7	-276 192	-244 881	-117 117	-102 315
R&D costs excluding payroll expenses/other operating expenses		-964	-1 809	-964	-1 809
Ordinary depreciation and amortisation	13, 14	-27 687	-24 378	-20 803	-20 051
Other operating expenses		-141 871	-148 370	-156 165	-158 016
Total operating expenses		-446 714	-419 438	-294 545	-281 292
Operating profit / loss (-)		27 807	-49 003	14 790	-49 353

Specification of Other operating expenses:

	2023	2022	2023	2022
Marketing expenses	37 493	45 162	15 691	16 087
Profit split coverage US and Canada	-	-	158	17 888
Sales and marketing costs Europe	-	-	79 484	54 719
Travel expenses	21 152	19 108	5 028	5 308
Patent costs, legal and other fees	47 464	55 848	32 840	41 317
Other expenses	35 763	28 253	22 965	22 698
Total other operating expenses	141 871	148 370	156 165	158 016

6. PERSONNEL EXPENSES

(Amounts in NOK 1,000)

	Note	Group		Parent	
		2023	2022	2023	2022
Salaries		208 298	175 991	83 636	66 879
Employer's social security contributions on salaries, etc.		23 885	20 855	9 662	8 144
Option costs incl employer's social security contributions		19 368	21 674	13 843	16 406
Pension costs	8	13 976	13 101	5 988	5 682
Other benefits		10 665	13 260	3 989	5 205
Total payroll expenses		276 192	244 881	117 117	102 315
No. of full-time equivalent positions		102	106	36	37

Share-based remuneration

As part of the company's incentive policy, employees have been offered share options to the company's shares (the term 'options' is also used). Allocated share options are vested over three years, 25% after first year, 25% second year and 50% third year. The rights are no longer valid after five years or on termination of the employee.



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The number of employee share options and average exercise prices for Photocure, and developments during the year:

	2023		2022	
	Number	Average exercise price (NOK)	Number	Average exercise price (NOK)
Outstanding at start of year	1 922 778	116.04	1 355 750	109.61
Granted during the year	1 180 900	61.03	716 028	114.90
Cancelled during the year	798 000	128.69	-	0.00
Become invalid during the year	229 500	110.11	2 000	87.39
Exercised during the year	-	0.00	147 000	51.49
Expired during the year	-	0.00	-	0.00
Outstanding at end of year	2 076 178	80.55	1 922 778	116.04
Exercisable options as per 31 December	586 653	95.41	448 000	101.30

The average weighted life of outstanding share options was 3.6 years at 31 December 2023 and 3.7 years at 31 December 2022.

The exercise prices and the average life of outstanding share options as per 31 December 2023 were as follows:

Average remaining life	No. of options	Exercise price NOK
1 year	69 000	50.72-56.83
2 years	316 250	78.65-81.41
3 years	272 000	87.39-145.27
4 years	243 500	114.89
5 years	1 175 428	59.91-115.70
Total	2 076 178	

Calculation method for market value of employee share options:

The market value of share options is calculated according to the Black-Scholes method. Volatility is calculated on the basis of the development in the historical share price equal to the lifetime of the options. This assumes that historical volatility indicates future volatility, which is not necessarily the case. Strike prices are set as the listed price plus 10% at the time of allocation. Risk-free interest is based on the interest for Norwegian government bonds. Each option program is calculated separately with the actual exercise price and duration of the program. The exercise date for the options is calculated on the basis of historical experience in the company and is differentiated between senior management and other employees. The interest advantage is insignificant and has not been included in the accounts. The table below shows the values that have been used in the model.

	2023*	2022*
Dividends (NOK)	0.00	0.00
Expected volatility (%)	47.85	50.98
Historical volatility (%)	47.85	50.98
Risk-free interest (%)	3.33	2.89
Expected life of options (years)	3.25	3.24

*Weighted average parameters at grant of instrument



7. REMUNERATION OF MANAGEMENT AND BOARD OF DIRECTORS

(Amounts in NOK 1,000)	Pay currency	Directors' fees paid	Salaries paid	Bonuses accrued	Benefits in kind	Pension cost	Total
Senior management 2023							
President and CEO	USD		6 953	2 792	1 004	602	11 351
Chief Financial Officer	NOK		2 776	924	16	383	4 099
VP and General Manager North America	USD		4 387	1 375	601	382	6 745
VP and General Manager Europe	EUR		3 431	1 008	488	-	4 928
VP Global Strategic Marketing & BD to June	NOK		1 035	-	1 052	117	2 203
VP Global Medical Affairs and Clinical Development	SEK		2 555	867	96	379	3 898
VP Global Human Resources to April	USD		1 572	-	100	35	1 707
VP Global Human Resources from April	EUR		1 474	323	-	101	1 898
Total senior management			24 183	7 288	3 358	1 998	36 827
Board of Directors 2023							
				Consultant fee			
Chairperson of the Board	NOK	620					620
Members of the Board	NOK	1 440	529				1 969
Total remuneration		2 060	24 711	7 288	3 358	1 998	39 415

The Group used the professional services of one of its Directors in relation to consulting services during 2023. The consulting services relates to work beyond regular board duties. The consultancy fees are based on a contract approved by the board.

