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Biotechnology
Company Update
March 26, 2026
BUY
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Novocure Ltd.

PANOVA-4 Affirms TTFields Benefit in Pancreatic; Focus Is on Commercial Launch

NVCR (NASDAQ)

Company & Market Data	
Closing Price (as of 03/25/2026)	$11.61
Rating:	BUY
Price Target:	$27.00
52 Week Range:	$9.82 - $20.06
Shares Outstanding (MM):	113.8
Market Capitalization (MM):	$1,321
Cash (MM):	$457.5
Debt (MM):	$195.0
Avg Daily Vol. (3 Mo.):	1,885,198
Fiscal Year End:	Dec

Estimates			
EPS	**2025A**	**2026E**	**2027E**
1Q	$(0.31)	$(0.83)	$(0.30)
Prior		*$(0.65)*	
2Q	$(0.36)	$(0.38)	$(0.30)
3Q	$(0.33)	$(0.34)	$(0.26)
4Q	$(0.22)	$(0.33)	$(0.25)
Full Year	$(1.22)	$(1.88)	$(1.12)
Prior		*$(1.70)*	*$(1.11)*
Revenue (MM)	**2025A**	**2026E**	**2027E**
1Q	$155.0	$171.5	$184.3
2Q	$158.8	$172.9	$191.2
3Q	$167.2	$177.0	$202.9
4Q	$174.4	$176.3	$205.7
Full Year	$655.4	$697.6	$784.0

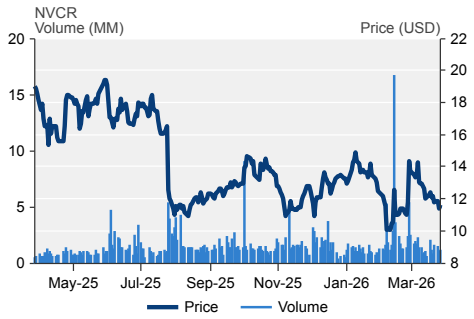

Chart data: Bloomberg

NVCR presented positive topline data from Phase II PANOVA-4 study in 1st-line pancreatic cancer patients treated with a PD-L1-based regimen, which represents a potential market expansion from recent clearance of Optune Pax in combination with gemcitabine and nab-paclitaxel (gem/nab-pac) alone. We do not view the update as material to NVCR shares as investors are currently focused primarily on commercial uptake for Optune Pax in gem/nab-pac and not on future market expansion, in our view. We are focused on three metrics for Optune Pax: 1) ongoing discussions with various treatment guideline committees, 2) coverage decisions from US payors and 3) quarterly utilization trends among early adopters. Of the multiple paths to expand commercial use of TTFields beyond GBM, in our view, pancreatic is the most promising. Maintain $27 PT and Buy rating.

What's New? PANOVA-4 met its primary endpoint of improvement in disease control rate (DCR) compared to historical control for TTFields used in combination with PD-L1 inhibitor atezolizumab and chemotherapy regimen gemcitabine and nab-paclitaxel in first-line treatment for metastatic pancreatic ductal adenocarcinoma. DCR was 74.4% in TTFields cohort (N=78) vs 48% in historical control (N=431) for p-value < 0.001. ORR in the TTFields cohort was 34.6% with median OS of 9.7 months. We view these results as supportive of advancing into Phase III and aligned with prior studies demonstrating TTFields offers a clinical benefit in pancreatic cancer patients, with a few caveats.

Assessing Effect Size of DCR Benefit for Phase III Program Uncertain: We would like to see the full dataset at a future medical meeting before developing a view on Phase III probability of success for Optune Pax in combination with a checkpoint inhibitor-based regimen. We view comparator used by NVCR for DCR, the IMPACT study of gem/nab-pac, as a robust dataset. However, IMPACT was completed 13 years ago and assessing any impact of improvement in supportive care (or incremental benefit from atezolizumab) is uncertain based on topline PANOVA-4 data alone. At the margin, we would expect both improved supportive care and use of checkpoint inhibitors to increase DCR in a contemporary randomized study vs results from IMPACT.

