Unlocking the potential of innovative medicines

THIRD QUARTER

2015

ABOUT PCI BIOTECH

PCI Biotech is a cancer focused biopharmaceutical company headquartered in Norway and listed on the Oslo Stock Exchange (Axess). The company is developing therapeutic products based on its proprietary photochemical internalization (PCI) technology. Originating from world leading research at the Norwegian Radium Hospital, the PCI technology works by inducing triggered endosomal release and may be used to unlock the true potential of a wide array of therapeutic modalities, such as small molecules, vaccines and nucleic acids.

PCI Biotech's lead candidate is the photosensitiser Amphinex. A Phase I study of Amphinex in cancer patients have been completed at University College Hospital in London. Promising early signs of tumour response were seen in all 22 patients and Amphinex seemed to be well tolerated.

HIGHLIGHTS IN THIRD QUARTER 2015

- **Research collaboration with a top-10 large pharma company initiated**
- **The bile duct study has moved into the fourth dose cohort**
- **Research collaboration with RXi progressing according to plan**
- **Scientific Advisory Committee established**
- **Exploring options for clinical validation of immunotherapy results**
- **PCI Biotech moving to Oslo Cancer Cluster Innovation Park**

"We were delighted to announce the research agreement with one of the largest pharma companies in the world. We believe that the PCI technology has the potential to play a role in the realisation of several new therapeutic modalities, including cancer immunotherapy and mRNA therapeutics. This agreement shows that external companies share this view. The collaborative research has been initiated.

We are also pleased to announce the progress in our bile duct study, with the potential to progress into Phase II in first half of 2016.

Our network of internationally renowned experts in the recently established scientific advisory committee has provided valuable input to the assessment of our development opportunities. We are now exploring options for clinical validation of the promising immunotherapy results, as part of the strategy going forward."

Per Walday, CEO

KEY FIGURES

(In NOK 1,000)	Q3 2015	Q3 2014	9M 2015	9M 2014	FY 2014
Other Income	2 415	1 850	7 144	5 755	7 297
Operating costs	11 831	10 266	31 234	31 962	43 769
Operating results	-9 416	-8 416	-24 090	-26 208	-36 472
Financial items	120	160	546	574	632
Comprehensive income	**-9 296**	**-8 256**	**-23 544**	**-25 634**	**-35 840**
Cash & cash equivalents	**53 897**	**19 645**	**53 897**	**19 645**	**15 754**
Total debt	**9 212**	**8 282**	**9 212**	**8 282**	**11 269**
Net cash flow from operations	**-9 538**	**-9 703**	**-27 872**	**-26 376**	**-31 674**

OPERATIONAL REVIEW

PRE-CLINICAL RESEARCH COLLABORATION AGREEMENT WITH A TOP-10 LARGE PHARMA COMPANY SIGNED

In September 2015 PCI Biotech announced that it has signed an agreement with an undisclosed top-10 large pharma company, with the aim to evaluate synergistic effects of the PCI technology with their therapeutic nucleic acid technology. Initially, the purpose of the pre-clinical research program is to determine whether PCI has the potential to enhance the therapeutic effect of their nucleic acid technology platform.

The research agreement covers evaluation of technology compatibility and synergy based on in vitro studies. The pharma company, which is one of the global leaders in nucleic acid therapeutics, will fund the research collaboration. The companies will evaluate the data generated in this research collaboration and based on this explore the potential for a further partnership. The original evaluation period spans over 9 months, but may be further extended. The collaborative research has been initiated.

PCI Biotech will continue the business development activities supported by pre-clinical programs, to build on the proven ability to initiate research collaborations.

THE CLINICAL STUDY WITH AMPHINEX IN INOPERABLE BILE DUCT HAS MOVED INTO THE FOURTH DOSE COHORT

The Phase Ib/II bile duct cancer study

- Target population: Patients with inoperable bile duct cancer
- Study design: Adaptive Phase Ib/II, open-label, multi-centre study in up to 45 patients, with 5:2 (PCI:control) randomisation in Phase II
- Study objective: Assess the safety and efficacy of a single treatment of Amphinex induced PCI of gemcitabine, followed by systemic cisplatin/gemcitabine
- Primary endpoint: Progression free survival (PFS) in Phase II

The treatment evaluation of the third dose cohort (3 patients) in the phase Ib/II study of Amphinex was completed in August 2015. No safety concerns were observed at this dose level. The primary objective of the phase Ib part, is to determine a maximum tolerable dose.

