TME PHARMA

BUY

TARGET PRICE : 4,21€ (vs 16,1€) +283%

UPDATE

Q2 2023: AN ESSENTIAL CATALYST ON THE AGENDA

At end-2022, TME Pharma published very promising PhI/II data for its NOX-A12 treatment combined with radiotherapy and bevacizumab (an anti-angiogenic) in treatment of post-surgery glioblastoma. The next key catalyst on the agenda is the publication of 12-month survival data expected during Q2 2023. One notable factor stands out, namely after 10 months of follow-up, five out of the six patients were still alive, bearing in mind that the median survival rate for patients treated with the standard of care is 10 months. The results expected in the near future should therefore be decisive. Elsewhere, the group recently announced it had identified a predictive biomarker, which ought to considerably improve perception of the therapy by the various stakeholders. After updating our model, we are maintaining our Buy rating with a TP revised to €4.2 vs. €16.1.

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TME Pharma synopsis: key takeaways

- TME Pharma targets newly-diagnosed glioblastoma cancers (GBM) (i.e. first-line after surgery), and only targets non-methylated GBM. The rationale behind the approach consists of acting on the tumour micro-environment (TME) to make it more permissive to infiltration of anti-cancer immune cells. The trial currently underway is a Ph I/II extension trial with three arms using different protocols, for which the radiotherapy/NOX-A12/bevacizumab combo is the most advanced (beva is an anti-VEGF that targets the vascular endothelial growth factor VEGF to inhibit revascularisation).
- Results of the first trial GLORIA (nine patients suffering from newly-diagnosed GBM) showed a response rate of 90%, with a reduction in the size of the target tumour in all patients, and a radiographic partial response rate of 40%.
- The results of the first extension cohort underway assessing the NOX-A12/RT/beva tri-combination (n=6) also showed very good results: 83.3% of patients responded, with a reduction in the size of the target tumour, and a radiographic partial response rate of 100% (with an improvement in the NANO score = neurological function evaluation scale). Furthermore, 100% of targeted tumours treated with NOX-A12 decreased by more than 50%, with two patients achieving almost complete reduction in the size of their target tumour (more than 99%).
- At this stage, TME Pharma is planning to start a Phase II trial in the short-term to provide additional data under the framework of a trial that would be randomised and concern around 50 patients. The objective would be to assess two doses of NOX-A12 (200 and 600 mg/week): RT/NOX-A12 with or without beva.
- Based on the results of this Ph II randomised trial currently in preparation, a pivotal trial would have to be launched in its wake with a view to a potential Priority Review given the lack of satisfactory solutions for treatment in the target indication.
- The company has recently identified a specific and sensitive biomarker that could well increase the chances of regulatory approval, reimbursement and automatic prescription of the therapy as a first-line treatment by doctors thanks to the potential offered in an optimised care journey for patients.

Invest Securities and the issuer have signed an analyst coverage agreement

in € / share	2022e	2023e	2024e
Adjusted EPS	-21,88	-7,29	-9,09
chg.	*n.s.*	*n.s.*	*n.s.*
estimates chg.	*n.s.*	*n.s.*	*n.s.*

au 31/12	2022e	2023e	2024e
PE	n.s.	n.s.	n.s.
EV/Sales	7,5x	122,9x	280,6x
EV/Adjusted EBITD	n.s.	n.s.	n.s.
EV/Adjusted EBITA	n.s.	n.s.	n.s.
FCF yield*	n.s.	n.s.	n.s.
Div. yield (%)	n.s.	n.s.	n.s.