What to Do With The Stock? We believe the stock sets up well into a potential NCCN coverage decision for Optune Pax, which we view as a material catalyst. Following an NCCN decision, in our view, the setup may be more muddled for several quarters as there will likely be a lag between inclusion in guidelines and payor coverage and accelerating revenue contribution.

What Would a Successful Pancreatic Cancer Launch Look Like? In response to our prior questions of how to characterize a successful pancreatic cancer launch, management saw parallels to NVCR's launch in GBM with potential for similar levels of market penetration within 24 months of introduction. We would note quarterly revenue run rate for GBM was around $20M by the end of year two of GBM launch.

Minor Model Revision: We are updating our 1Q26 EPS estimate based on expected impact of higher stock-based comp in G&A line related to one-time vesting associated with FDA clearance of Optune Pax. Our cash estimates are unchanged.

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Exhibit 1: Income Statement

(in $ millions except per share)	2025A	1Q26E	2Q26E	3Q26E	4Q26E	2026E	2027E	2028E
Total Revenue	$655.4	$171.5	$172.9	$177.0	$176.3	$697.6	$784.0	$898.7
COGS	166.9	45.8	44.4	42.8	42.7	175.7	171.0	185.1
Gross profit	$488.5	$125.7	$128.4	$134.1	$133.6	$521.9	$613.0	$713.6
G&A	177.7	84.0	43.2	43.4	43.2	213.8	175.3	188.7
Selling and marketing	240.1	66.9	67.4	69.0	68.7	272.0	305.8	350.5
Research & development	224.5	54.9	53.9	54.0	52.9	215.7	221.3	235.8
Operating profit (loss)	($153.8)	($80.1)	($36.1)	($32.2)	($31.2)	($179.6)	($89.3)	($61.4)
Interest income	31.0	3.7	3.3	3.1	3.0	13.1	10.8	8.4
Interest expense	13.4	5.3	5.3	5.3	5.3	21.1	19.0	8.9
Taxes	(0.0)	11.4	4.4	3.8	3.7	23.3	27.4	9.8
Net profit (loss)	(136.2)	(93.1)	(42.5)	(38.1)	(37.2)	(210.8)	(125.0)	(71.7)
Earnings (loss) per share from continuing ops	($1.22)	($0.83)	($0.38)	($0.34)	($0.33)	($1.88)	($1.12)	($0.64)
One-time items	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income (loss) as reported	(136.2)	(93.1)	(42.5)	(38.1)	(37.2)	(210.8)	(125.0)	(71.7)
Earnings (loss) per share as reported	($1.22)	($0.83)	($0.38)	($0.34)	($0.33)	($1.88)	($1.12)	($0.64)
Weighted average common shares	111.5	112.1	112.1	112.1	112.1	112.1	112.1	112.1
Margin Analysis								
Gross margin	74.5%	73.3%	74.3%	75.8%	75.8%	74.8%	78.2%	79.4%
Operating margin	-23.5%	-46.7%	-20.9%	-18.2%	-17.7%	-25.7%	-11.4%	-6.8%
Net margin	-20.8%	-54.3%	-24.6%	-21.6%	-21.1%	-30.2%	-15.9%	-8.0%
EBITDA								
Net Income	($136.2)	($93.1)	($42.5)	($38.1)	($37.2)	($210.8)	($125.0)	($71.7)
+ Income tax	(0.0)	11.4	4.4	3.8	3.7	23.3	27.4	9.8
+ Financial expense	(17.6)	1.6	1.9	2.1	2.3	8.0	8.3	0.5
+ Depreciation and amortization	14.7	3.6	3.6	3.7	3.8	14.7	16.0	17.3
+ Share Based comp	104.8	68.9	28.9	29.6	29.4	156.8	127.0	145.6
Adjusted EBITDA	($34.3)	($7.6)	($3.6)	$1.1	$2.0	($8.1)	$53.7	$101.5

Source: Company Documents and Ladenburg Thalmann & Co Inc estimates

Exhibit 2: Near-Term Events

Event	Time	Importance
Topline Phase III Trident Data	2Q26	Moderate
NCCN Guidelines Update for Optune Pax	1H26	High
Complete Enrollment in KEYNOTE D58	4Q26	Low
US Clearance for Brain Mets	4Q26	Moderate