The Cohort Review Committee of clinical experts and company representatives that evaluates the results and provides recommendation for the continuation of the study, recommended progression of the study into the next dose cohort (cohort number four) in accordance with the study protocol.

Patients have been enrolled into the fourth dose cohort and the outcome of this cohort will be reported when concluded by the Cohort Review Committee.

Presentations on the initial promising safety data from the first three dose cohorts and on PCI as a promising new treatment modality in bile duct cancer were given by two of the investigators at the German Gastroenterology Congress in Leipzig September, 2015. The congress is the largest German event within the field of gastroenterology.

Bile duct cancer is an uncommon disease and the company is actively working to increase the patient recruitment rate. Further hospitals in selected European countries are being added in preparation to Phase II. A total of eleven sites are currently open.

About bile duct cancer and PCI treatment

Bile duct cancer originates in the ducts that drain bile from the liver into the small intestine. It is a rare cancer (an orphan disease) without approved chemotherapies and the development pipeline is weak. The annual incidence rate is 1-2 cases per 100,000 in the Western world, but rates have been rising worldwide over the past several decades. The majority of cases present as inoperable and there is a high-unmet need for improved treatment technologies.

Surgery is the only current curative option for these patients, yet the majority of the tumours are inoperable. Standard treatment for inoperable patients is stenting to keep the bile duct open, followed by chemotherapy. Combination of the chemotherapeutics gemcitabine and cisplatin has shown promising results and has become standard treatment in some countries, but there is still a need for better treatments to increase overall survival and quality of life.

Bile duct cancer is characterised by a remarkable resistance to common chemotherapy, and there is a high need for new drug classes or alternative methods. The most studied and used drug is gemcitabine, which is one of the drugs significantly enhanced by PCI in preclinical studies. Light access for PCI treatment is easy through routinely used endoscopic methods.

RESEARCH COLLABORATION WITH RXi PROGRESSING ACCORDING TO PLAN

The collaborative research with RXi to pre-clinically explore potential synergies in the companies' complementary scientific platforms is progressing according to plan. The companies will evaluate results achieved from this research collaboration and then explore the potential for a closer collaboration.

RXi Pharmaceuticals (NASDAQ: RXII), is an American biotechnology company focused on discovering and developing innovative therapeutics that address high unmet medical needs primarily in the area of dermatology and ophthalmology.

About the PCI technology and macromolecules

The PCI technology may enhance the delivery of most types of macromolecules (such as nucleic acids proteins, and drugs carried by antibodies or nanoparticles). Macromolecules are widely acknowledged to have a large potential as therapeutic agents, and numerous clinical trials with gene, protein and oligonucleotide therapy are underway. The therapeutic potential of such compounds is challenged by the obstacles of intracellular delivery, which the PCI technology may resolve.

PROGRESSING THE PRECLINICAL VACCINATION PROGRAM

The preclinical program in vaccination has successfully progressed and new promising data has been presented at several meetings during 2015. Recent pre-clinical data has demonstrated that PCI vaccination not only provide effective cytotoxic T-cell -induction, but can also elicit strong responses in all other important aspects of immune responses.

In Q1 2015 PCI Biotech received a positive international search report and written opinion regarding a patent application on the use of PCI Biotech's proprietary technology in vaccination and immunotherapy. The patent application covers the use of the PCI technology in combination with a very important group of immune enhancing substances and may give PCI Biotech at least 20 years broad protection for the use of the PCI technology with many of the therapeutic cancer vaccines that are under development.

About immunotherapy with the PCI vaccination technology

The pharmaceutical industry has long recognised the potential of therapeutic cancer vaccination, i.e. vaccines that treat cancer by inducing or strengthening an immune response. There has been a renewed focus on such vaccines over the past few years, and FDA approved the first such vaccine in 2010. There are however still important unsolved issues and several companies have recently reported failed clinical studies.