* After tax op. FCF before WCR

key points	
Closing share price 17/03/2023	1,10
Number of Shares (m)	2,3
Market cap. (€m)	3
Free float (€m)	2
ISIN	NL0015000YE1
Ticker	ALTME-FR
DJ Sector	Health Technology

	1m	3m	Ytd
Absolute perf.	-6,8%	-16,7%	-9,5%
Relative perf.	-0,7%	-20,5%	-12,5%

Source : Factset, Invest Securities estimates

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New key factor to consider: identification of a predictive biomarker

At the same time as the extremely promising clinical data obtained so far, especially for the RT/NOX-A12/beva combo, work undertaken on the biological front has helped identify a potential biomarker that could predict the clinical response of brain cancer patients to the NOX-A12 treatment. The presence of a specific biomarker is a huge asset in the patient care journey since it should enable prescribing doctors to better sort and select only patients who present a responder profile and who would thus benefit the most from the treatment. This would therefore avoid losing the probability of success and ultimately of survival for patients who only have a small chance of responding favourably to the treatment.
Furthermore, this predictive biomarker provides another advantage for TME Pharma since the biomarker should encourage a positive appreciation by evaluators and payers in terms of having an available and efficient therapy benefiting from a sensitive companion test, which theoretically, ought to increase the chances of regulatory approval and the commercial success of NOX-A12, while reducing the cost and duration of associated trials (thanks to a better stratification and selection of target patients). Note that the company currently has financial visibility out to September 2023. Discussions are underway concerning partnerships and additional financing options, which have been strengthened in order to ensure the future clinical development of NOX-A12 without having to use convertible bond financing.

A significant catalyst expected for Q2 2023 with 12-month survival rates

The Ph I/II GLORIA trial showed outstanding clinical results in patients suffering from GBM and treated with the RT/NOX-A12/beva combo. Survival data so far confirm that 83% of patients are still alive after 10 months of treatment (compared with standards of care offering an average of six months of PFS and 10 months of OS in this indication). Furthermore, 100% of targeted tumours treated with NOX-A12 decreased by more than 50%, and 83% of patients obtained a partial response lasting more than six months (with two out of six patients seeing a reduction in the size of their target tumour of more than 99%). In comparison, a matched historical cohort treated with standard therapy showed a reduction in tumour size in only 25% of patients while 10% of patients showed a reduction in tumour size of 50% or more. After these first results communicated at end-2022, the main catalyst expected in the short-term now concerns survival data after a median follow-up of 12 months. This data is expected in early Q2 2023.

We should admittedly bear in mind that the cohorts are very small at this stage of the programme's development. However, the results remain very encouraging on a clinical, functional and biological level, with a change in the pattern of immune cells locally present in the TME: a decrease in pro-cancer cells + infiltration and an increase in local anti-cancer cells (T cells and macrophages). There is also a decrease in local revascularisation, which is the aim with NOX-A12 and with bevacizumab which is an anti-VEGF. The negative side effects of RT are thus inhibited by the combo, which offers a better chance of response to anti-tumour therapy by limiting the substantial effects of RT. Indeed, tumours tend to react post radiotherapy treatment by increasing vascularisation by developing a network of micro-vessels that irrigate the tumour to favour the proliferation of cells and growth in the cancer. In this respect, NOX-A12 and the combo with beva, respond exactly to the challenges of the pathology, notably by preventing revascularisation such that the beneficial anti-cancer effects of RT can be observed without the side effects thanks to the synergy of the rays with the two molecules associated. Although the results obtained so far concern a small number of patients, they are all the more welcome when they are compared with data currently available in GBM. It is notably useful to point out that the response rate to standard treatments in GBM is around 10% (partial radiographic response), and 25% with a reduction in the size of the tumour (n=20). In parallel to this historical data, the results obtained by NOX-A12 show an even greater real potential for patients suffering from newly-diagnosed GBM.

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Beyond the clinical responses obtained in terms of reducing the size of the target tumour, at this stage, the aim will above all be to appreciate the clinical benefit in terms of survival. The first cohort was treated and followed up for six months. In the extension studies, the follow-up is 12 months, thereby offering the prospect of reliably appreciating the impact on patient survival: PFS (progression-free survival) and OS (overall survival). At the last communication at end-2022, all patients had shown a stabilisation and a lasting partial response with a median survival rate of 7.9 months. Note that in newly-diagnosed GBM, average survival has not exceeded 12 months with SoC (six months of PFS and 10 months OS), while the survival rate was 18% after two years and 4% after five-years. Although it is too early to make any claims, data available for the RT/NOX-A12/beva combo already look extremely promising in terms of PFS vs. SoC (five out of six patients have demonstrated a lasting stabilisation beyond six months). After 12 months of follow-up, we will thus have sufficient hindsight to assess the survival data, which is obviously crucial (although the goal of current trials by TME Pharma is safety and not efficacy), since this would be a first strong signal concerning the trend in PFS and OS. Furthermore, it is also the key data expected by the majority of pharma companies potentially interested in the NOX-A12 approach before deciding to eventually position themselves in a GO/NO-GO for a partnership. The end-data including 12m survival is expected in Q2 2023 for the NOX-A12/RT/anti-VEGF arm.