Source: Ladenburg Thalmann & Co Inc estimates

Risks

Key risks to our NVCR price target include but are not limited to: 1) clinical trial failure of TRIDENT or other studies of TTFields, 2) uncertainty regarding requirements for approval from FDA, EMA and other regulatory agencies, 3) competition from traditional pharmaceutical products, 4) commercial adoption for patients with NSCLC and other new applications of TTFields 5) securing reimbursement for new indications of TTFields and maintaining commercially adequate reimbursement levels for GBM patients, 6) financial position including access to debt capital and level of future profitability 7) material ex-US operations and 8) concentration of product sales.

Clinical Studies: We expect NVCR to conduct several clinical trials exploring use of TTFields in combination with different chemotherapy and immune modulation therapies. There can be no assurance these studies will be completed in a timely manner, support continued development, regulatory filing or commercial acceptance.

Regulatory: NVCR's TTFields technology is regulated as a medical device by agencies in various countries including FDA in the US and EMEA in Europe. Standards for how medical devices are regulated when developed in combination with traditional biotechnology and pharmaceutical products may be modified and potentially become more restrictive. There can be no assurance the company's clinical development strategy will support regulatory clearance in any jurisdiction.

Competition: We are not aware of any medical device companies developing products based on the same technology as NVCR's TTFields. However, the company faces significant commercial competition from traditional biotechnology and pharmaceutical therapies seeking to provide superior anti-tumor activity than TTFields. There can be no assurance NVCR will achieve regulatory approval within a commercially competitive timeframe or that the company's products will be adequately differentiated to support clinical and commercial adoption.

Commercial Adoption: Optune Gio, Optune PAX and Optune Lua are wearable medical devices requiring a different method of delivery and different potential adverse event profile than traditional pharmaceutical products. Furthermore, use of the device may require meaningful training or education for patients and healthcare professionals. There can be no assurance the device will gain commercial acceptance with patients or medical professionals.

Reimbursement: NVCR seeks reimbursement for Optune Gio Optune PAX, and Optune Lua as medical devices. Gaining positive reimbursement decisions for medical devices is often a significantly longer process than gaining reimbursement coverage for pharmaceutical products and reimbursement rates may be subject to annual revisions. There can be no assurance any of NVCR's products will receive reimbursement coverage or that reimbursement levels will be adequate to generate a commercially reasonable profit margin.

Financial Position: NVCR has not consistently generated a profit or positive cash flow. While we believe the company has adequate cash to fund operations to sustainable profitability, there can be no assurance the company will ever achieve consistent profitability or have access to additional equity capital under reasonable terms, if at all. Furthermore, the company has significant outstanding debt. While we believe cash balance may be adequate to repay debt, there can be no assurance NVCR will have access to additional debt under reasonable terms, if at all.

International Operations: NVCR generates a substantial portion of its revenue from markets outside the US including Europe, Japan and China. Furthermore, much of the

company's product manufacturing is based in Israel. As such, our forecast could be negatively impacted by tariffs, regulatory decisions by different jurisdictions and general geopolitical instability.

Concentration of Product Sales: While NVCR sells to many customers, nearly all of the company's current and forecasted revenues are related to three products: Optune Gio, Optune PAX and Optune Lau. The product sales concentration could result in material economic uncertainty if the competitive position of either product is impacted by introduction of alternative products, reimbursement changes or other competitive factors.

APPENDIX A: IMPORTANT RESEARCH DISCLOSURES

ANALYST CERTIFICATION

I, Kevin DeGeeter, attest that the views expressed in this research report accurately reflect my personal views about the subject security and issuer. Furthermore, no part of my compensation was, is, or will be directly or indirectly related to the specific recommendation or views expressed in this research report, provided, however, that:

The research analyst primarily responsible for the preparation of this research report has or will receive compensation based upon various factors, including the volume of trading at the firm in the subject security, as well as the firm's total revenues, a portion of which is generated by investment banking activities.