Effective induction of cytotoxic T-cells is key to realize the huge potential of therapeutic cancer vaccination, but vaccines often fail to generate the required T-cell responses. One of the most important reasons for this is probably insufficient delivery of vaccine antigens to the appropriate target cells. The PCI vaccination technology may solve the issue by effectively enhancing appropriate delivery of vaccine antigens to the appropriate cells in the immune system.

SCIENTIFIC ADVISORY COMMITTEE ESTABLISHED

PCI Biotech has strengthened the organisation by appointing internationally renowned experts to inaugural Scientific Advisory Committee (SAC). The newly appointed SAC will serve as a strategic resource to PCI Biotech as it continues to develop promising therapeutic applications based on the proprietary PCI technology platform. More information about the members of PCI Biotech's scientific advisory committee can be found at the end of this report.

"We are thrilled with the addition of such experts in oncology, immunotherapy and photobiology to our team of advisors. PCI Biotech has reached a stage where we see a need to augment our talent base in order to fully capitalize on the international business opportunities present. The competence and experience our SAC members bring to PCI Biotech will be extremely valuable in our strategic process, and in the further development of our promising clinical and preclinical assets, and the PCI technology platform at the cutting edge of life science."

Per Walday, CEO

STRATEGIC REFOCUSING IN PROGRESS

PCI Biotech has in 2015, following a strategic review of the company's assets, refocused the company's resources towards the clinical bile duct cancer study and the promising immunotherapy opportunities offered by the PCI technology. The new vaccine IP estate announced in the Q1 2015 Report, provides opportunity to broaden the asset portfolio and translate the vaccination technology into the clinic. Based on the promising preclinical data recently obtained in immunotherapy and with input from the SAC, several options to validate these findings clinically are being explored as part of the strategy going forward.

PCI BIOTECH MOVING TO OSLO CANCER CLUSTER INNOVATION PARK

PCI Biotech has signed a lease agreement for offices at the Oslo Cancer Cluster Innovation Park, running from 1 January 2016. The new office location enables PCI Biotech to further develop and capitalise on the close cooperation with the Norwegian Radium Hospital where the PCI technology originated.

FINANCIAL REVIEW

Income Statement 3rd Quarter (Q3) 2015 and first nine months (9M) 2015

The company receive Norwegian grants and tax incentive scheme (SkatteFUNN) and these are disclosed as other income.

Net loss was NOK 9.3 million in Q3 2015 (2014: NOK 8.3 million). The net loss is increased due to higher clinical study costs in Q3 2015. Net loss was NOK 23.5 million in first nine months 2015 (2014: NOK 25.6 million). The net loss is reduced for first nine months, due to overall lower clinical study costs and higher other income in 2015, compared to 2014 figures.

Balance sheet and Cash flow

The company held cash and cash equivalents of NOK 53.9 million at the end of Q3 2015, compared to NOK 19.6 million in Q3 2014. The cash balance increase compared to 2014 figures, is due to share issue in February 2015.

Cash flow from operations was NOK -9.5 million (2014: NOK -9.7 million) in Q3 2015 and NOK -27.9 million for the first nine months of 2015 (2014: NOK -26.4 million).

Risks and uncertainty factors for 2015

PCI Biotech is exposed to uncertainties and risk factors, which may influence some or all of the company's activities. There are no significant changes in the risks and uncertainty factors compared to the descriptions in the Annual Report 2014. The most important risks the company is exposed to for 2015 are associated with progress and performance of R&D programs.

Related party transactions

PCI Biotech is relying on services provided by third parties, included related parties, as a result of its organisational set-up. PCI Biotech considers its business relationship with The Norwegian Radium Hospital Research Foundation as the only material related party transaction in 2015. See Note 6 for full disclosure of related party transactions and note 10 and 11 for overview of related parties' holdings of shares and options at the end of Q3 2015.

Post-closing events

PCI Biotech is not aware of any post-closing events, which could materially influence this interim financial statement.

