

novocure™

Novocure (NVCR) q4 2017 results

February 22, 2018

patientforward



forward-looking statements

This presentation contains certain forward-looking statements with respect to the business of Novocure and certain of its plans and objectives, including with respect to the development and commercialization of its lead product candidate, Optune, for a number of oncology indications. These forward-looking statements can be identified in this presentation by the fact that they do not relate only to historical or current facts. Forward-looking statements often use words “expect”, “intend”, “anticipate”, “plan”, “may”, “should”, “would”, “could” or other words of similar meaning. These statements are based on assumptions and assessments made by Novocure in light of industry experience and perception of historical trends, current conditions, expected future developments and other appropriate factors. By their nature, forward-looking statements involve risk and uncertainty, and Novocure's performance and financial results could differ materially from those expressed or implied in these forward-looking statements due to general financial, economic, regulatory and political conditions as well as more specific risks and uncertainties facing Novocure such as those set forth in its Annual Report on Form 10-K filed on February 22, 2018, or in subsequent quarterly filings with the U.S. Securities and Exchange Commission. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this presentation. Novocure assumes no obligation to update or correct the information contained in this presentation, whether as a result of new information, future events or otherwise, except to the extent legally required.

The statements contained in this presentation are made as at the date of this presentation, unless some other time is specified in relation to them, and service of this presentation shall not give rise to any implication that there has been no change in the facts set out in this presentation since such date. Nothing contained in this presentation shall be deemed to be a forecast, projection or estimate of the future financial performance of Novocure, except where expressly stated.

As of the date of this presentation, Optune is only FDA-approved for the treatment of adults with supratentorial glioblastoma, or GBM, and its approval for other indications is not certain. Novocure can provide no assurances regarding market acceptance of Optune or its successful commercialization, and can provide no assurances regarding the company's results of operations or financial condition in the future. This presentation is for informational purposes only and may not be relied upon in connection with the purchase or sale of any security.

Optune® indications for use and important safety information

INDICATIONS

- Optune is intended as a treatment for adult patients (22 years of age or older) with histologically-confirmed glioblastoma multiforme (GBM).
- Optune with temozolomide is indicated for the treatment of adult patients with newly diagnosed, supratentorial glioblastoma following maximal debulking surgery, and completion of radiation therapy together with concomitant standard of care chemotherapy.
- For the treatment of recurrent GBM, Optune is indicated following histologically- or radiologically-confirmed recurrence in the supratentorial region of the brain after receiving chemotherapy. The device is intended to be used as a monotherapy, and is intended as an alternative to standard medical therapy for GBM after surgical and radiation options have been exhausted.

CONTRAINDICATIONS

- Do not use Optune in patients with an active implanted medical device, a skull defect (such as, missing bone with no replacement), or bullet fragments. Use of Optune together with implanted electronic devices has not been tested and may theoretically lead to malfunctioning of the implanted device. Use of Optune together with skull defects or bullet fragments has not been tested and may possibly lead to tissue damage or render Optune ineffective.
- Do not use Optune in patients that are known to be sensitive to conductive hydrogels. In this case, skin contact with the gel used with Optune may commonly cause increased redness and itching, and rarely may even lead to severe allergic reactions such as shock and respiratory failure.

Optune® indications for use and important safety information

WARNINGS AND PRECAUTIONS

- Optune can only be prescribed by a healthcare provider that has completed the required certification training provided by Novocure (the device manufacturer).
- Do not prescribe Optune for patients that are pregnant, you think might be pregnant or are trying to get pregnant, as the safety and effectiveness of Optune in these populations have not been established.
- The most common ($\geq 10\%$) adverse events involving Optune in combination with temozolomide were thrombocytopenia, nausea, constipation, vomiting, fatigue, medical device site reaction, headache, convulsions, and depression.
- The most common ($\geq 10\%$) adverse events seen with Optune monotherapy were medical device site reaction and headache.
- The following adverse reactions were considered related to Optune when used as monotherapy: medical device site reaction, headache, malaise, muscle twitching, fall and skin ulcer.
- Use of Optune in patients with an inactive implanted medical device in the brain has not been studied for safety and effectiveness, and use of Optune in these patients could lead to tissue damage or lower the chance of Optune being effective.
- If the patient has an underlying serious skin condition on the scalp, evaluate whether this may prevent or temporarily interfere with Optune treatment.