(Amounts in NOK 1,000)	Pay currency	Directors' fees paid	Salaries paid	Bonuses accrued	Benefits in kind	Pension cost	Total
Senior management 2022							
President and CEO	USD		6 013	2 812	754	494	10 072
Chief Financial Officer	NOK		2 629	595	18	343	3 584
VP and General Manager North America	USD		3 848	857	419	319	5 444
VP and General Manager Europe	EUR		2 935	586	427	-	3 948
VP Global Strategic Marketing & BD	NOK		1 754	196	88	221	2 259
VP Global Medical Affairs and Clinical Development	SEK		2 071	431	91	360	2 952
VP Global Human Resources	USD		2 672	310	7	242	3 232
Total senior management			21 921	5 787	1 803	1 979	31 490
Board of Directors 2022							
Chairperson of the Board	NOK	620					620
Members of the Board	NOK	1 440					1 440
Total remuneration		2 060	21 921	5 787	1 803	1 979	33 550

Currency rates development 2023 vs 2022:	2023	2022
Avr currency rate NOK/USD	10.57	9.62
Avr currency rate NOK/EUR	11.43	10.11
Avr currency rate NOK/SEK	1.0	0.95



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Share options senior management

Senior managers' holdings of shares in Photocure ASA are stated in the note concerning share capital. Allocation and exercise of share options and holdings of share options for senior managers are presented in the following overview:

Share options for senior management 2023	Share options awarded	Expired share options	Share options cancelled	Holding of share options at 31 December 2023	Average exercise price
President & CEO	272 500	-	265 000	332 500	64.24
Chief Financial Officer	178 750	-	157 500	213 750	63.84
VP and General Manager North America	136 250	-	132 500	216 250	63.09
VP and General Manager Europe	136 250	-	132 500	203 750	67.40
VP Global Human Resources from April	28 750	-	22 500	26 750	65.58
VP Global Medical Affairs and Clinical Development	114 000	-	88 000	114 000	60.34
Total	866 500	-	798 000	1 107 000	

Share options for senior management 2022	Share options awarded	Expired share options	Share options exercised	Holding of share options at 31 December 2022	Average exercise price
President & CEO	130 000	-	100 000	325 000	121.33
Chief Financial Officer	90 000	-	20 000	192 500	119.46
VP and General Manager North America	65 000	-	-	212 500	106.73
VP and General Manager Europe	65 000	-	-	200 000	113.84
VP Global Strategic Marketing & Business Development	35 000	-	-	112 500	111.12
VP Global Human Resources	-	-	-	80 000	113.34
VP Global Medical Affairs and Clinical Development	60 000	-	-	88 000	122.56
Total	445 000	-	120 000	1 210 500	

Auditing fees

(Amounts in NOK 1,000 ex VAT)

	Group and parent	
	2023	2022
Statutory auditing	1 086	972
Other attestation services	172	138
Other services excluding auditing	27	42
Tax advice	36	132
Total	1 320	1 284



8. PENSION COSTS

Photocure ASA has an agreement with a life assurance company concerning contribution-based pensions for Photocure's employees in Norway. The contribution plan match the revised national regulations for pension. The contributions are 6% of the employee's ordinary salary up to 7.1 times the basic amount (G) of the Norwegian National Insurance scheme, and thereafter 16% up to 12 x G. The national insurance cover pension for salaries to 7.1 G. Pension contributions are paid into the employee's contribution account with the life assurance company. As of 31 December 2023 and 31 December 2022, the company had no deposits in the premium and the contribution fund.

Photocure ASA employees in other European countries have individual defined contribution pension plans according to local regulations and their employment agreements.

Photocure Inc matches its employee's contribution to the 401(k) plan dollar for dollar up to 4% of salary for the employees that elect to join the plan. There is a salary maximum set by the IRS, which was \$330,000 in 2023.

Employees in Photocure GmbH in Germany coming from Ipsen have defined benefit pension plans through the TUPE regulations in Germany. Photocure GmbH has a re-assurance agreement with an assurance company in Germany that balance the pension liability. New employees in Photocure GmbH are offered a defined contribution plan.

Salary to senior management employees in Photocure ASA above 12 x G is subject to agreements concerning operational coverage of pensions for salary above this level in the form of contribution-based pensions. The calculated contribution constitutes 16% of the employee's salary above 12 x G. Photocure Inc has established an additional unfunded pension coverage for senior managers accruing annually an amount equal to 4% of salary and earned bonus.

The pension cost for the year is calculated as follows:

(Amounts in NOK 1,000)	Group		Parent	
	2023	2022	2023	2022
Total pension costs, contribution scheme in life assurance	12 940	11 866	5 660	5 339
Total pension costs, company scheme	1 036	1 235	328	343
Total	13 976	13 101	5 988	5 682



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9. FINANCIAL INCOME AND EXPENSE

(Amounts in NOK 1,000)	Group		Parent	
	2023	2022	2023	2022
Interest income	11 714	2 336	11 124	2 287
Foreign exchange gains	12 841	6 882	22 806	45 850
Total financial income	24 554	9 218	33 930	48 137
Interest costs long term liabilities and lease	903	1 421	540	1 095
Interest costs earnout	25 424	24 383	25 424	24 383
Foreign exchange losses	14 850	4 588	14 849	4 564
Other financial expense	0	199	-9	199
Total financial expense	41 177	30 591	40 804	30 240
Remeasure financial balances	1 444	758	5 828	29 565
Net financial income and expenses	-18 067	-22 131	-12 703	-11 668

The foreign exchange gain in the parent company 2023 include unrealised exchange gain of the long term loan to the subsidiary that is nominated in USD.

The exchange rate NOK/USD increased to 10.2 as of December 31, 2023 compared to exchange rate of 9.9 at end of previous year. This is resulting in an unrealised gain of NOK 9.9 million in 2023 compared to a gain of NOK 38.9 million in 2022.

In the consolidated accounts the unrealised gain/loss is eliminated against the change in equity as part of other comprehensive income.

Remeasure financial balances

Information regarding the remeasured value of the earnout liability is provided in note 22.

A loss allowance in the parent company loan to the US subsidiary has been recognized according to IFRS as a probability weighted estimate of future loan repayments. A loss allowance increase of NOK 4.4 million have been estimated in a downside scenario as of end December 2023 compared the NOK 35.1 million allowance from 31 December 2022. The total allowance 31 December 2023 is NOK 39.4 million and the estimate is based on a probability weighted scenario that the loan will not be paid back in full.

The parent company is anyhow committed to secure the operations in the US.