The next calendar data is the company's participation in the ASCO congress in June 2023, which ought to provide an opportunity to present 15-month survival data in detail, as well as the sensitivity and specificity of the recently identified biomarker.

Feedback post-SNO 2022: review of the most advanced data so far

At the 27th SNO (Society for Neuro-Oncology) meeting which took place from November 16th to 20th, TME Pharma presented a poster of updated data from the extension of its Ph I/II GLORIA study focusing on the NOX-A12/RT/bevacizumab combo arm in patients with unmethylated MGMT glioblastoma as a 1L treatment. New data obtained after the deadline for submitting the presentations was unveiled, as well as results of the completed part of dose escalation stemming from the same clinical trial. Intermediary data available showed that five out of six patients obtained partial responses (with a better average response rate of almost a 75% reduction in the volume of the tumour [-53.8% to -99.9%]), or a response rate of 83.3% on the date of the presentation. These results compare indirectly with a trial that shows a response rate of 10% in similar patients treated with the standard of care. Of the six patients in the NOX-A12/RT/beva cohort, one patient developed progressive disease due to distant failure (distant metastasis not detected at recruitment and not treated) while the target lesion remained under control. All target lesions (100%) treated were reduced by more than 50%, with two of the six patients in the trial achieving almost complete tumour size reduction (more than 99%). In terms of safety, the triple combination was well tolerated and safe. No toxicity limiting the dose was observed.

A fast-track marketing procedure potentially feasible?

In 2022, TME Pharma changed its strategy to focus as a priority on its GBM programme in combination with radiotherapy and beva. As such, its other programmes were suspended pending an improvement in the group's financial position, on which it is currently working actively (end of CBs, equity refinancing or another non-dilutive solution such as a partnership, and a 10-for-1 stock amalgamation to improve share price liquidity). Based on the first clinical data obtained in GBM, the company plans to start discussions with the FDA and other top-notch regulatory bodies as soon as possible, in order to define its future strategy in GBM, with the aim of starting a clinical Ph II trial as soon as possible before initiating a pivotal trial with a view to obtaining marketing approval rapidly. If ORR results noted so far are confirmed in a wider cohort, it is very likely that NOX-A12 would obtain Priority Review status, and above all conditional marketing approval or Compassionate Use, which would enable it to make the combination of treatments available to patients suffering from GBM in order to preserve

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their survival chances, prior to a conventional marketing approval process. Given the severity of GBM, the very poor prognosis of this cancer, and the absence of truly effective solutions to date, if the RT/NOX-A12/beva combo shows results in the next Phase II study equivalent to those observed to date, it is very plausible that the treatment will obtain conditional marketing authorisation at the end of this Phase II study, and that a pivotal Phase III study will be carried out in parallel in order to validate the process and to initiate a conventional regulatory pathway with a view to definitive authorisation.

NOX-A12 action mechanism in cancer: dual action

NOX-A12 is an intravenously administered pegylated L-stereoisomeric RNA aptamer (pegol olaptesed) that targets the CXCL12 (C-X-C Chemokine Ligand 12) molecule, a key chemokine protein. In cancer, CXCL12 is involved in the communication between tumour cells and their environment, promoting tumour proliferation, new blood vessel formation, and thus tumour escape and metastasis, while inhibiting tumour cell apoptosis. By binding to CXCL12, NOX-A12 (i) prevents signalling via the two chemokine receptors, CXCR4 and CXCR7, present on the surface of various cell types, and (ii) neutralises both the anchoring capacity of the chemokine and its ability to interact with receptors present on the surface of nearby cells in and around the tumour tissue.