novocure™

a global oncology company
with a proprietary platform

GROWING COMMERCIAL BUSINESS

- More than 1,800 patients on therapy
- 12 consecutive quarters of patient growth
- \$177 million trailing twelve month revenues

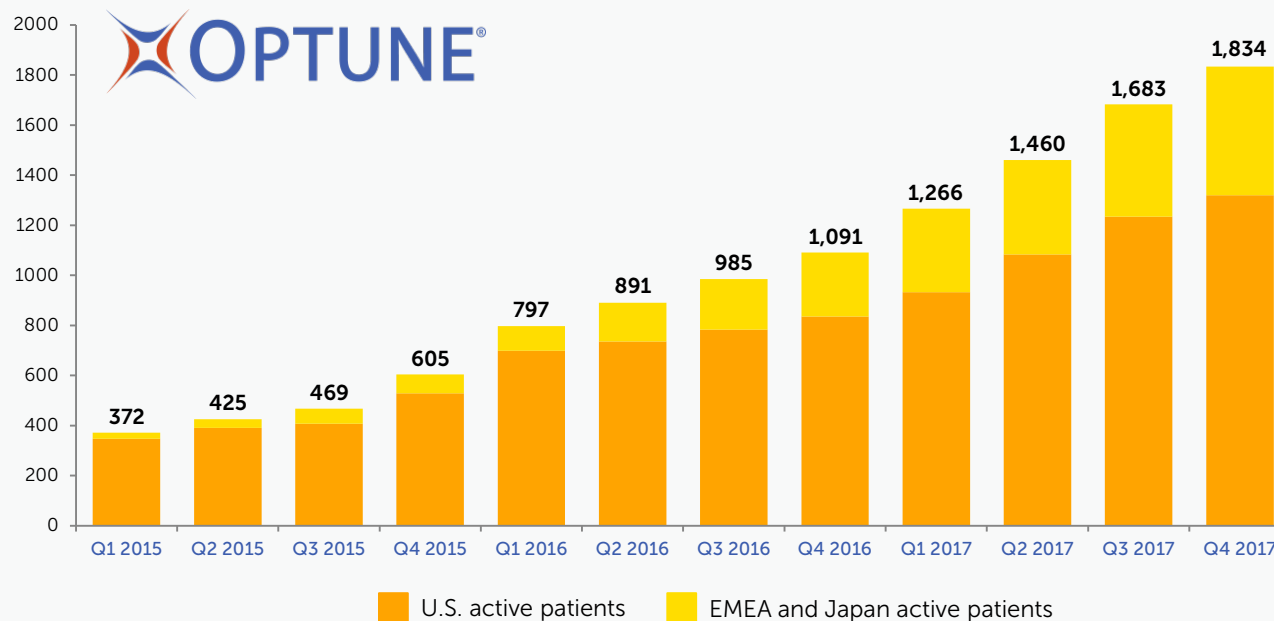
SIGNIFICANT UPSIDE POTENTIAL

- Increase adoption and average reimbursement in GBM
- Advance clinical pipeline in five additional solid tumor indications