10. RELATED PARTIES - COMPANIES

Subsidiaries

Photocure has established a wholly owned subsidiary in the US, Photocure Inc, in order to carry out the sales and the marketing-, selling- and distribution activities for the Cysview product. Photocure ASA has the ownership to the patent rights and the trade mark and is responsible in the Group for development and manufacturing of the product. Photocure Inc purchases the completed product from the parent company and distributes in the United States. Photocure Inc has established its own marketing organization that is funded by a loan from its parent company in addition to its own revenues. The transactions between Photocure ASA and Photocure Inc are on terms at arm's length, and the loan is interest free until further notice.

It is Photocure's judgment that the operation in the US will be profitable. This is based on a cash flow model taking into account a balanced view of the market share for Cysview in the US compared to sales of Hexvix in Europe. Photocure Inc has in 2023 entered an agreement with a US based pharmaceutical company for the access to patient registry information obtained by Photocure Inc.

Photocure has established wholly owned subsidiaries in Germany and France. Photocure ASA carries out the sales and distribution in Europe for the Hexvix product. The marketing- and promotion activities for the Hexvix product in Continental Europe are carried out by Photocure GmbH and Photocure SAS. Mark up is assumed on fully loaded local costs for the services rendered to parent company.

Photocure established from January 2022 a sales subsidiary in Canada to carry out the sales, marketing and distribution of Cysview in Canada. Photocure ASA has the pharmaceutical market authorisation for sale of Cysview in the US and Canada

The transfer price method implemented is the profit & loss split method (PSM) for the sales in US and a residual profit model (RPM) for the sales in Germany and France.

Both the PSM and the RPM divides the combined profit or loss between the transacting related entities based on what would be anticipated if the entities had been transacting at arm's length.

A contribution analysis for sale of Cysview in US and sale of Hexvix in Germany and France compares the split of profit or loss between the subsidiaries and Photocure ASA based on the value of the functions performed by each of the related parties, taking into account the assets used and the risks assumed by both parties.

Transactions and intercompany balances:

(Amounts in NOK 1,000)	2023	2022
Sales of products	12 710	12 986
Sales of services	504	899
Intercompany sales	13 214	13 885
Purchase of marketing and promotion services	-67 701	-54 719
	31-Dec-23	31-Dec-22
Accounts receivables and other storm-term receivables	6 473	4 733
Long term loan given	380 368	350 072
Accounts payables and other short-term liabilities	-17 039	-17 436
Total subsidiaries	369 802	337 369
Guarantees to bank in favor of subsidiary for requested security	2 804	2 724

These are for licenses with the States of Maryland, Mississippi, Nevada and California to sell Cysview and for the office lease deposit



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11. TAX

(Amounts in NOK 1,000)

	Parent & Group	
	2023	2022
Income tax expense		
Tax payable	3 117	2 840
Changes in deferred tax	5 644	-2 117
Total income tax expense	8 761	723
Tax base calculation parent		
Profit(-loss) before income tax	2 088	-61 021
Permanent differences *)	22 947	49 534
Change in temporary differences	-17 691	-35 757
(Utilized)/Increased tax loss carried forward	-7 344	47 244
Tax base	0	-0
Temporary differences		
Receivables	-565	-551
Inventories	5 522	4 003
Non current assets	29 893	32 041
Long term currency loans	126 176	116 280
Earnout liability	-19 422	-17 978
Change in earnout true up	-11 243	-
Provisions	-236	-1 024
Pensions	-1 701	-2 523
Gains and loss account	12 887	16 109
Total	141 311	146 356
Tax loss carried forward *	-366 202	-396 901
Net temporary differences	-224 891	-250 545
Deferred tax liability (asset)	-49 476	-55 120

*Tax loss carried forward in 2022 was in later tax declaration decreased by NOK 23.3 million as a true up of earnout payments 2020 - 2022.

	Parent & Group	
	2023	2022
Reconciliation of effective tax rate		
Profit(-loss) before income tax Group	9 740	-71 134
Expected income taxes at statutory tax rate	2 143	-15 649
Effect tax rates foreign entities	1 144	617
Permanent differences	6 241	11 848
Prior year adjustment	-767	3 907
Income tax expense	8 761	723
Effective tax rate in % **)	89.9 %	-1.0 %

Temporary differences are recognized for the Parent company only and the note disclosure for the Group is of this reason identic to the disclosure for the Parent company. The tax payable is however due to the new subsidiaries in Europe that received a residual share of profit in Germany and France or a minimum mark up of the costs incurred.

*) Permanent differences consist of non-deductible costs and non-taxable income and deduction.

**) Tax expense related to profit before tax.



The parent company has a taxable profit in 2023 of NOK 7.3 million compared to a loss in 2022 of NOK 47.2 million. The deferred tax asset is of this reason and changes in temporary differences decreased to NOK 49.5 million compared to NOK 55.1 million as of 31 December 2022. Photocure apply a profit/loss split method for the business in US and a share of the US related revenue and expenses are included in the parent company taxable income. For the operations in Europe Photocure apply a residual profit share for Germany and France through our subsidiaries. The basis for recognition of a tax asset in Norway are the predicted future profit according to the business plan for all major markets and that temporary differences for the coming years will be reversed. The remaining deferred tax asset is of this reason maintained as of 31 December 2023.

European business contributes to Photocure profitability in 2023 and will continue to contribute going forward. The parent company is the selling entity of the Hexvix product in all the European countries. The marketing and promotion activities in Germany and France are performed through the subsidiaries in those countries.

It is Photocure's judgment that the operation in the US will be profitable and this will contribute to the pre-tax result in the parent company through the profit/loss split method. This is based on a cash flow model taking into account a balanced view of the market share for Cysview in the US compared to sales of Hexvix in Europe. The US sales and marketing force continues to cover larger parts of the US market and gain further market shares.

Photocure continues to see growth opportunities in the European countries and particularly in several large untapped markets. With Photocure's own dedicated sales force in place in Europe, we believe this will further strengthen the sales.

Several studies have been published highlighting and verifying key clinical benefits including the positive impact of Hexvix/Cysview on reduced disease progression, bladder cancer detection and the safety of repeated use of Hexvix/Cysview. The basis for the recognition of the tax asset is the assessment that there are convincing evidence that the deferred tax benefit will be utilized.