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COMPANY BACKGROUND

NVCR is a medical device company commercializing the use of Tumor Treating Fields (TTFields) for treatment of solid tumors including GBM, lung cancer and pancreatic cancer. The device was first cleared by FDA in April 2011 for recurrent GBM and in October 2015 for newly diagnosed supratentorial GBM. In 4Q24, the company launched Optune Lua for treatment of NSCLC. In 1Q26 the company launched Optune Pax for pancreatic cancer.

VALUATION METHODOLOGY

Our $27 PT is based on a DCF analysis assuming a 17% discount rate, 125.8 million shares on a fully diluted basis, terminal year (2028) FCF of $68.6M and 15% terminal revenue growth rate.

RISKS

Key risks to our NVCR price target include but are not limited to: 1) clinical trial failure of TRIDENT or other studies of TTFields, 2) uncertainty regarding requirements for approval from FDA, EMA and other regulatory agencies, 3) competition from traditional pharmaceutical products, 4) commercial adoption for patients with pancreatic cancer, NSCLC and other new applications of TTFields 5) securing reimbursement for new indications of TTFields and maintaining commercially adequate reimbursement levels for GBM patients, 6) financial position including access to debt capital and level of future profitability 7) material ex-US operations and 8) concentration of product sales.

STOCK RATING DEFINITIONS

Buy: The stock's return is expected to exceed 12.5% over the next twelve months.

Neutral: The stock's return is expected to be plus or minus 12.5% over the next twelve months.

Sell: The stock's return is expected to be negative 12.5% or more over the next twelve months.

Investment Ratings are determined by the ranges described above at the time of initiation of coverage, a change in risk, or a change in target price. At other times, the expected returns may fall outside of these ranges because of price movement and/or volatility. Such interim deviations from specified ranges will be permitted but will become subject to review.

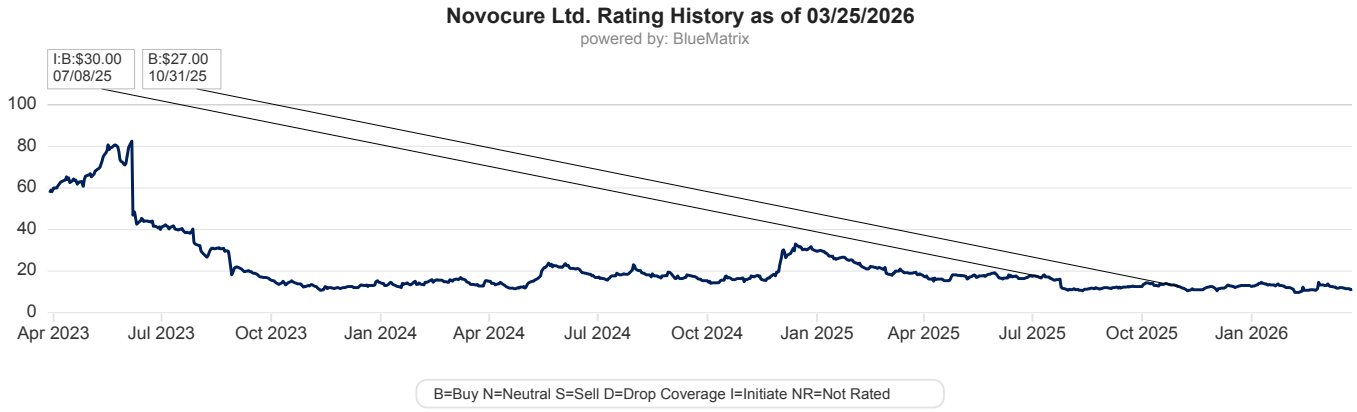
RATINGS DISPERSION AND BANKING RELATIONSHIPS AS OF (March 26, 2026)

Rating	%	IB %
BUY	74.6	51.5
NEUTRAL	23.9	45.4
SELL	1.4	0.0

COMPANIES UNDER KEVIN'S COVERAGE

Decoy Therapeutics, Inc. (DCOY)
NextCure, Inc. (NXTC)
ORIC Pharmaceuticals, Inc. (ORIC)
Novocure Ltd. (NVCR)
OPKO Health, Inc. (OPK)
Traws Pharma, Inc. (TRAW)

INVESTMENT RATING AND PRICE TARGET HISTORY



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