

Novocure (NVCR) q2 2018 results

Thursday, July 26, 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.

novocure™

a global oncology company
with a proprietary platform

GROWING COMMERCIAL BUSINESS

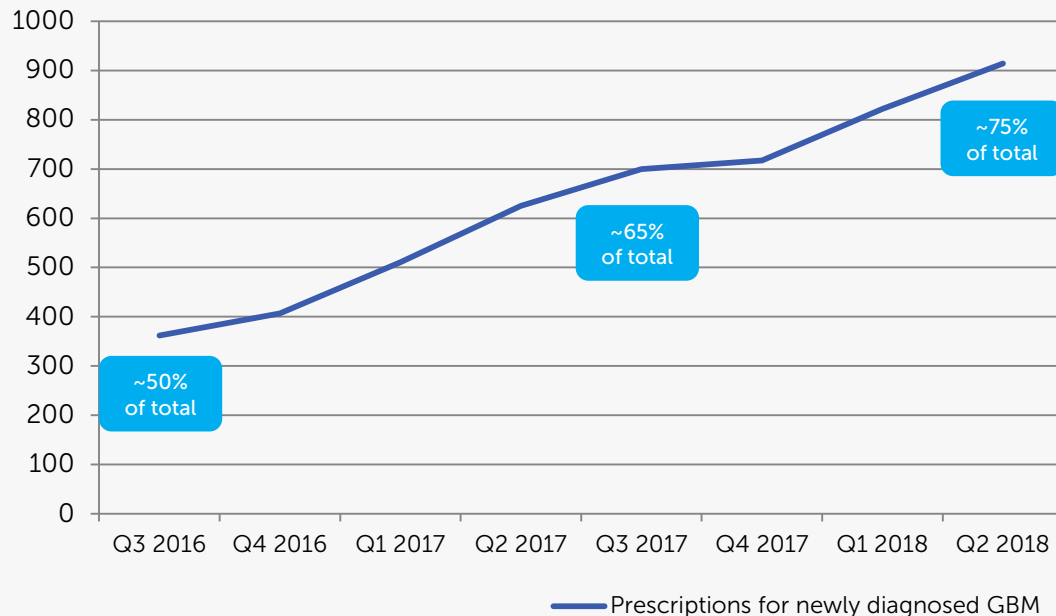
- More than 2,100 patients on therapy
- 14 consecutive quarters of patient growth
- \$217 million trailing twelve month revenues