There is no expiry on losses to be carried forward in Norway while it expires after 20 years in US according to tax legislation valid to end of 2017. The new US tax legislation valid for taxable years from 2018 have no expiry of loss carried forward but a 80% limit in utilization.

Deferred tax assets have not been recognised in respect of the following items in the US subsidiary due to no history of pre-tax profit at this point in time:

(Amounts in NOK 1,000)	2023		2022	
Unrecognised deferred tax assets	Amount	Tax effect	Amount	Tax effect
Net deductible temporary differences	-8 690	-2 444	-6 996	-1 969
Tax losses	185 681	52 194	183 930	51 701
Net unrecognised deferred tax asset US	176 990	49 751	176 933	49 732

Tax losses for which no deferred tax asset was recognized, expire as follows:

(Amounts in NOK 1,000)	2023		2022	
	Amount	Expiry date	Amount	Expiry date
Expire Federal	22 718	2030 - 2037	23 091	2030 - 2037
Expire State	15 929	2030 - 2043	15 923	2030 - 2042
Never expire	11 103		10 718	
Total	49 751		49 732	



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12. EARNINGS PER SHARE

Earnings per share are calculated on the basis of the profit/loss for the year after tax but excluding other comprehensive items. The result is divided by a weighted average number of outstanding shares over the year, reduced by acquisition of treasury shares. The diluted earnings per share is calculated by adjusting the average number of outstanding shares by the number of employee share options that can be exercised. Antidilution effects are not taken into consideration.

	2023	2022
Figures indicate the number of shares		
Ordinary shares 1 January	27 120 820	26 973 820
Effect of treasury shares	-15 122	-20 861
Effect of share options exercised		82 017
Weighted average number of shares, 31 December	27 105 698	27 034 976
Effect of outstanding share options	27 797	113 759
Weighted average number of diluted shares, 31 December	27 133 495	27 148 735
Net profit/loss(-)	979	-71 857
(Amounts in NOK 1 000)		
Earnings per share		
Earnings per share in NOK basic	0.04	-2.66
Earnings per share in NOK diluted	0.04	-2.66

13. GOODWILL AND CUSTOMER RELATIONS

(Amounts in NOK 1,000)

Hexvix sales, marketing and distribution rights in Europe and other markets previously controlled by Ipsen Pharma SAS (Ipsen), were acquired by Photocure 1 October 2020. The parties entered into a final agreement where Photocure paid Ipsen EUR 15 million upon transfer on 1 October 2020. Ipsen receives in addition a deferred consideration 15% of sales (years 1-7 post-transfer) and 7.5% of sales (years 8-10) in the previous Ipsen major markets.

One intangible asset has been identified, Customer relationships. The customer relationships relate to existing customers in Europe which have previously been served by Ipsen. Customer relationships has been valued using a multiperiod excess earnings method and the value at transaction date was NOK 166.7 million. Photocure has evaluated this asset to have an estimated value for 10 years from transaction date and the intangible assets is depreciated on a straight-line basis over this period. The net book value of the customer relations as of 31 December 2023 is NOK 112.5 million.

Goodwill amounts to NOK 144 million and this asset is not depreciated, but is tested against impairment as of end December 2023. The impairment analysis carried out confirms the goodwill value given the performance in 2023 and future growth opportunities that are expected to in line with forecasts prepared in connection with the transaction.



Group and parent		
(Amounts in NOK 1,000)	Customer relations	Goodwill
Accumulated cost at 31 December 2021	166 720	144 000
Additions	0	0
Accumulated cost at 31 December 2022	166 720	144 000
Additions	0	0
Accumulated cost at 31 December 2023	166 720	144 000
Accumulated depreciation at 31 December 2021	20 840	0
Amortization and impairment	16 672	0
Accumulated depreciation at 31 December 2022	37 512	0
Amortization and impairment	16 672	0
Accumulated depreciation at 31 December 2023	54 184	0
Book value at 31 December 2021	145 880	144 000
Book value at 31 December 2022	129 209	144 000
Book value at 31 December 2023	112 536	144 000

Carrying amount of goodwill is allocated to the acquired business in Europe by NOK 144 million. The recoverable amount has been determined as value in use. The impairment test is based on cash flow projections for the business related to the investment. The cash flow projections is based on most recent financial forecast for the business.

Main assumptions are:

- Sales growth and related expenses is based on current penetration and future growth potential as per management assessment. When assessing future growth and related expenses management has taken into consideration experiences from high growth markets as well as more mature markets within the company portfolio.
- With minor exceptions the sales are in Euro. Assumed exchange rate in the forecast projection for NOK/EUR is 11.6, compared to 10.2 exchange rate for 2022 testing.
- The impairment test is based on a 10 year cash flow projection excluding the terminal year. 10 year is applied as this reflects the change in hospital practices driven by the product as well as the low churn experienced in other markets.
- The applied discount rate in 2023 testing is 22.0% post tax compared to 18.0% in 2022 testing. An increase of discount rate with 2% or 4% will not change the conclusion of the impairment test. Terminal growth rate is in the projection estimated to zero as a conservative approach. An increase of the terminal growth rate to 4% will have a positive impact on the fair value of the investment with NOK 11 million. This percent reflects the expected inflation and the growth in the aged population that has the highest prevalence of bladder cancer
- Applied tax rate is 22%.