Information above as of December 31, 2017

successful commercial launch in GBM

active patients at period end



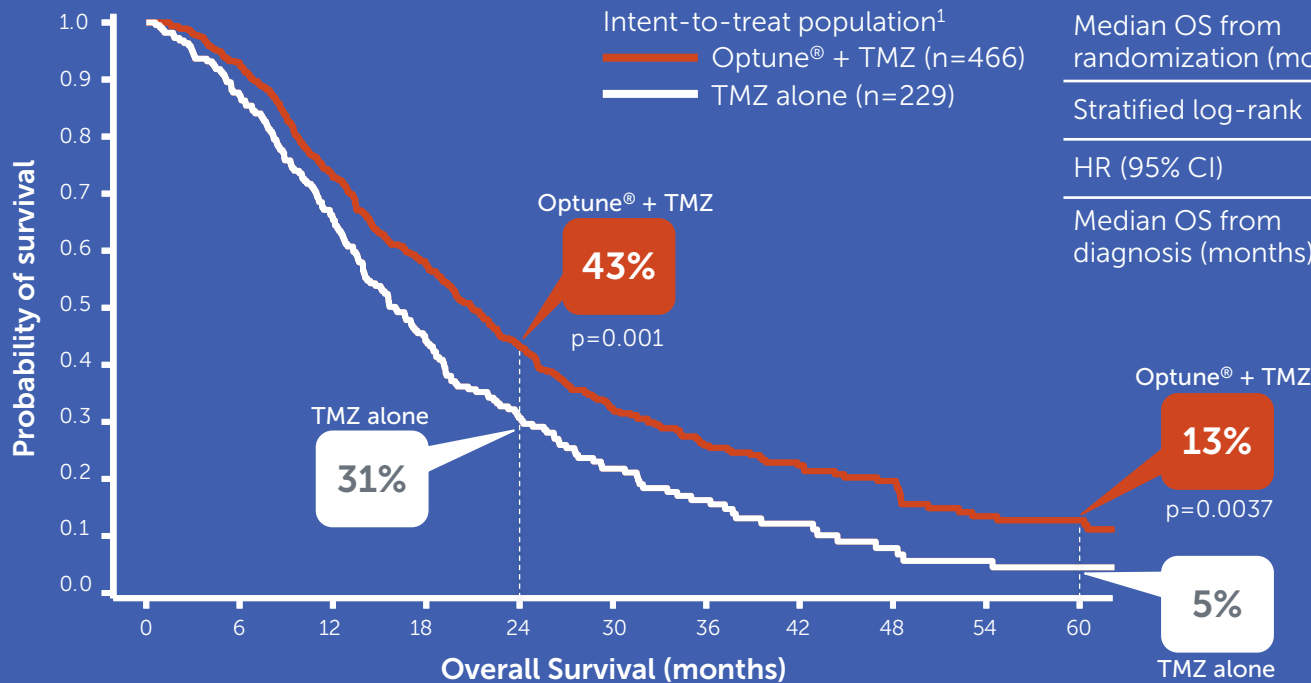
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CONSECUTIVE QUARTERS
OF ACTIVE PATIENT GROWTH
SINCE INITIAL PRESENTATION
OF EF-14 DATA