NOX-A12 was designed to fight against solid tumours by modulating the TME in two distinct ways:

- By breaking down tumour protection to allow (i) anti-tumour immune cells, such as killer T cells, to enter the tumour to trigger a coordinated anti-tumour immune response, and (ii) optimising immuno-oncology approaches, including immune checkpoint inhibitors (ICIs), hence the interest in NOX-A12 combos with the ICI therapeutic class,
- By blocking constant tumour repair, to prevent the attraction of repair cells towards the tumours, thus preventing tumour progression and revascularisation following radiotherapy. Pre-clinical trials showed that the influx of highly angiogenic monocytes/macrophages mediated by CXCL12 is a key factor for revascularisation and tumour growth after RT in GBM. Inhibition of CXCL12 by NOX-A12 aims to prompt an anti-tumour effect by blocking the pro-tumour effect caused by CXCL12. The use of RT causes hypoxia due to damaged blood vessels, thereby provoking a tumour response leading to an increase in the rate of CXCL12 within the irradiated tissues, to favour revascularisation and increase the oxygen supply. This phenomenon also installs an immunosuppressive TME which favours tumour growth. Use of NOX-A12 at the same time and following RT is a precise means of countering these post-RT effects and avoiding the creation of a TME that is impermeable to effector immune cells, conditions that favour proliferation of cancer tissues.

Based on the company's preclinical and clinical work to date, the safety and tolerability profile has been found to be satisfactory with no serious adverse events (beyond what is expected and commonly accepted in RT treatments with or without additional treatment). Different doses of NOX-A12 were evaluated in the first part of the Ph I/II trial (200, 400 and 600 mg/week). TME Pharma observed no difference between the 200 and 600 mg/week doses in terms of safety such that the highest dose was chosen for the second part of the Ph I/II. A Phase II trial should be initiated rapidly to evaluate the 200 and 600 mg/week doses of NOX-A12 in combo with RT alone vs. RT + Beva in a randomised, placebo controlled trial.

However, given the MoA of NOX-A12, the medical teams conducting the trial and those at TME Pharma anticipate inflammation in response to treatment with NOX-A12. A number of pseudo-progressions were observed in the NOX-A12 + RT arm. For the time being, these pseudo-progressions are only relevant to the analysis of response to treatment, and this implies monitoring that the patients concerned are still responding to treatment in the event of pseudo-progression, otherwise this could potentially lead to discontinuation of treatment. Obviously, the duration of treatment and its continuation

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over time are key parameters to ensure maximum efficacy, and are therefore essential criteria that are currently being studied in ongoing trials to identify and define the "ideal" treatment regimen to be adopted in the future.

Financial position at present

The cash position at end-June 2022 was €8m, representing financial visibility out to September 2023 including the additional financial resources available to TME Pharma. As a reminder, the company has access to CB financing with ASO (Atlas) that can be drawn down in tranches at its discretion (over €15m still available at end-June 2022). The company stated in mid-2022 that it will carefully monitor its available cash and calibrate additional funding via its available CBs to ensure its ability to pursue the clinical development plans in glioblastoma on a priority basis, while minimising shareholder dilution wherever possible. We expect operating expenses of around €15m in 2022, and an acceleration during in 2023, particularly in R&D expenses with the launch of the planned randomised Phase II study. At this stage, and to preserve cash in favour of the GBM programme with beva, several activities have been put on stand-by, while in the GBM programme, only the arm with beva is active at present, with the pembro (ICI) arm also halted for the moment. We estimate that the cost of the future Ph II trial assessing the tri-combo of RT/NOX-A12/beva should stand at around €25-30m.