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14. PROPERTY, PLANT, EQUIPMENT AND LEASE ASSETS

(Amounts in NOK 1,000)

Group	Intangible assets		Right-of-use	Machinery and Equipment		Total
	Registry intangible	Software Systems	Office Lease	Medical & manufacture	Office	
Accumulated cost at 31 December 2021	0	4 933	31 062	776	9 348	46 119
Additions		1 133	3 498	78	3 532	8 241
Disposals and lease expiry	0		-83		-1 797	-1 880
Accumulated cost at 31 December 2022	0	6 066	34 477	854	11 083	52 480
Additions	8 250	1 505	2 582	260	2 371	14 968
Disposals and lease expiry			-8 324			-8 324
Accumulated cost at 31 December 2023	8 250	7 571	28 735	1 114	13 454	59 124
Accumulated depreciation at 31 December 2021	0	3 778	2 371	442	5 954	12 545
Amortization and depreciation		615	5 779	161	1 151	7 706
Disposals and lease expiry	0		236		-486	-250
Accumulated depreciation at 31 December 2022	0	4 393	8 386	603	6 619	20 001
Amortization and depreciation	849	1 178	6 729	145	2 113	11 014
Disposals and lease expiry			-5 420			-5 420
Accumulated depreciation at 31 December 2023	849	5 571	9 695	748	8 732	25 595
Book value at 31 December 2022	0	1 673	26 091	251	4 464	32 479
Book value at 31 December 2023	7 401	2 000	19 040	366	4 722	33 529

PPE are depreciated on a straight-line basis over the estimated useful life of the asset as follows

4 years	3 - 5 years	Contract period	3 - 5 years	3 - 5 years
---------	-------------	-----------------	-------------	-------------

The registry intangible of net book value of NOK 7.4 million is in the Photocure Inc accounts and the right of use assets include net book value of NOK 8.2 million in Photocure Inc and NOK 1.7 million in Photocure GmbH. The machinery and equipment include net book value of NOK 2.9 million in Photocure Inc and NOK 0.7 million in Photocure GmbH. The remaining assets belong to parent company

Right-of-use assets (Lease)	31-Dec-22		31-Dec-23		
(Amounts in NOK 1,000)	Discount rate	Contract value	New/ increase Expiry contracts	Remeasure	Contract value
Right-of-use office contract Norway	3.15%	13 582		758	14 340
Right-of-use office contract US	3.70%	11 189		335	11 524
Right-of-use office contract Germany	1.40%	7 309	(7 822)	513	(0)
Right-of-use office company car fleet Germany	1.40%	2 397	(502)	1 619	2 872
Total lease assets		34 477			28 735

The Right-of-use assets comprise the office lease contracts covered by IFRS 16. In addition are the lease contracts for the company car fleet in the Germany included.

The calculation of the lease asset is excluding utility services shared by the tenants.

The Parent company has a 6-year rental agreement for office premises at Hoffsvøien 4 in Oslo starting 1 September 2021 and ending 31 August 2027. The agreement give Photocure an option to expand the rent period by 4 years. The rent amounts to NOK 2.9



million for the period 1 January 2024 through 31 December 2024. The rent for the remaining period until the expiry of the agreement amounts to NOK 10.5 million.

Photocure Inc rented office premises at Carnegie Center, Princeton, New Jersey from 1 April 2011 through 10 December 2022. On December 13, 2021, Photocure Inc. signed a lease amendment to move to a new office of 5,212 square feet in Carnegie Center and to extend the lease term by six years with an expiration date of December 31, 2028. The lease commitment is NOK 11.2 million (USD 1.1 million) at 3.7% discount rate. The rent commitment for the period 1 January 2024 to 31 December 2024 is NOK 1.9 million while the rent for the remaining period until the expiry of the agreement amounts to NOK 7.9 million.

Photocure GmbH rented office premises in Düsseldorf, Marc-Chagall-Straße 2 from 1 April 2021 until termination 31 December 2023. The company has entered into a new office lease agreement in Düsseldorf in the beginning of 2024.

The standard lease period for the car fleet in Germany is 36 months. As of 31 December 2023 Photocure GmbH had 7 lease agreements with an average remaining lease term of 22.3 months.

15. SUBSIDIARIES

(Amounts in NOK 1,000)

Company	Country	Ownership		Book value	
		31-Dec-23	31-Dec-22	31-Dec-23	31-Dec-22
Photocure Inc.	USA	100%	100%	19 567	15 353
Photocure GmbH	Germany	100%	100%	2 647	1 532
Photocure SAS	France	100%	100%	482	285
Photocure Canada Inc.	Canada	100%	100%	-	-
Total subsidiaries				22 696	17 170

16. INVENTORIES

(Amounts in NOK 1,000)

	Group		Parent	
	31-Dec-23	31-Dec-22	31-Dec-23	31-Dec-22
Raw materials	2 254	3 026	2 254	3 026
Resale products	81	48	81	48
Semi-finished and finished goods	34 855	23 461	32 077	21 339
Total inventories	37 190	26 534	34 411	24 412

The raw materials inventory consists of active substances for the pharmaceutical products. Raw materials are valued at cost. Finished and semi-finished goods are valued at full manufacturing cost. Consumption is accounted in accordance with the FIFO principle. Obsolete goods are written down to net realisable value. Provisions and write-downs of inventories are included in cost of goods sold in the income statement.



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17. FINANCIAL RISK

The note describes the Company's various financial risks and the management of same. In addition, numerical presentations of risk associated with financial risks are included.

(I) Organisation of financial risk management

Photocure has an international business operation and is exposed to currency risk, interest rate risk, commodity price risk, liquidity risk and credit risk. Responsibility for managing financial risk is placed with the management of the company, including financing, interest rate and currency management as well as risk within the business areas and the risk associated with the company's business processes. Financial risk is also monitored by the Board of Directors.

Centralised risk management

Photocure has a centralised finance department. This department ensures the company's financial freedom to act both long and short term, and to monitor and manage financial risk in collaboration with the individual business units within the company. The finance department maintains communication with the company's bank connections, and carries out hedging transactions regarding interest and currency when regarded necessary. Required authorisations for borrowing and entering into derivative agreements are to be granted by the Board of Directors. Any transactions involving financial instruments are backed by an underlying commercial hedging requirement.