7,000+

PATIENTS TREATED
TO DATE GLOBALLY

proven superior long-term survival with Optune® plus temozolomide in GBM

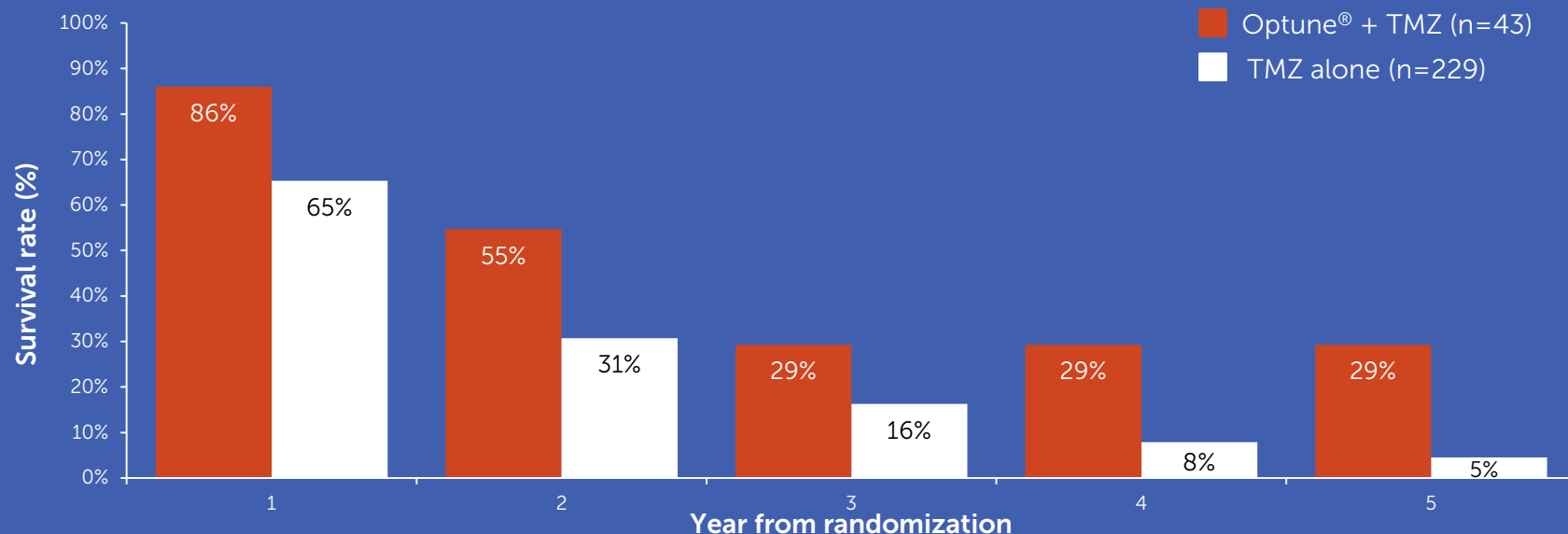


Median OS from randomization (months)	20.9	16.0
Stratified log-rank	p=0.00006	
HR (95% CI)	0.63 (0.53-0.76)	
Median OS from diagnosis (months)	24.5	19.8

1. Stupp R, Taillibert S, Kanner A, et al. Effect of Tumor-Treating Fields Plus Maintenance Temozolomide vs Maintenance Temozolomide Alone on Survival in Patients With Glioblastoma: A Randomized Clinical Trial. *JAMA*. 2017;318(23):2306–2316.

