BIOTECH

TME PHARMA

BUY

TARGET PRICE : 0,17€ +119%

FORUM BIOMED 2025 + READ ACROSS

AI & GBM: A WINNING DUO FOR SERVIER AND OWKIN

TME Pharma's recent collaboration with Aimed Analytics to integrate AI into the identification of new assets is timely, but that's not all. Servier has also partnered with Owkin to leverage AI in developing therapeutic solutions for glioblastoma. Not only does TME Pharma's project to use AI in GBM gain validation from the Owkin/Servier alliance, but it also reinforces our scenario of a potential partnership between TME Pharma and Servier. The synergies between the two groups are becoming increasingly evident, both in terms of positioning and complementarity: strengthening the oncology franchise through external growth versus the need for cash to achieve clinical proof of concept. Servier's official focus on glioblastoma further legitimizes a possible rapprochement between the two companies, as Servier also has the necessary investment capabilities to support or acquire TME Pharma, depending on the strategy it chooses to pursue. Buy, convertible bond at €0.17.

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AI to Boost GBM Research: A Validated Approach

On World Cancer Day on February 4, Owkin, the French AI specialist, and Servier joined forces to launch the first hackathon dedicated to research projects using AI to combat glioblastoma. Held on February 3-4, 2025, at the Palais Brongniart, the event saw over a hundred projects pitched. Three were selected to receive support, with funding from the French government under the France 2030 Plan, which has allocated €54 billion to invest in various initiatives, including AI in healthcare. The winning projects from the "Convergence AI" challenges will be presented at the AI Action Summit in Paris on February 10-11, 2025, attended by key figures such as Clara Chappaz (Secretary of State for AI and Digital Affairs), Anne Bouverot (Presidential Special Envoy for the AI Summit), and Bruno Bonnell (Secretary General for Investment).

For the first time, Owkin will provide access to a subset of data from the MOSAIC initiative, including multimodal data from over 75 glioblastoma patients. This dataset covers H&E staining, whole-exome sequencing, bulk and single-cell RNA sequencing, spatial transcriptomics, and clinical data The challenge is to leverage these multimodal datasets to advance research in areas such as GBM's underlying biology, patient survival prediction, batch effect challenges, and spatial/multi-omics data visualization.

In October 2023, Servier partnered with Owkin on this project to tackle two major challenges in translational medicine and digital pathology. Owkin will apply its cutting-edge machine learning solutions to Servier's extensive clinical data to uncover new insights into disease biology and identify patient populations most likely to benefit from specific therapies. The goal is to enhance patient outcomes and treatment benefits. A multidisciplinary team of scientists, digital medicine experts, and clinicians from both Servier and Owkin will work closely together to coordinate projects between Paris and Boston.

The first project aims to identify tumor types, tumor microenvironments (TMEs), and patient subgroups most likely to respond optimally to a Servier drug. The two companies

in € / share	2024e	2025e	2026e
Adjusted EPS	-0,07	-0,19	-0,26
chg.	*n.s.*	*n.s.*	*n.s.*
estimates chg.	*+0,0%*	*+0,0%*	*+0,0%*

au 31/12	2024e	2025e	2026e
PE	n.s.	n.s.	n.s.
EV/Sales	n.s.	n.s.	n.s.
EV/Adjusted EBITDA	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	06/02/2025	0,1
Number of Shares (m)		94,2
Market cap. (€m)		7
Free float (€m)		7
ISIN		NL0015000YE1
Ticker		ALTME-FR
DJ Sector		Health Technology

	1m	3m	Ytd
Absolute perf.	+6,9%	-24,9%	+3,7%
Relative perf.	-0,5%	-32,7%	-5,2%

Source : Factset, Invest Securities estimates

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will then analyze tumor progression to identify potential drug combinations that could act on additional immune checkpoints or on mechanisms intrinsic to tumor cells. The second project focuses on the implementation of digital pathology and its potential to enable faster patient selection and an expanded analysis of tissue biomarkers.

A research avenue that validates the optimization strategy adopted by TME

TME Pharma recently announced the signing of a collaboration with Aimed Analytics, a German company specializing in cutting-edge medical data analysis. This partnership aligns with its strategic plan to maximize the value of its assets in order to strengthen its position and capabilities in the eyes of potential strategic partners, in line with the plan announced at the end of 2024.

Specifically, Aimed Analytics' AI technology will enable the identification of new drug candidates or improved versions of existing products without the need for laboratory trials at the Discovery stage. The collaboration leverages recent cutting-edge advancements in AI, offering two major benefits for R&D developers:

- Accelerating the timeline from the *Discovery* phase to the IND (Investigational New Drug) application for clinical entry.
- Reducing the costs of exploration and candidate identification, as well as the costs associated with experimental teams and infrastructure.

This approach offers several advantages, as the company could identify a new drug candidate within a relatively short timeframe and at reduced costs, leveraging its technological platform. This would strengthen its product portfolio and intellectual property. With an enhanced asset group, the company could initiate discussions with Pharma partners seeking early-stage opportunities to strengthen their own portfolios through low-risk, cost-effective operations.

The primary goal of this collaboration is to use Aimed Analytics' technology to identify an optimized version of NOX-A12 potentially capable of binding more effectively to its receptor. In theory, this could enhance its mechanism of action and possibly improve the biological and clinical effects observed so far in clinical trials for glioblastoma. Aimed Analytics has developed an algorithm that will model in silico the conformation of NOX-A12 to offer the best ligand-receptor binding affinity. Once modeled, candidates will be designed and tested in vitro (on cells or at the molecular level) to evaluate and measure binding strength. After molecular validation, the biological effects will be assessed in vivo in cellular and/or animal models before considering clinical trials.