Commercial operations – production, sales and marketing

Photocure manufactures, markets and sells the company's products through own sales organization in Europe and North America and through license partners in other countries. Revenues from license partners consist of two elements; sales of products to license partners and milestone revenues. Photocure manufactures the company's products by renowned contract manufacturers in Italy, Spain, Netherland and Austria. Prices of raw materials is a risk factor. Photocure's commercial operations in the North America expose Photocure for currency risk against USD/CAD as both revenues and expenses are in USD/CAD. The same applies for commercial operations in Europe which are mostly in Euros. Currency risks are partly naturally hedged by purchasing goods and services in EUR and USD.

(II) Classes of financial risk

Interest rate risk

Photocure has an interest bearing earnout liability from 2020 with original interest rate equal to the internal rate of return for the investment project that later have been changed according to changes in interest rate levels. In addition Photocure has interest bearing leasing liability and pension liability. The long-term bank loan that was settled in 2023 had a floating interest and 90% of the loan has a state guarantee.

The company's risk related to interest income is mainly associated with the company's holdings of cash and cash equivalents. The main strategy is to diversify the risk and invest in money market funds and bond funds with low risk, high liquidity and short duration. More than 90% of the investments are denominated in NOK and are not hedged.

Liquidity and funding risk

The Company monitors its cash flows from both long and short-term perspectives through planning and reporting. Photocure does not have any loan agreements that involve covenants or other restrictions. Photocure uses a multi-currency consolidated bank accounts system that provides flexibility in relation to drawing on multiple currencies. The company may require new capital in the future. Adequate sources of capital funding may not be available when needed or may not be available on favorable terms.

A main objective of Photocure's financial policy is to ensure that the company has the financial freedom to act both short and long term to achieve strategic and operational goals. Photocure's policy is to have sufficient funds to cover known capital requirements during the forthcoming 12 months in addition to a strategic reserve. Photocure follows a low risk investment strategy for its liquid funds. The return on the liquid funds depends on the rate of interest in the money markets and will therefore vary over time.



The following table presents an overview of the maturity structure of the Group's financial obligations, based on non-discounted contractual payments:

(Amounts in NOK 1,000)	Remaining period				Total
	Less than 1 month	1-3 months	3-12 months	1-5 years	
31-Dec-23					
Accounts payable	16 710	2 950			19 660
Withholding tax and social securities	1 230				1 230
Other current liabilities	22 640	14 150	19 857		56 647
Loan and lease liabilities		3 250	9 500	134 510	147 260
31-Dec-22					
Accounts payable	18 091	3 190			21 281
Withholding tax and social securities	2 440	1 500	647		4 587
Other current liabilities	20 630	13 000	17 177		50 807
Loan and lease liabilities		7 250	18 750	151 370	177 370

Credit risk

Management of credit risk associated with accounts receivable and other operational receivables is dealt with as a part of the commercial risk and is followed up continuously as a part of normal operations. Photocure is primarily exposed to credit risk associated with accounts receivable and other short-term receivables. Photocure's sales is a mix of sales directly to hospitals, pharmacies and wholesalers in Europe and North America. The credit risk is limited as the customers are hospitals which are either publicly owned or financed by public funds or insurance companies. The same applies for the wholesalers customers. Photocure's credit risk is considered moderate and the Company does not use credit insurance.

Currency risk

As NOK is the Company's presentation currency, Photocure is exposed to translation risk associated with the company's foreign net exposure. Photocure's revenues and costs are incurred in different currencies, primarily EUR, USD, GBP and SEK. Photocure is therefore exposed to exchange rate fluctuations. The company regularly monitors the need for hedging of large transactions. Bank accounts in foreign currencies are used actively to reduce exposure to all the main currencies, and currency risk is to some degree naturally hedged in EUR, USD and SEK by having both revenues and costs in the same currency. However, Photocure have in both 2023 and 2022 cash surplus in EUR and a cash deficit in USD. The Company has not entered into any currency hedging contracts during 2023.

The following table shows the Company's sensitivity for potential changes in the NOK exchange rate with all other factors constant. The calculation is based on the same change in relation to all relevant currencies. The effect in the income statement comes from changes in the value of monetary items.

(Amounts in NOK 1,000)	Change in the NOK exchange rate	Effect on operating profit/loss
2023	+ 10 %	-15 374
2023	- 10 %	15 374
2022	+ 10 %	-2 270
2022	- 10 %	2 270



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18. FAIR VALUE

The table below analyses financial assets recognised in the balance sheet at fair value according to the valuation method. The different levels have been defined as follows:

Level 1: Noted prices in active markets for corresponding assets or liabilities

Level 2: Available value measurements other than the noted prices classified as Level 1, either directly observable in the form of agreed prices or indirectly as derived from the price of equivalent.

Level 3: Value measurements of assets or liabilities that are not based on observed market values

(Amounts in NOK 1,000)

Market value hierarchy	Level 1	Level 2	Level 3	Total
Money market funds	192 661			192 661
Earnout liability, ref note 22			-127 680	-127 680
Total	192 661	-	-127 680	64 981

19. RECEIVABLES

Maximum credit risk

The company's maximum credit risk associated with financial instruments corresponds to gross receivables. In a hypothetical situations, where no receivables are actually paid, this would correspond to:

(Amounts in NOK 1,000)

	Group		Parent	
	31-Dec-23	31-Dec-22	31-Dec-23	31-Dec-22
Accounts receivable	59 704	47 164	37 129	27 005
Accounts receivable intercompany	-	-	6 473	4 733
Total	59 704	47 164	43 602	31 738
Prepaid expenses	11 352	9 113	7 720	5 516
Other receivables and deposits	4 681	7 342	548	1 001
Total other receivables	16 033	16 455	8 268	6 517

Loan to the subsidiary is disclosed in Note 10.

Age breakdown of group accounts receivable	Not yet due	0–30 days	30–60 days	60–90 days	Over 90 days	Total
31 December 2023	40 324	12 703	4 197	2 066	415	59 704
31 December 2022	33 106	8 340	3 679	1 552	487	47 164

Photocure's sales are mainly hospitals and pharmacies and wholesalers in Europe and North America.