patients with compliance >90% had increased survival benefit

FIVE-YEAR SURVIVAL ANALYSIS IN MOST COMPLIANT PATIENTS (>90%)¹

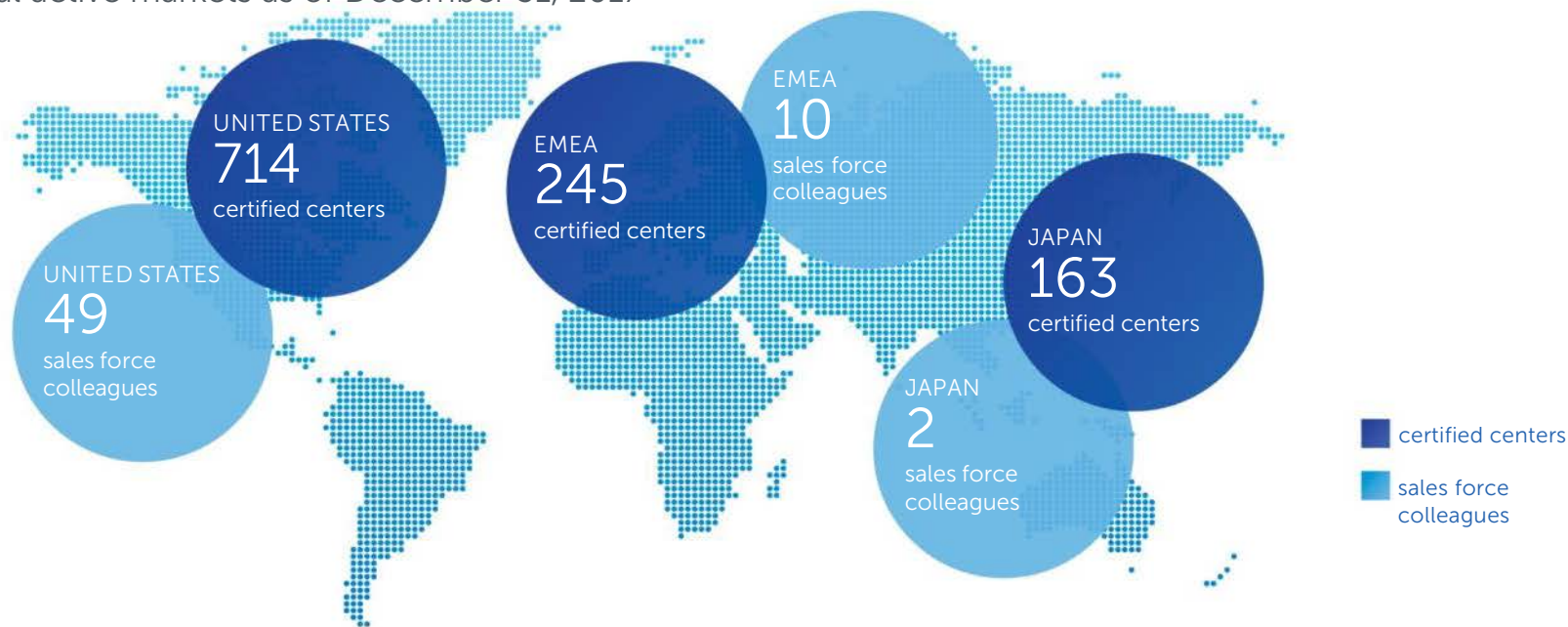


1. Ram Z, Kim CY, Nicholas GA and Toms S on behalf of EF-14 investigators. Compliance and treatment duration predict survival in a phase 3 EF-14 trial of Tumor Treating Fields with temozolomide in patients with newly diagnosed glioblastoma. Presented at: 2017 Society for Neuro Oncology; November 16-19, 2017; San Francisco, CA. Oral presentation ACTR-27.

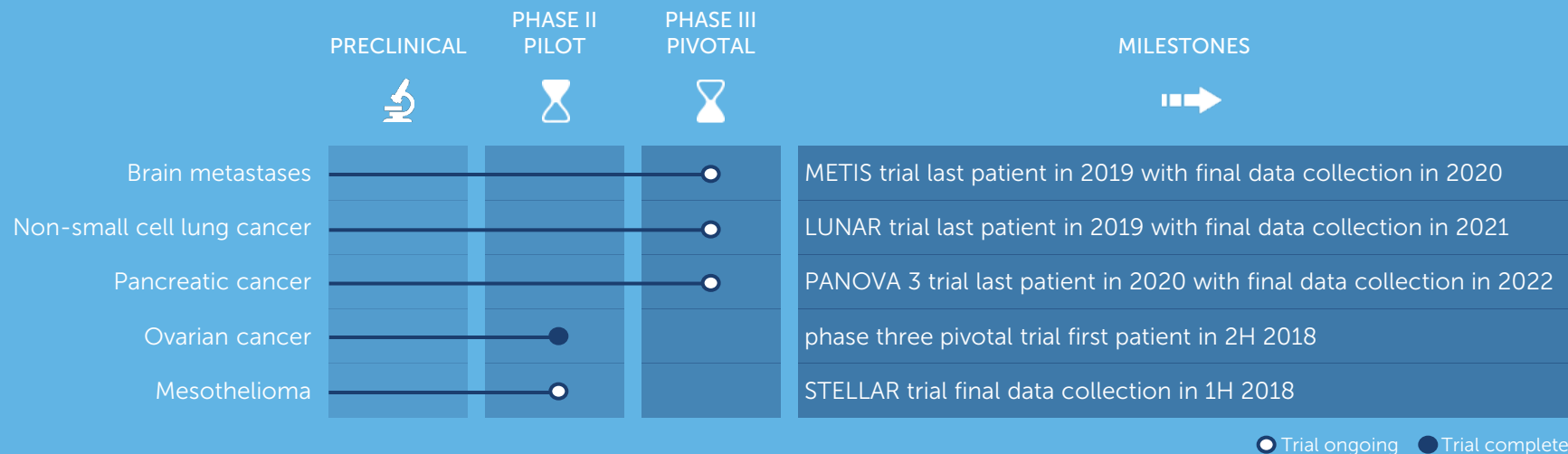
ADULT PATIENTS WITH RECURRENT AND NEWLY DIAGNOSED GBM