Newsflow to come

- Q2 2023: 12-month survival in RT/NOX-A12/beva arm in GBM – Ph I/II GLORIA
- 2023: discussions with the FDA and EMA to validate the design of a Ph II randomised and controlled vs. SoC - for the RT/NOX-A12 with or without beva.
- 2023 (ISe): initiation of randomised Ph II trial in GBM
- 2025 (ISe): results of randomised Ph II trial in GBM
- 2026 (ISe): conditional marketing approval for NOX-A12 in GBM (US and Europe)
- 2026 (ISe): launch of a pivotal trial in GBM

BUY rating maintained, TP reduced to €4.2 vs. €16.1

We have updated our model to include various elements:

- Adjustment in the clinical time-frame for GBM: postponement to now include an additional Ph II before the pivotal phase,
- Launch of the pivotal phase in 2025 vs. 2023 and delay in definitive time-to-market to 2028 vs. 2026,
- Update to net debt,
- Update to number of shares in circulation.

This results in a TP reduced to €4.2 vs. €16.1 previously, primarily due to the update to the number of shares in circulation and the two-year postponement in the time-to-market. However, we estimate that a Priority Review procedure could be granted, although this will depend on the results of the forthcoming randomised Ph II. The treatment price is also likely to be revised upwards given the presence of a predictive biomarker, which offers the advantage of better sorting and selecting patients. This should have a positive impact on medical costs for insurance companies thanks to the fact that patients with little chances of responding to the treatment will not be treated unnecessarily. In contrast, the biomarker will help identify patients with the most chances of benefiting from the treatment, thereby enabling a very early orientation towards the best suited care journey. The ability to efficiently and reliably refer patients to the most promising care journey points to significant cost savings and improved survival.

We are maintaining our Buy recommendation given the potential that the GBM programme represents in light of current results. If the efficacy data observed so far is confirmed as part of the forthcoming randomised trial, we estimate that the pricing strategy could be revised upwards from the price envisaged at this stage, in addition to

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the advantage of having a predictive companion test available. However, for the moment, we prefer to take a cautious stance on this point due to the drug price policy that the US government would like to implement. Although the aim to lower prices is focused above all on high-incidence and high-prevalence diseases, it is not impossible that rare diseases and lower-incidence indications will also be affected in the short to medium terms. Recently, a list of 27 drugs saw their reimbursement prices revised downwards to align them with overall inflation. Among this list were products targeting niche markets such as Yescarta. Other products should soon be affected by the US government's aim to regulate drug prices in the US, and it is not impossible that a more radical price cap law will be put in place in the short term, both for drugs that have already been approved and for products that could be granted marketing approval in the coming years.

It should also be noted that the drug is attracting interest from a number of players, including pharma groups that are monitoring the results and waiting for 12-month survival data in particular, as well as from academic medical teams, particularly in the US. A study has also been initiated by the NCI in the event of relapses in GBM to assess the potential of the RT/NOX-A12/beva combo vs beva alone. Under the framework of this programme, TME Pharma provides the product and covers everything that could be exploitable from a commercial perspective.

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FINANCIAL DATA

Share information	2016	2017	2018	2019	2020	2021	2022e	2023e	2024e
Published EPS (€)	-6,71	-2,54	-2,70	-0,08	-0,32	-0,26	-21,88	-7,29	-9,09
Adjusted EPS (€)	**-6,71**	**-2,54**	**-2,70**	**-0,08**	**-0,32**	**-0,26**	**-21,88**	**-7,29**	**-9,09**
Diff. I.S. vs Consensus	*n.s.*	*n.s.*	*n.s.*	*n.s.*	*n.s.*	*n.s.*	*n.s.*	*n.s.*	*n.s.*
Dividend	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	1,00

Valuation ratios	2016	2017	2018	2019	2020	2021	2022e	2023e	2024e
P/E	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.
EV/Sales	87,92x	144,40x	8,06x	9,96x	-48,53x	-28,26x	7,47x	122,92x	280,60x
EV/Adjusted EBITDA	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.
EV/Adjusted EBITA	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.
Op. FCF bef. WCR yield	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.
Op. FCF yield	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.
Div. yield (%)	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.