STRATEGY AND OUTLOOK

PCI Biotech's strategy is to prioritise commercialisation through agreements with external partners. The company envisages establishing partnership based on data from the phase II part of the ongoing clinical study. Potential phase III studies will be performed in cooperation with or by partner companies. The strategy within PCI vaccination includes clinical validation of the platform and potential products within the expanded patent estate in immunotherapy. Within macromolecules PCI Biotech's strategy is to use the currently available pre-clinical results to enter into early partnership agreements for further development and use of PCI as a platform technology.

PCI Biotech's lead project is clinical development of Amphinex in combination with gemcitabine for treatment of inoperable bile duct cancer; an orphan disease with high unmet medical need. The company will also maintain the high activity level in development and licensing of PCI as a versatile and innovative platform.

The main priorities are to:

- Effectively progress the proof of concept study for bile duct cancer treatment with Amphinex and gemcitabine;
- Solidify a robust vaccination IP estate and further strengthen the promising preclinical results;
- Translate the promising vaccination results to the clinical setting;
- Alliance management and partnering activities across all commercially interesting areas for the PCI platform.

The Board of Directors and CEO
PCI Biotech Holding ASA
Lysaker, 16 November 2015

Erling Øverland Chairman	Christina Herder	Hilde H. Steineger
Kjetil Taskén	Hans Peter Bøhn	Per Walday CEO

CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION

PROFIT AND LOSS

(In NOK 1,000)	Note	Q3 2015	Q3 2014	9M 2015	9M 2014	FY 2014
Other Income	5	**2 415**	**1 850**	**7 144**	**5 755**	**7 297**
Research and development	8	11 049	10 113	28 761	29 622	39 341
General and administrative		782	153	2 473	2 340	4 428
Operating costs		**11 831**	**10 266**	**31 234**	**31 962**	**43 769**
Operating results		**-9 416**	**-8 416**	**-24 090**	**-26 208**	**-36 472**
Financial income and costs						
Financial income		219	162	674	669	812
Financial expenses		99	2	127	96	180
Net financial result		**120**	**160**	**546**	**574**	**632**
Ordinary profit before taxes		**-9 296**	**-8 256**	**-23 544**	**-25 634**	**-35 840**
Tax on ordinary result	9	0	0	0	0	0
Net profit/loss	4	**-9 296**	**-8 256**	**-23 544**	**-25 634**	**-35 840**
Other comprehensive income		0	0	0	0	0
Comprehensive income		**-9 296**	**-8 256**	**-23 544**	**-25 634**	**-35 840**

BALANCE SHEET

(In NOK 1,000)	Note	30.09 2015	30.09 2014	31.12 2014
Fixed and intangible assets				
Operating assets		11	15	14
Total fixed and intangible assets		**11**	**15**	**14**
Current assets				
Short term receivables	*7*	7 643	7 642	4 614
Cash & cash equivalents	*7*	53 897	19 645	15 754
Total current assets		**61 540**	**27 288**	**20 368**
Total assets		**61 551**	**27 303**	**20 382**
Shareholders equity and liabilities				
Shareholders' equity				
Paid in capital		170 743	99 911	99 911
Other reserves		-118 404	-80 890	-90 797
Total equity	*11*	**52 339**	**19 021**	**9 114**
Trade debtors		2 517	2 056	2 586
Other short term debt	*12*	6 695	6 226	8 682
Total debt		**9 212**	**8 282**	**11 269**
Total shareholders' equity and liabilities		**61 551**	**27 303**	**20 382**

CHANGE IN SHAREHOLDERS EQUITY

(In NOK '000)	Q3 2015	Q3 2014	9M 2015	9M 2014	FY 2014
Equity at beginning of period	**61 327**	**26 939**	**9 114**	**43 396**	**43 396**
Capital increase	-	-	65 468	-	-
Share option scheme	308	338	1 301	1 259	1 558
Comprehensive income in the period	-9 296	-8 256	-23 544	-25 634	-35 840
Equity at end of period	**52 339**	**19 021**	**52 339**	**19 021**	**9 114**