global commercial presence

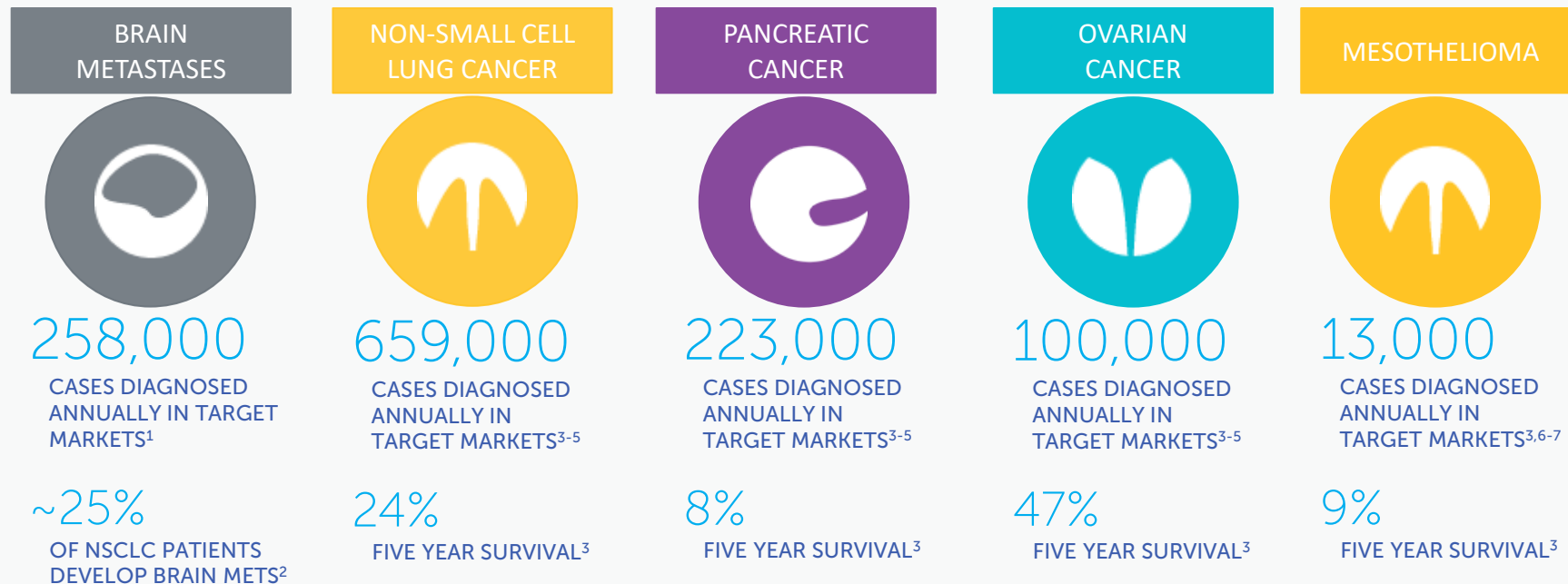
global active markets as of December 31, 2017



ongoing clinical trials



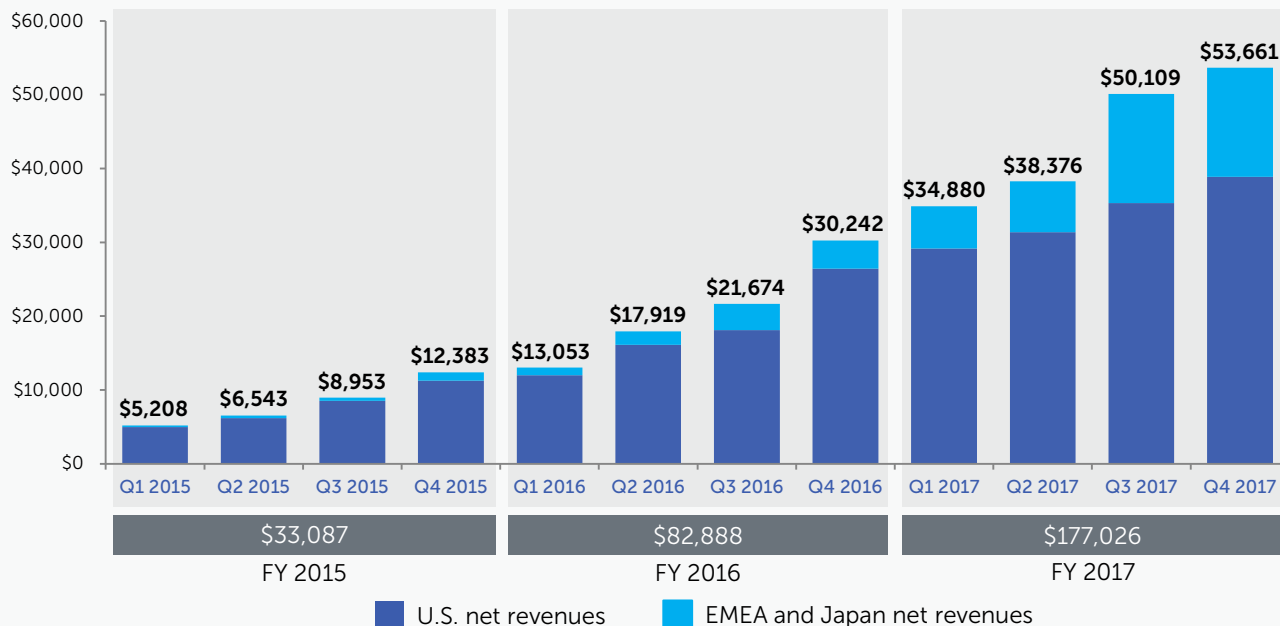
addressing large market segments with significant unmet medical needs