NB : valuation based on annual average price for past exercise

Entreprise Value (€m)	2016	2017	2018	2019	2020	2021	2022e	2023e	2024e
Share price in €	*22,0*	*15,6*	*1,10*	*1,10*	*1,10*	*1,10*	*1,10*	*1,10*	*1,10*
Market cap.	45	36	3	3	3	3	3	3	3
Net Debt	*0,6*	*1,9*	*0,5*	*0,2*	*-9,7*	*-6,7*	*-1,5*	*15,5*	*36,7*
Minorities	*0,0*	*0,0*	*0,0*	*0,0*	*0,0*	*0,0*	*0,0*	*0,0*	*1,0*
Provisions/ near-debt	*0,0*	*0,0*	*0,0*	*0,0*	*0,0*	*0,0*	*0,0*	*0,0*	*0,0*
+/- Adjustments	*0,0*	*0,0*	*0,0*	*0,0*	*0,0*	*0,0*	*0,0*	*0,0*	*1,0*
Entreprise Value (EV)	**46**	**38**	**3**	**3**	**-7**	**-4**	**1**	**18**	**41**

Income statement (€m)	2016	2017	2018	2019	2020	2021	2022e	2023e	2024e
Sales	1	0	0	0	0	0	0	0	0
chg.	*n.s.*	*n.s.*	*n.s.*	*n.s.*	*n.s.*	*n.s.*	*n.s.*	*n.s.*	*n.s.*
Adjusted EBITDA	-8	-5	-4	-4	-6	-14	-28	-12	-16
adjusted EBITA	**-9**	**-5**	**-4**	**-4**	**-6**	**-14**	**-28**	**-12**	**-16**
chg.	***n.s.***	***n.s.***	***n.s.***	***n.s.***	***n.s.***	***n.s.***	***n.s.***	***n.s.***	***n.s.***
EBIT	-9	-5	-4	-4	-6	-14	-28	-12	-16
Financial result	-2	-1	-6	3	-5	-5	-5	-5	-5
Corp. tax	0	0	0	0	0	0	0	0	0
Minorities+affiliates	0	0	0	0	0	0	0	0	1
Net attributable profit	-11	-5	-11	-1	-10	-19	-33	-17	-20
Adjusted net att. profit	**-11**	**-5**	**-11**	**-1**	**-10**	**-19**	**-33**	**-17**	**-20**
chg.	***n.s.***	***n.s.***	***n.s.***	***n.s.***	***n.s.***	***n.s.***	***n.s.***	***n.s.***	***n.s.***

Cash flow statement (€m)	2016	2017	2018	2019	2020	2021	2022e	2023e	2024e
EBITDA	-8	-5	-4	-4	-6	-14	-28	-12	-16
Theoretical Tax / EBITA	0	0	0	0	0	0	0	0	0
Capex	0	0	0	0	0	0	0	0	0
Operating FCF bef. WCR	**-8**	**-5**	**-4**	**-4**	**-6**	**-14**	**-28**	**-12**	**-16**
Change in WCR	1	0	0	0	0	0	0	0	0
Operating FCF	**-7**	**-5**	**-4**	**-3**	**-6**	**-14**	**-28**	**-12**	**-16**
Acquisitions/disposals	0	0	0	0	0	0	0	0	0
Capital increase/decrease	7	3	8	1	14	16	28	0	0
Dividends paid	0	0	0	0	0	0	0	0	0
Other adjustments	-2	-1	-6	3	-5	-5	-5	-5	-5
Published Cash-Flow	**-2**	**-3**	**-3**	**1**	**3**	**-3**	**-5**	**-17**	**-21**

Balance Sheet (€m)	2016	2017	2018	2019	2020	2021	2022e	2023e	2024e
Assets	0	0	0	0	0	0	0	0	0
Intangible assets/GW	0	0	0	0	0	0	0	0	0
WCR	-2	-2	-2	-2	-2	-2	-2	-2	-2
Group equity capital	-2	-4	-3	-2	8	-6	-11	-28	-50
Minority shareholders	0	0	0	0	0	0	0	0	1
Provisions	0	0	0	0	0	0	0	0	0
Net financial debt	**1**	**2**	**0**	**0**	**-10**	**-7**	**-1**	**15**	**37**

Financial ratios	2016	2017	2018	2019	2020	2021	2022e	2023e	2024e
EBITDA margin	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.
EBITA margin	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.
Adjusted Net Profit/Sales	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.
ROCE	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.
ROE adjusted	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.
Gearing	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.
ND/EBITDA (in x)	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.