Photocure has implemented the expected loss model under IFRS 9 on trade receivables. The expected loss as of December 31, 2023 amounts to NOK 1.2 million. Realised bad debt losses' in 2023 and 2022 has been immaterial. Credit risk and foreign exchange risk in regard to trade accounts receivable are dealt with in more detail in Note 17.



20. CASH AND SHORT TERM DEPOSITS

(Amounts in NOK 1,000)	Group		Parent	
	31-Dec-23	31-Dec-22	31-Dec-23	31-Dec-22
Cash and cash equivalents, restricted	3 168	3 422	3 168	3 422
Cash and cash equivalents, non-restricted	63 675	30 449	42 423	21 434
Money market funds, non-restricted	192 661	234 202	192 661	234 202
Total	259 504	268 073	238 252	259 058

Money market funds are considered as cash equivalents because they are readily convertible to known amounts of cash and are held for the purpose of meeting short-term cash commitments.

Restricted cash and cash equivalents at 31 December 2023 include security for employees' withholding tax in of NOK 1.4 million, while the remaining amount refers to deposit for rent of office.

21. SHARE CAPITAL

Amounts that are distributed to or contributed by shareholders are included directly in the equity. The Group's equity is increased in direct relation to the cost of share-based remuneration for employees.

- The nominal value of treasury shares is presented in the balance sheet as a negative equity element. The net purchase price is entered as a reduction of other paid-in equity. Profits or losses on transactions in treasury shares are not included in the income statement.
- Transaction charges in connection with equity transactions are included directly in equity after deduction for tax. Only transaction charges that are directly attributable to the equity transaction are included directly in equity.

Registered share capital in Photocure ASA amounted to:

	No. of shares	Nominal value per share NOK	Share capital in NOK
Share capital at 31 December 2022	27 120 820	0.50	13 560 410
Share capital at 31 December 2023	27 120 820	0.50	13 560 410

Treasury shares:

Holdings of treasury shares at 31 December 2021	14 846		7 423
Buy-back of restricted shares	481	0.50	241
Buy-back of treasury shares	36 000	0.50	18 000
Share options exercised from treasury shares	-36 205	0.50	-18 103
Holdings of treasury shares at 31 December 2022	15 122		7 561
Buy-back of treasury shares	0	0.50	0
Share options exercised from treasury shares	0	0.50	0
Holdings of treasury shares at 31 December 2023	15 122		7 561

All shares have the same voting rights and otherwise the same rights in the Company. Ordinary shares are classified as equity. Expenses that are directly attributable to the issue of ordinary shares are included as a reduction of equity.

At the General Meeting 3 May 2023, the Board of Directors of Photocure ASA was granted authorisation to issue up to 4.8 million shares. Of this authorisation, (a) 4.1 million shares are linked to financing of the Company's development, while (b) 0.75 million shares are associated with the issue of shares to the Company's employees. Subscription of shares under the incentive program shall be subscribed at the market price with an addition of 10% at the time of allocation of the employee share options. At the General Meeting the Board of Directors was granted authorisation to purchase treasury shares to 2.7 million shares. The basis for this authorisation to purchase treasury shares is the desire by the Board of Directors to increase the liquidity of the Company's shares and in connection with the incentive schemes.

All authorisations are valid up until the Ordinary General Meeting in 2024. Previously issued authorisations have expired.



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The table below indicates the status of authorisations at 31 December 2023:

	Purchase, treasury shares	Ordinary share issue	Employee share issues
(Figures indicate the number of shares)			
Authorisation issued at the General Meeting on 3 May 2023	2 712 082	4 068 123	750 000
Share issues after the General Meeting on 3 May 2023	0	0	0
Purchase of treasury shares after 3 May 2023	0	0	0
Remaining under authorisations at 31 December 2023	2 712 082	4 068 123	750 000

2 076 178 share options have been allocated to employees 31 December 2023 (see note 6).

Ownership structure

The major shareholders in Photocure as of 31 December 2023 were:

	Shares	Shareholding
Morgan Stanley & Co. LLC	4 189 053	15.4 %
Skandinaviska Enskilda Banken AB	1 920 000	7.1 %
Skandinaviska Enskilda Banken AB	1 205 319	4.4 %
Skandinaviska Enskilda Banken AB	1 018 101	3.8 %
Skandinaviska Enskilda Banken AB	799 178	2.9 %
The Bank of New York Mellon SA/NV	782 677	2.9 %
MP pensjon PK	661 093	2.4 %
J.P. Morgan SE	625 987	2.3 %
Nordnet Bank AB	615 657	2.3 %
Verdipapirfondet Equinor Aksjer NO	458 572	1.7 %
JPMorgan Chase Bank, N.A., London	428 887	1.6 %
Verdipapirfondet KLP Aksjenorge	375 630	1.4 %
Danske Bank A/S	274 262	1.0 %
BNP Paribas	271 500	1.0 %
Avanza Bank AB	262 609	1.0 %
Nordnet Livsforsikring AS	257 582	0.9 %
Svenska Handelsbanken AB	253 908	0.9 %
Verdipapirfondet KLP Aksjenorge IN	238 101	0.9 %
Sparli AS	215 000	0.8 %
Billington, Erik	201 080	0.7 %
Total of 20 largest shareholders	15 054 196	55.5 %
Treasury shares	15 122	0.1 %
Total other shareholders	12 051 502	44.4 %
Total number of shares	27 120 820	100.0 %



Shares owned, directly or indirectly, by members of the Board of Directors, the President and CEO and senior management and their closely related associates as of 31 December 2023:

Name	Position	No. of shares	No. of share options**
Daniel Schneider	President & CEO	99 689	332 500
Erik Dahl	Chief Financial Officer	32 750	213 750
Anders Neijber	VP Global Medical Affairs and Clinical Development	-	114 000
Anja Gossens-von der Heide	Head of Global Human Resources	-	26 750
Geoffrey Coy	VP and General Manager North America	15 207	216 250
Susanne Strauss	VP and General Manager Europe	1 392	203 750
Dylan Hallerberg	Chairperson of the board (interim)	150 000	-
Johanna Holladack	Board member	-	804
Neal Shore	Board member	-	804