1. Goetz P, Ebinu JO, Roberge D, Zadeh G. Current Standards in the Management of Cerebral Metastases. *Intl J of Surg Onc.* 2012;2012:493426. doi:10.1155/2012/493426. 2. Owen S, Souhami L. The management of brain metastases in non-small cell lung cancer. *Frontiers in Oncology.* 2014;4:248. doi:10.3389/fonc.2014.00248. 3. Howlader N, Noone AM, et al. SEER Cancer Statistics Review, 1975-2014. National Cancer Institute. Bethesda, MD. https://seer.cancer.gov/csr/1975_2014/, based on November 2016 SEER data submission, posted to SEER web site, April 2017. 4. Ferlay J, Steljarova-Foucher E, et al. Cancer incidence and mortality patterns in Europe: estimates for 40 countries in 2012. *Eur J Cancer.* 2013;49(6):1374-403. doi: 10.1016/j.ejca.2012.12.027. 5. WHO (2016) GLOBOCAN 2012: Estimated Cancer Incidence, Mortality, and Prevalence Worldwide in 2012. Lyon, France (accessed January 2018). 6. Peto J, Decarli A, La Vecchia C, Levi F, Negri E. The European mesothelioma epidemic. *Br J Cancer* 1999;79:666-72. doi: 10.1038/sj.bjc.6690105. 7. Robinson B.M. Malignant pleural mesothelioma: an epidemiological perspective. *Ann Cardiothorac Surg.* 2012; 1(4): 491-496. doi: 10.3978/j.issn.2225-319X.2012.11.04.

demonstrated financial performance

global net revenues (USD in thousands)



77%

Q4 2017 VERSUS Q4 2016
YEAR-OVER-YEAR
REVENUE GROWTH

\$183.3

MILLION IN CASH AND
SHORT-TERM EQUIVALENTS
AS OF DECEMBER 31, 2017

q4 2017 selected financial highlights

U.S. DOLLARS IN THOUSANDS	Q4 2017	Q4 2016	% GROWTH
Net revenues	\$ 53,661	\$ 30,242	77%
Cost of revenues	15,640	10,973	43%
Gross profit	38,021	19,269	97%
Research, development and clinical trials	10,048	8,471	19%
Sales and marketing	16,025	15,678	2%
General and administrative	16,454	12,997	27%
Total operating costs and expenses	42,527	37,146	14%
Operating income (loss)	(4,506)	(17,877)	75%
Financial expenses, net	2,384	2,854	-16%
Income (loss) before income taxes	(6,890)	(20,731)	67%
Income tax expense	4,055	1,437	182%
Net income (loss)	\$ (10,945)	\$ (22,168)	51%
Cash and cash equivalents	\$ 78,592	\$ 99,780	
Short-term investments	104,719	119,854	

ESTIMATE THAT
GLOBAL NET REVENUES
WILL BE APPROXIMATELY

45%

OF GLOBAL GROSS
BILLINGS IN 2018

long term value creation beyond 2018

near-term
opportunity

2018-
2021



- Drive commercial adoption of Optune within GBM
- Expand coverage for GBM patients in currently active markets and establish access for GBM patients in new markets
- Progress mesothelioma towards commercialization
- Advance the clinical pipeline in multiple solid tumor indications
- Grow annual revenues while improving SG&A operating leverage

long-term
opportunity

2021+



- Launch Tumor Treating Fields platform for additional indications in large addressable markets
 - Brain metastases from non-small cell lung cancer
 - Non-small cell lung cancer
 - Pancreatic cancer
 - Ovarian cancer