SIGNIFICANT UPSIDE POTENTIAL

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

Information above as of June 30, 2018

steady prescription growth in newly diagnosed GBM

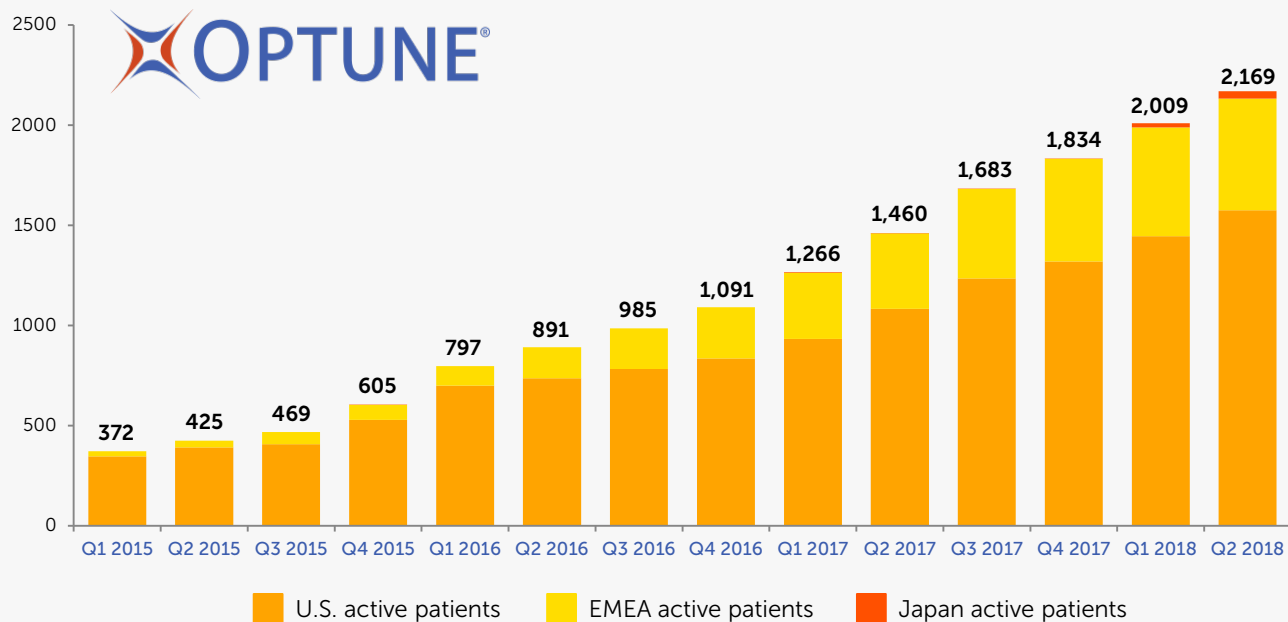


KEY TAKEAWAYS

- ~75% of Q2 prescriptions were written for patients with newly diagnosed GBM
- We believe growth is a sign of increasing physician confidence and belief

continued growth in active patients

active patients at period end



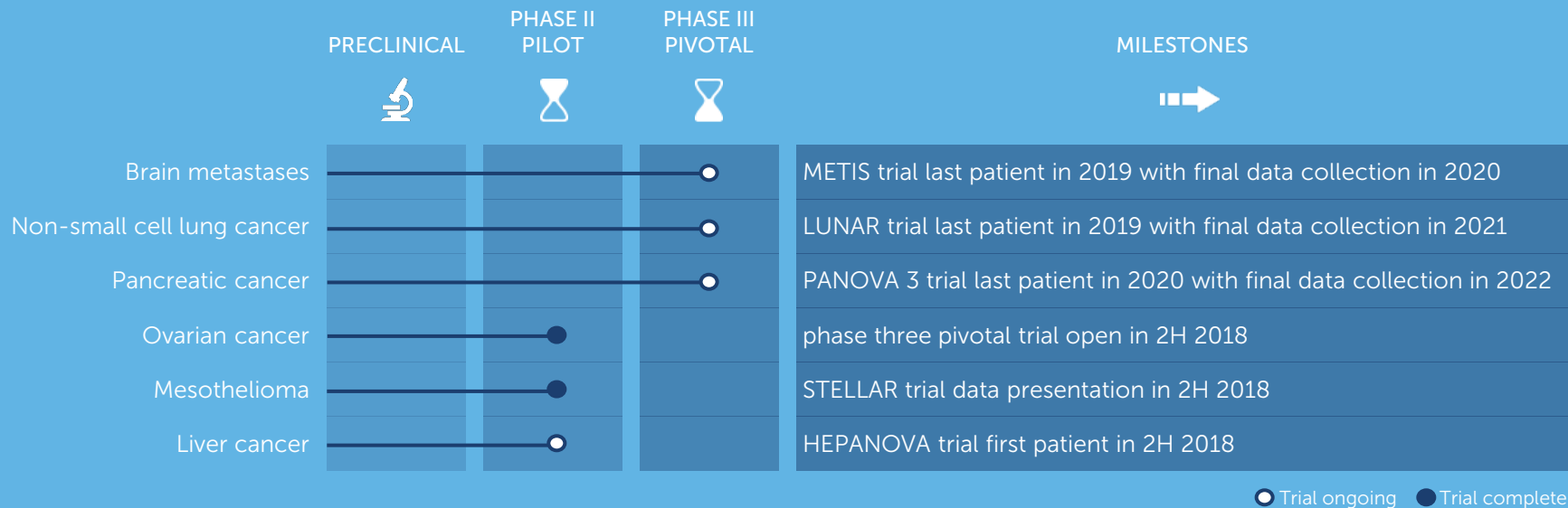
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CONSECUTIVE QUARTERS OF ACTIVE PATIENT GROWTH SINCE INITIAL PRESENTATION OF EF-14 DATA