** See note 6 for additional information about the share options.

22. LOAN TERMS AND REPAYMENT

(Amounts in NOK 1,000)	Currency	Nominal interest rate	Year of maturity	Loan amount 01.01	Instalments paid	Book value 31-Dec-23	1st year instalments
Bank loan secured through governmental guarantee due to Covid-19	NOK	4.80%	2023	12 500	-12 500	0	0
Deferred consideration (Earnout)	NOK/EUR		2030	135 333	-34 397	127 680	8 404
Right-of-use office contract Norway	NOK	3.15%	2027	11 434	-2 427	9 764	2 889
Right-of-use office contract US	USD	3.70%	2028	9 591	-1 360	8 231	1 745
Right-of-use office contract Germany	EUR	1.40%	2026	5 064	-1 782	0	0
Right-of-use office company car fleet Germany * EUR	EUR	1.40%	2024	949	-1 012	1 592	980
Total non-current liabilities				174 871		147 267	14 017

* There are separate lease agreements for each lease subject

Hexvix sales, marketing and distribution rights in Europe and other markets previously controlled by Ipsen Pharma SAS (Ipsen), were acquired by Photocure 1 October 2020. The parties entered into a final agreement where Photocure paid Ipsen EUR 15 million upon transfer on 1 October 2020. Ipsen receives in addition a deferred consideration 15% of sales (years 1-7 post-transfer) and 7.5% of sales (years 8-10) in the previous Ipsen major markets. The deferred consideration is paid as quarterly earnout payments in EURO after the close of the quarter.

The fair value of the deferred consideration is driven by future expected sales and is remeasured on a yearly basis. Photocure performed a new remeasurement as of 31 December 2023. The remeasurement resulted in a fair value of NOK 127.7 reflecting an increase of fair value of NOK 1.4 million compared to remeasurement adjustment of NOK 0.8 in 2022. The increased fair value has been recognized in profit or loss as a financial cost. To arrive at the remeasured fair value of NOK 127.7 million, Photocure has discounted the estimated earnout payments by an IRR at level with the investment project adjusted for later changes in the borrowing interest level. This IRR has been deemed appropriate as a discount rate for the earnout payments since the level of the payments will be subject to the same risk factors as the cash flow prognosis for the acquisition as a whole. Future sales, given performance in 2023 and growth opportunities going forward, are expected to be in line with forecasts prepared in connection with the transaction.

Photocure has made the remeasurement of the earnout liability in NOK currency and based the forecasted cashflow on a fixed exchange rate EUR/NOK of 11.6 compared to an exchange rate of 10.2 in prior year remeasurement. The effects of the interest rate increase and the updated exchange rate between NOK/EUR are to a large degree balancing the net remeasurement carried out at end 2023.

The agreement with Ipsen determined a floor revenue for the earnout from 2022 to the end of the forecast period and there is no upper cap of revenue.

The total undiscounted amount of the earnout may be in the interval of NOK 160 - 260 million depending on revenue and development of the currency exchange rate between EUR and NOK. According to our sensitivity analysis the corresponding net present value of the liability may decrease or increase by NOK 28 million.



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	Earnout liability	Financial loan bank	Office Lease Oslo	Office Lease Princeton, US	Office and car Lease Germany	Total
Accumulated 31 December 2021	139 350	37 500	13 052	10 269	6 322	206 492
Proceeds from loans and borrowing						0
Loan repayment and earnout instalments	-5 714	-25 000				-30 714
Payment of lease liabilities			-2 193	-1 548	-1 889	-5 630
Total changes from financing	-5 714	-25 000	-2 193	-1 548	-1 889	-36 344
Remeasurerd liability	758		574	1 245	410	2 988
New lease liability				-324	1 170	846
Interest expense	24 383	846	249	248	79	25 804
Interest paid	-23 444	-846	-249	-298	-79	-24 915
Total liability related changes	1 697	0	574	871	1 580	4 723
Accumulated 31 December 2022	135 333	12 500	11 433	9 592	6 013	174 871
1th year instalments	-9 100	-12 500	-2 302	-1 598	-1 882	-27 382
Accumulated 31 December 2022	135 333	12 500	11 433	9 592	6 013	174 871
Proceeds from loans and borrowing					1 023	1 023
Loan repayment and earnout instalments	-8 940	-12 500				-21 440
Payment of lease liabilities			-2 427	-1 360	-2 794	-6 581
Total changes from financing	-8 940	-12 500	-2 427	-1 360	-1 771	-26 998
Remeasurerd liability	1 444		758	-1	631	2 832
Terminated lease liability					-3 282	-3 282
Interest expense	25 424	209	332	273	99	26 336
Interest paid	-25 581	-209	-332	-273	-99	-26 493
Total liability related changes	1 287	0	758	-1	-2 651	-607
Accumulated 31 December 2023	127 680	0	9 764	8 231	1 592	147 266
1th year instalments	-8 404	0	-2 889	-1 745	-980	-14 017



23. ACCOUNTS PAYABLE AND OTHER CURRENT LIABILITIES

(Amounts in NOK 1,000)

	Group		Parent	
	31-Dec-23	31-Dec-22	31-Dec-23	31-Dec-22
Accounts payable	19 660	21 281	13 324	12 479
Accounts payable intercompany	-	-	1 220	3 388
Total	19 660	21 281	14 544	15 867
Accrued bonus, holiday pay, salaries	35 378	30 782	18 817	12 442
Short-term payable, intercompany	-	-	25 863	14 048
Miscellaneous other accrued costs	12 863	20 025	6 481	15 517
Total other current liabilities	48 241	50 807	51 161	42 007

The incurred earnout liability is for net sales in last quarter.

Accrued bonus, holiday pay, salaries include accrual for estimated annual bonus as of 31 December 2023. Final annual bonus for the Group is to be decided by the Board of Directors.

24. SUBSEQUENT EVENTS

There are no subsequent events after 31. December 2023 that had any material impact on the Financial Statements.