Source : company, Invest Securities Estimates ies Estimates ies Estimates

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INVESTMENT CASE

NOXXON is a biotech company with an oncology-focused portfolio. The two products it has developed to date—NOX-A12 (glioblastoma, as well as metastatic pancreatic and colorectal cancer) and NOX-E36 (solid cancers)—are designed to break the tumor protection barrier and block tumor repair by neutralizing chemokines in the tumor microenvironment (TME). Its clinical approach is unique and can be used in combination with other therapeutic approaches, notably radiotherapy and immunotherapy, to weaken tumor defenses against the immune system and enable greater therapeutic impact.

SWOT ANALYSIS

STRENGTHS

- An innovative approach within the IO space
- Partnership with Merck for brain cancer
- Drugs that target indications with little competition

WEAKNESSES

- Relatively early-stage pipeline
- Need for additional financing within a year

OPPORTUNITIES

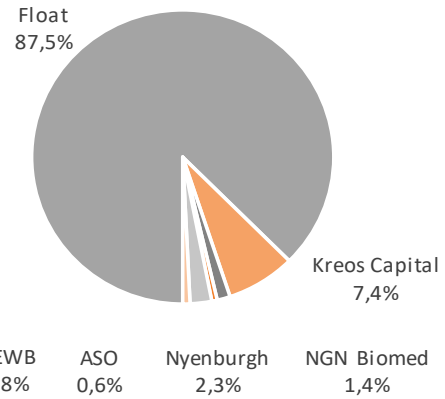
- Combination drug trials
- Possibility of new partnerships
- Significant M&A activity in the field

THREATS

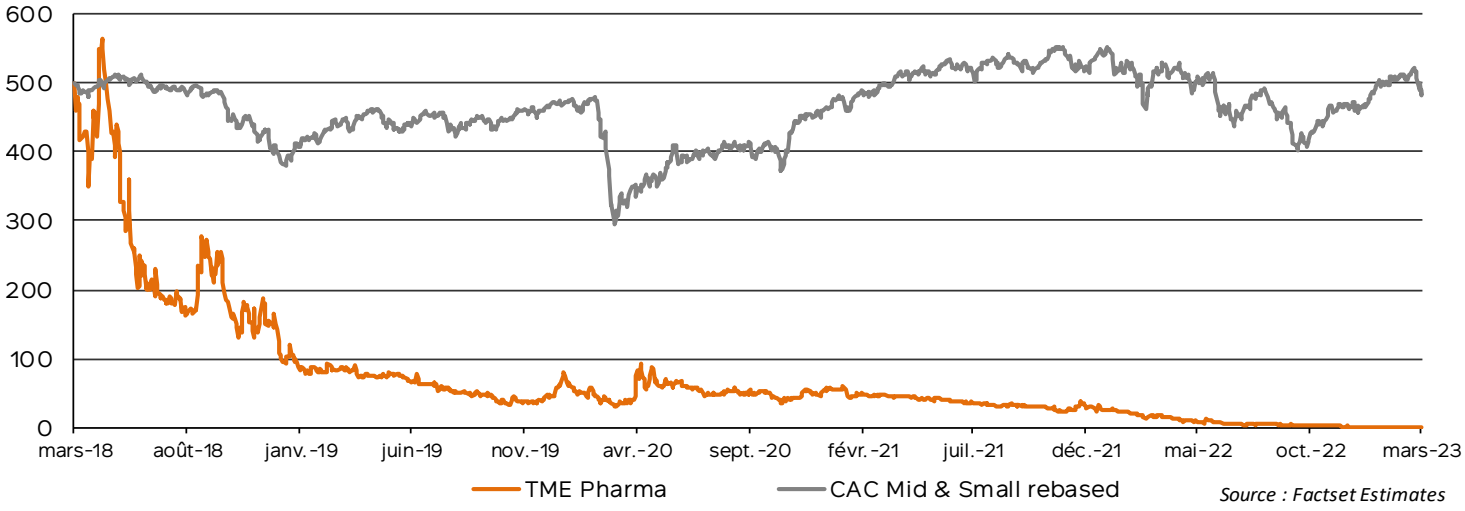
- Regulatory and clinical risks
- Legal risks
- Commercial risks