CASH FLOW

(In NOK '000)	Q3 2015	Q3 2014	9M 2015	9M 2014	FY 2014
Ordinary profit before taxes	-9 296	-8 256	-23 544	-25 634	-35 840
Depreciation, Amortization and Write Off	1	1	3	2	4
Share options	308	338	1 301	1 259	1 558
Net financials	-120	-160	-546	574	-812
Changes in working capital	-431	-1 625	-5 086	-2 576	3 416
Cash flow from operations	-9 538	-9 703	-27 872	-26 376	-31 674
Net financials	120	160	546	-574	812
Taxes paid	-	-	-	-	-
Net cash flow from operations	-9 419	-9 543	-27 326	-26 950	-30 862
Cash flow from financial activities					
Net proceeds from share issues	-	-	65 469	-	-
Net cash flow from financial activities	-	-	65 469	-	-
Net change in cash during the period	-9 419	-9 543	38 143	-26 950	-30 862
Cash and cash equivalents at the beginning of the period	63 316	29 188	15 754	46 595	46 595
Cash and cash equivalents at the end of the period	**53 897**	**19 645**	**53 897**	**19 645**	**15 754**

SELECTED EXPLANATORY NOTES:

1. Nature of operation

PCI Biotech Holding ASA (PCI Biotech) was established in 2008, and comprises PCI Biotech Holding ASA, the fully owned subsidiary PCI Biotech AS and the Islandic Branch PCI Biotech Utibu. PCI Biotech AS was a subsidiary of Photocure ASA until June 2008. The PCI Biotech shares have been listed on the Oslo Axess since 18 June 2008 under the ticker PCIB. The company is headquartered at Lysaker, Norway.

PCI Biotech has developed a unique and patented photochemical intracellular drug delivery technology for use in cancer therapy and other diseases. The technology may also be used to enhance the immunological response of vaccines. The company collaborates closely with The Norwegian Radium Hospital in Oslo, Norway and receives substantial funding on several projects from the Research Council of Norway. The company has an extensive international collaboration network with recognised expert groups in both drug delivery and vaccination. Photochemical Internalisation (PCI) is a proprietary technology for light-directed intracellular drug delivery by triggered endosomal release.

The PCI technology has potential to improve the effect both of existing drugs and new classes of drugs, such as therapeutic vaccines, gene therapy and other therapies based on nanotechnology or on biotechnological principles. The company's objective is to prove the clinical usefulness of the technology with different drugs and subsequently license out the technology to partners for further development and marketing. Revenues will be generated at the time of partnering and onwards from up-front payments, milestone payments and royalties from sales. PCI Biotech focuses on the development of PCI products for enhanced delivery of marketed cancer drugs, and as a platform that may both potentiate the effect of vaccines and enable macromolecules to reach intracellular targets. PCI Biotech has one active clinical study with the lead candidate Amphinex. This is a phase I/II trial in bile duct cancer with the cytotoxic agent gemcitabine. The company also has an on-going preclinical program to document the use of PCI to enhance and direct the response of vaccines towards a stronger cellular type immunity.

2. Basis of presentation

These Interim Financial Statements should be read in conjunction with the Consolidated Financial Statements for the year ended 31 December 2014 (hereafter 'the Annual Financial Statements'), as they provide an update of previously reported information. They were approved for issue by the Board of Directors on 23 March 2015. The accounting policies used are consistent with those used in the Annual Financial Statements. The presentation of the Interim Financial Statements is consistent with the Annual Financial Statements. The interim report has not been subject to an audit. The board of directors approved the interim condensed financial information on 16 November 2015.

3. Summary of significant accounting policies

The accounting policies applied and the presentation of the interim condensed consolidated financial information is consistent with the consolidated financial statements for the year ended 31 December 2014.

The new standards and interpretations or amendments to published standards that were effective for the annual period beginning on January 1, 2015 and that could affect PCI Biotech are discussed in accounting policies, part 4, to the consolidated financial statements for 2014. In the 2014 financial statements, PCI Biotech made evaluations that *IFRS 2 Share-based Payment* and *IFRS 8 Operating Segments* are expected to have an impact for PCI Biotech.