8,000+

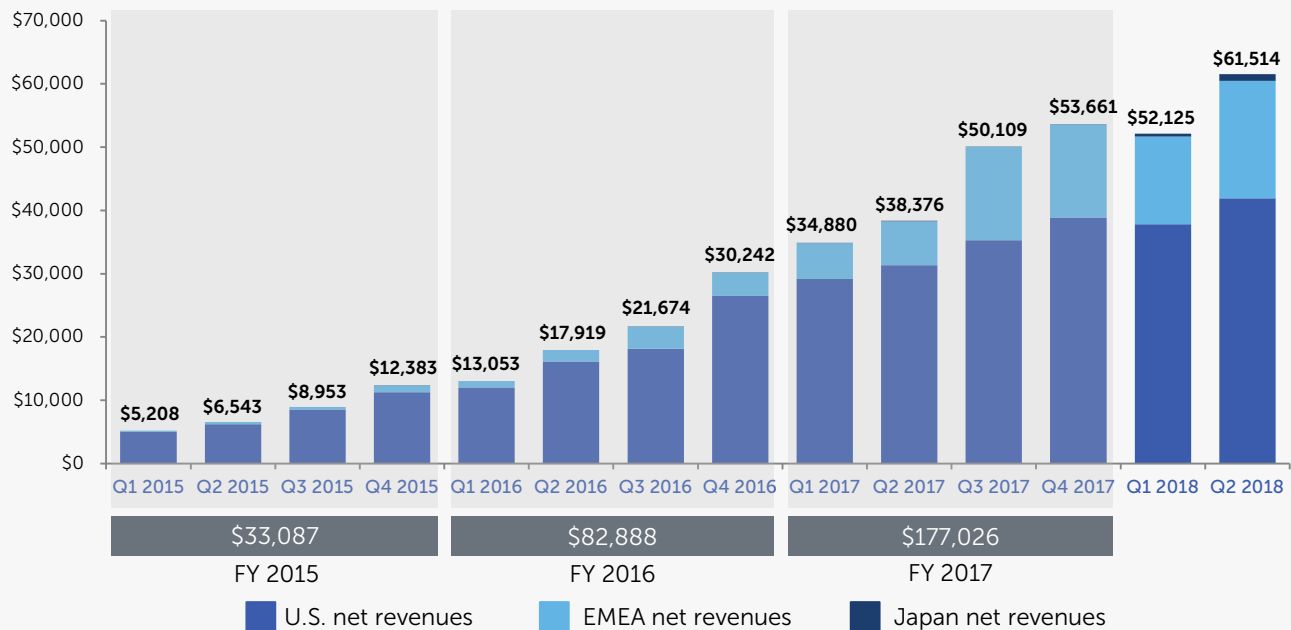
PATIENTS TREATED TO DATE GLOBALLY

advancing clinical pipeline



demonstrated financial performance

global net revenues (USD in thousands)



60%

Q2 2018 VERSUS Q2 2017
YEAR-OVER-YEAR
REVENUE GROWTH

\$219

MILLION IN CASH AND
SHORT-TERM EQUIVALENTS
AS OF JUNE 30, 2018

q2 2018 selected financial highlights

U.S. DOLLARS IN THOUSANDS	Q2 2018	Q2 2017	% CHANGE	Q2 2018 YTD	Q2 2017 YTD	% CHANGE
Net revenues	\$ 61,514	\$ 38,376	60%	\$ 113,639	\$ 73,256	55%
Cost of revenues	19,833	13,152	51%	38,071	24,816	53%
Gross profit	41,681	25,224	65%	75,568	48,440	56%
Research, development and clinical trials	11,362	9,371	21%	22,466	18,782	20%
Sales and marketing	19,196	16,360	17%	37,331	31,116	20%
General and administrative	18,208	15,023	21%	35,533	27,445	29%
Total operating costs and expenses	48,766	40,754	20%	95,330	77,343	23%
Operating income (loss)	(7,085)	(15,530)	54%	(19,762)	(28,903)	32%
Financial expenses, net	2,860	2,183	31%	7,713	4,629	67%
Income (loss) before income taxes	(9,945)	(17,713)	44%	(27,475)	(33,532)	18%
Income taxes	5,565	3,461	61%	8,759	5,687	54%
Net income (loss)	\$ (15,510)	\$ (21,174)	27%	\$ (36,234)	\$ (39,219)	8%
Cash and cash equivalents	\$ 114,456	\$ 80,190		\$ 114,456	\$ 80,190	
Short-term investments	104,499	104,186		104,499	104,186	