ADDITIONAL INFORMATION

Shareholders



SHARE PRICE CHANGE FOR 5 YEARS



Source : Factset Estimates

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TARGET PRICE AND RECOMMENDATION

Our analyst ratings are dependent on the expected absolute performance of the stock on a 6- to 12-month horizon. They are based on the company’s risk profile and the target price set by the analyst, which takes into account exogenous factors related to the market environment that may vary considerably. The Invest Securities analysis office sets target prices based on a multi-criteria fundamental analysis, including, but not limited to, discounted cash flows, comparisons based on peer companies or transaction multiples, sum-of-the-parts value, restated net asset value, discounted dividends.

Ratings assigned by the Invest Securities analysis office are defined as follows:

- BUY: Upside potential of more than 10% (the minimum upside required may be revised upward depending on the company’s risk profile)
- NEUTRAL: Between -10% downside and +10% upside potential (the maximum required may be revised upward depending on the company’s risk profile)
- SELL: Downside potential of more than 10%
- TENDER or DO NOT TENDER: Recommendations used when a public offer has been made for the issuer (takeover bid, public exchange offer, squeeze-out, etc.)
- SUBSCRIBE or DO NOT SUBSCRIBE: Recommendations used when a company is raising capital
- UNDER REVIEW: Temporary recommendation used when an exceptional event that has a substantial impact on the company’s results or our target price makes it impossible to assign a BUY, NEUTRAL or SELL rating to a stock

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12-MONTH HISTORY OF OPINION

The table below reflects the history of price recommendation and target changes made by the financial analysis office of Invest Securities over the past 12 months.

Company Name	Main Author	Release Date	Rating	Target Price	Potential
TME PHARMA	Jamila El Bougrini	11-nov.-22	ACHAT	16,1	+381%
TME PHARMA	Jamila El Bougrini	15-juil.-22	ACHAT	0,2	+220%
TME PHARMA	Jamila El Bougrini	24-mars.-22	ACHAT	0,9	+406%

DETECTION OF CONFLICTS OF INTEREST

	TME PHARMA
Invest Securities was lead manager or co-lead manager in a public offer concerning the financial instruments of this issuer during the last twelve months.	No
Invest Securities has signed a liquidity contract with the issuer.	Yes
Invest Securities and the issuer have signed a research service agreement.	Yes
Invest Securities and the issuer have signed a Listing Sponsor agreement.	No
Invest Securities has been remunerated by this issuer in exchange for the provision of other investment services during the last twelve months (RTO, Execution on behalf of third parties, advice, placement, underwriting).	No
This document was sent to the issuer prior to its publication. This rereading did not lead the analyst to modify the valuation.	No
This document was sent to the issuer for review prior to its publication. This rereading led the analyst to modify the valuation.	No
The financial analyst has an interest in the capital of the issuer.	No
The financial analyst acquired equity securities of the issuer prior to the public offering transaction.	No
The financial analyst receives remuneration directly linked to the transaction or to an investment service provided by Invest Securities.	No
An executive officer of Invest Securities is in a conflict of interest with the issuer and was given access to this document prior to its completion.	No
Invest Securities or the All Invest group owns or controls 5% or more of the share capital issued by the issuer.	No
Invest Securities or the All Invest group holds, on a temporary basis, a net long position of more than 0.5% of the issuer's capital.	No
Invest Securities or the All Invest group holds, on a temporary basis, a net short position of more than 0.5% of the issuer's capital.	No
The issuer owns or controls 5% or more of the capital of Invest Securities or the All Invest group.	No

Invest Securities's conflict of interest management policy is available on the Invest Securities website in the Complicance section. A list of all recommendations released over 12 months as well as the quarterly publication of "BUY, SELL, NEUTRAL, OTHERS" over 12 months, are available on the Invest Securities research platform.

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