4. Earnings per share

Earnings per share

	Q3 2015	Q3 2014	9M 2015	9M 2014	FY 2014
Result allocated to shareholders (in NOK '000)	(9 296)	(8 256)	(23 544)	(25 634)	(35 840)
Weighted average of outstanding shares (in '000)	14 900	7 726	13 656	7 726	7 726
Earnings per share (NOK per share)	-0,62	-1,07	-1,72	-3,32	-4,64

Diluted earnings per share:

	Q3 2015	Q3 2014	9M 2015	9M 2014	FY 2014
Result allocated to shareholders (in NOK '000)	(9 296)	(8 256)	(23 544)	(25 634)	(35 840)
Weighted average of outstanding shares (in '000)	14 900	8 195	13 734	8 195	7 726
Earnings per share (NOK per share)	-0,62	-1,07	-1,72	-3,32	-4,64

Weighted average of outstanding diluted shares is weighted number of average number of shares adjusted with share options that are in the money. Earnings per share is not affected by the dilution if negative results in the period.

5. Segment information

The Company reports only one segment and revenues are not influenced by any cyclicality of operations. The company received Norwegian grants and tax incentive scheme (SkatteFUNN) and these are shown as other income.

6. Related party transactions

PCI Biotech is relying on services provided by third parties, included related parties, as a result of its organisational set-up. PCI Biotech considers that its business relationship with The Norwegian Radium Hospital Research Foundation and legal services provided by former board member Theresa Comiskey Olsen, who ended her term as board member in May 2015, represents related party transactions. The following table shows the extent of such transactions in the reported periods (all figures in NOK '000):

Purchase of services	Q3 2015	Q3 2014	9M 2015	9M 2014	FY 2014
The Norwegian Radium Hospital Research Foundation	886	701	2 543	1 820	2 698
Theresa Comiskey Olsen	NA	0	17*	85	104

* Comiskey Olsen ended her term as board member in May 2015 and transactions up to that date are disclosed.

At the end of the quarter, PCI Biotech had NOK 1 065 thousand in short term debt to The Norwegian Radium Hospital Research Foundation. In relation to the rights issue resolved in Q1 2015 the Chairman contributed to the underwriting syndicate and underwrote NOK 378 thousand with a guarantee fee of 3.0%. See note 10 and 11 regarding related parties share option and shareholdings per 30.09.2015.

7. Credit risk, foreign currency risk and interest risk

Credit risk
PCI Biotech trades only with recognised, creditworthy third parties, of which most are governmental institutions. Receivable balances are monitored on an ongoing basis with the result that the company's exposure to bad debts is not significant and therefore no offset of bad debts has been recognised at the end of Q3 2015.

Maturity profile on receivables at the end of the quarter (all figures in '000 NOK):

	Not due	Less than 3 months	3 to 12 months	Total
Trade receivables	-	-	-	-
Other receivables	7 643	-	-	7 643
Total receivables	**7 643**	**-**	**0**	**7 643**

A majority of other receivables relates to accrued, not received grants and tax incentive scheme (SkatteFUNN).

Foreign currency risk
PCI Biotech has transactional currency exposure arising from purchases in currencies other than the functional currency (NOK). PCI Biotech has not implemented any hedging strategy to reduce foreign currency risk.

Interest risk
PCI Biotech has no interest bearing debt.

8. Research and Development costs

All figures in '000 NOK

	Q3 2015	Q3 2014	9M 2015	9M 2014	FY 2014
Clinical studies	5 326	4 255	13 432	14 761	19 267
Pre-clinical studies	3 156	3 210	8 189	7 843	10 745
CMC and equipment	1 549	1 363	3 899	4 346	5 396
Patents	1 018	1 285	3 241	2 672	3 933
Other costs	0	0	0	0	0
Total	**11 049**	**10 113**	**28 761**	**29 622**	**39 341**

9. Deferred tax and deferred tax assets

At the end of the quarter, the group held NOK 65.3 million in non-capitalised deferred tax assets, which mainly relates to carry forward losses.

10. Share options

Share options outstanding at the end of the period have the following expiry date and exercise prices:

Expiry date	Exercise price in NOK per share	Number of share options 30.09.2015	31.12.2014
2015 - Q2	4.78	0	174 000
2015 - Q3	27.54	0	90 000
2016 - Q3	14.07	170 000	170 000
2017 - Q3	27.38	86 500	86 500
2018 - Q3	14.52	85 000	85 000
2018 - Q3	13.78	40 000	40 000
2020 - Q3	12.53	73 500	0
Total		**455 000**	**645 500**

In Q3 2015 a total of 90.000 options allocated in 2010 expired.

Overview options 2015, Senior executives	Total holdings 31.12.2014	Allocated	Lapsed	Excercised	Expired	Total holdings 30.09.2015
Per Walday, CEO	186 000	0	0	60 000	30 000	96 000
Ronny Skuggedal, CFO	40 000	20 000	0	0	0	60 000
Anders Høgset, CSO	136 000	0	0	45 000	20 000	71 000
Gaël L'Hévéder, CBDO	70 000	15 000	0	0	0	85 000
Kristin Eivindvik, PD	76 000	6 000	0	45 000	20 000	17 000
Sum	**508 000**	**41 000**	**0**	**150 000**	**70 000**	**329 000**

11. Share capital

Following the capital increases in 1H 2015 PCI Biotech's new share capital is NOK 44 701 170 divided by 14 900 390 shares, each with a nominal value of NOK 3.00 and each giving one vote at the Company's general meeting.

	No. of shares	Nominal value per share in NOK	Share capital in NOK
31.12.2014	7 726 390	3,00	23 179 170
Rights issue	7 000 000	3,00	21 000 000
Option excercise	174 000	3,00	522 000
30.09.2015	**14 900 390**	**3,00**	**44 701 170**

10 largest shareholders per 30 September 2015:

Name	No. of shares	Ownership
FONDSAVANSE AS	2 149 138	14,4 %
PHOTOCURE ASA	1 483 339	10,0 %
RADIUMHOSPITALETS FORSKNINGSSTIFTELSE	1 359 853	9,1 %
STOREBRAND VEKST JPMORGAN EUROPE LTD	1 242 715	8,3 %
MP PENSJON PK	899 408	6,0 %
VICAMA AS	743 288	5,0 %
KLP AKSJE NORGE VPF	670 095	4,5 %
KOMMUNAL LANDSPENSJON	628 858	4,2 %
BERGEN KOMMUNALE PENSJONSKASSE	350 000	2,3 %
LGJ INVEST AS	250 487	1,7 %
Total 10 largest shareholders	**9 777 181**	**65,6 %**
Others	*5 123 209*	*34,4 %*
Total	*14 900 390*	*100 %*

Shares owned, directly or indirectly, by members of the board, senior executives and their personally related parties per 31.12.2014 and per 30.09.2015:

		No. of shares	
Name	**Position**	**31.12.2014**	**30.09.2015**
Erling Øverland, including Trifolium AS	Chairman	32 500	61 945
Kjetil Taskén	Board member	0	0
Christina Herder	Board member	0	0
Hans Peter Bøhn	Board member	0	50 000
Hilde H. Steineger	Board member	0	0
Per Walday	CEO	12 000	44 019
Ronny Skuggedal	CFO	0	15 000
Anders Høgset	CSO	28 424	47 977
Gaël L'Hévéder	CBDO	0	10 000
Kristin Eivindvik	PD	0	13 235
Total		**72 924**	**242 176**

12. Other short term debt

Other short term debt mainly consists of accrued R&D and salary related costs and public duties.

13. Material events subsequent to the end of the reporting period

PCI Biotech is not aware of any post-closing events, which could materially influence this interim financial statement.

OTHER INFORMATION

MEMBERS OF PCI BIOTECH'S SCIENTIFIC ADVISORY COMMITTEE;

Professor Christoph Huber, Emeritus Professor of Medicine at the Medical School of the Johannes Gutenberg University in Mainz, Germany. Professor Huber is a world renowned expert and key opinion leader in cancer immunotherapy. Dr Huber has founded successful biotech companies and is also scientific advisor of multiple biotech companies in Germany, UK and USA, as well as advisor of leading European strategic investors. He is a member of numerous scientific committees, in particular the international Association of Cancer Immunotherapy (CIMT), which he co-founded and chairs. Dr Huber is the author of more than 250 publications, among them various articles in "Nature", "Nature Immunology", "Immunity", and the "Journal of Experimental Medicine".

Professor Jan Vermorken, Emeritus Professor of Oncology at the University of Antwerp, Belgium. Professor Vermorken is an internationally renowned expert in head & neck and gynaecological cancers. He is member of the European Organization for Research and Treatment of Cancer (EORTC) Gynaecological Cancer Group and the EORTC Head and Neck Cancer Group, and have chaired both groups in different periods. He has also coordinated large clinical trials in breast and colon cancer, including the OncoVAX®'s Phase III trial. Dr. Vermorken is a member of six editorial boards of international journals, reviewer of 13 cancer journals and author or co-author of more than 500 publications in international journals.

Professor Andrew Hughes, Chair Experimental Cancer Medicine, Institute of Cancer Studies, University of Manchester, UK. Professor Hughes has extensive pharmaceutical industry experience. His previous positions include Global VP of early clinical development at AstraZeneca, leading over 50 research and early clinical development programmes of novel candidate drugs. He was accountable for early phase clinical development of oncology drugs, and has been clinical investigator on over 200 clinical trials. He is a former member of the board of NCRI, on the editorial committee for Annals of Oncology and on the Steering Committee for the FDA Biomarkers Consortium. He serves on CRUK's Biomarkers evaluation research panel and MRC's translational medicine grant awarding bodies.

Professor Kristian Berg, Head of Department of Radiation Biology, Oslo University Hospital, Radium Hospital, Norway. Professor Berg has 30 years of experience in experimental and preclinical research within the field photodynamic therapy. He has a broad background in developing technologies from the bench to bedside and has contributed to establish two companies currently listed on the Oslo Stock Exchange with 2 products approved for clinical use and several in pipeline. Professor Berg is an inventor of Photochemical Internalisation (PCI). Professor Berg has published more than 200 papers, mainly in peer reviewed journals and is co-inventor of 8 patents.

DEFINITIONS AND GLOSSARY

PCI: Photochemical internalisation
PFS: Progression Free Survival
FDA: US Food and Drug Administration
R&D: Research and Development
NOK: Norwegian kroner
In vitro: Studies performed with cells or biological molecules studied outside their normal biological context; for example proteins are examined in solution, or cells in artificial culture medium.
In vivo: Studies in which the effects of various biological entities are tested on whole, living organisms usually animals.

FINANCIAL CALENDAR

Presentation of fourth quarter 2015 report	9 February 2016
Q1 2016 Report	3 May 2016
Presentation of first half year 2016 report	30 August 2016
Q3 2016 Report	22 November 2016

INVESTOR CONTACT

Contact person: Ronny Skuggedal, email: rs@pcibiotech.no, mob: +47 9400 5757

FORWARD LOOKING STATEMENTS

This Report contains certain forward-looking statements relating to the business, financial performance and results of the Company and/or the industry in which it operates. Forward-looking statements concern future circumstances and results and other statements that are not historical facts, and are sometimes identified by the words “believes”, expects”, “predicts”, “intends”, “projects”, “plans”, “estimates”, “aims”, “foresees”, “anticipates”, “targets”, and similar expressions. The forward-looking statements contained in this Report, including assumptions, opinions and views of the Company or cited from third party sources, are solely opinions and forecasts which are subject to risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements that are expressed or implied by statements and information in the Report, including, among others, risks or uncertainties associated with the Company’s business, segments, development, growth management, financing, market acceptance and relations with customers, and, more generally, general economic and business conditions, changes in domestic and foreign laws and regulations, taxes, changes in competition and pricing environments, and fluctuations in currency exchange rates and interest rates. None of the Company or any of its subsidiaries or any such person’s directors, employees or advisors provide any assurance that the assumptions underlying forward-looking statements expressed in this Report are free from errors nor does any of them accept any responsibility for the future accuracy of such forward-looking statements.

PCI BIOTECH HOLDING ASA

Strandveien 55

N-1366 Lysaker

Norway

Phone: +47 67 11 54 00
Email: post@pcibiotech.com