Aimed Analytics has already collaborated with other stakeholders for the modeling of health projects. This AI application to glioblastoma fits perfectly with the project led by Owkin in partnership with Servier. In addition to validating TME Pharma's approach, this strengthens our suggestion of a potential collaboration between Servier and TME Pharma. Indeed, in a note published on June 27, 2024, we outlined the profile of the best potential partner for TME Pharma. Among the four most likely options, Servier was included due to its focus on oncology and its emphasis on rare solid tumors, particularly brain cancers.

Servier, a Partner to Support TME Pharma: A Credible Scenario

A global leader in cardiology, Servier has, in recent years, aimed to become a focused and innovative player in oncology, targeting hard-to-treat cancers. That's why the company allocates over 70% of its R&D budget to oncology. In a note published in June 2027, we estimated that the best scenario for the continued activities of TME Pharma would be the signing of a worldwide exclusive licensing agreement for NOX-A12 in GBM with a BioPharma partner:

- present in the field of oncology and/or rare diseases,
- with a proven M&A track record,
- a growth-through-acquisition strategy,

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- end potentially the need to accelerate growth to address market challenges, such as the loss of market share for flagship products (e.g., expiration of patents on key products or the entry of generic/biosimilar competitors).

Taking these elements into account, we had identified four potential candidates most likely to meet TME Pharma's criteria for its program in GBM:

1. Roche, owner of Avastin, the original version of bevacizumab,
2. Bevacizumab generics manufacturers,
3. Ipsen,
4. Servier.

➢ **Strengthening the oncology franchise: 70% of R&D spending allocated**

Due to its significant investment in oncology over recent years, we had identified Servier as a plausible partner for TME Pharma. According to a 2024 report published by the European Patent Office (EPO), Servier ranks third among the most innovative players in France in terms of national contributions to cancer innovation between 2002 and 2021. This ranking considers patents filed during the reporting period and highlights Servier's commitment to oncology, along with an acceleration since 2018 with the acquisition of the oncology division of Irish lab Shire for $2.4 billion, which also enabled the group to enter the U.S. market. On April 1, 2021, Servier also completed the acquisition of the oncology division of Agios Pharmaceuticals for an amount potentially reaching $2 billion.

With nearly 70% of its R&D budget allocated to oncology, Servier currently has a portfolio of 8 drugs available to patients, targeting cancers with significant unmet medical needs. Furthermore, the group's major investments are now reflected in a promising oncology R&D pipeline of 30 projects (as of January 2025), with 11 having the potential to become first-in-class drugs (medications with a new and unique mechanism of action).

Oncology – solid tumors

Compound / MOA	Project	Therapeutic Area	Territory	Phase	Partner
Vorasidenib	S95032	Solid tumors	Worldwide	PCD 1 2 3	
Ivosidenib	S95031	Solid tumors (new indication)	Worldwide	PCD 1 2 3	
Vorasidenib + temozolomide	S95032	Solid tumors	Worldwide	PCD 1 2 3	
Vorasidenib + pembrolizumab	S95032	Solid tumors	Worldwide	PCD 1/2 3	
Ivosidenib combo	S95031	Solid tumors (new indication)	Worldwide	PCD 1/2 3	
Anti-TIM3 combo	S95018	Non-small Cell Lung Cancer	Worldwide	PCD 1/2 3	
Anti-CD73 combo	S95024	Non-small Cell Lung Cancer	Worldwide	PCD 1/2 3	
Anti-NKG2A combo	S95029	Non-small Cell Lung Cancer and Gastric cancer	Worldwide	PCD 1/2 3	
MAT2A inhibitor	S95035	Solid tumors	Worldwide	PCD 1 2 3	
ND	S95043	Solid tumors	Worldwide	PCD 1 2 3	

Source: Servier, January 2025

Servier's oncology strategy is centered around 3 key points:

1. Targeting hard-to-treat cancers, such as digestive cancers (gastric cancer, pancreatic cancer, cholangiocarcinoma, or rare and aggressive cancers of the bile ducts), gliomas or brain tumors, hematologic cancers (acute myeloid leukemia, acute lymphoblastic leukemia, lymphomas), and pediatric cancers..
2. Focusing on promising and complementary therapeutic approaches, particularly in immuno-oncology and targeted therapies.
3. Building expertise through collaborations in health ecosystems at the forefront of innovation.

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In the pipeline for solid tumors, brain tumors stand out in several programs, particularly in gliomas. While GBM is not yet officially listed as a priority for Servier, given the group's commitment to Owkin, it is conceivable that they might be interested in an asset in GBM to complement their portfolio of candidates. GBM perfectly aligns with the criteria for hard-to-treat cancers, and NOX-A12 fits within the targeted therapy approaches the group aims to develop.

Targeted and Effective Oncology Strategy: +33% revenue growth in 2024

The 2023/24 financial year was marked by the approval of several oncology market authorizations, confirming the group's commitment to developing new therapeutic solutions for rare cancer types where patient needs are high.

With €1.43 billion in oncology revenue, up +33% compared to the previous year, the oncology division now represents 24.2% of the total consolidated revenue in 2023/24, compared to 20.2% in 2022/23. The launch of Voranigo (the first targeted treatment for grade 2 glioma), along with other therapeutic advancements, are crucial milestones that allow the group to elevate its oncology ambitions for 2030.

Servier has received FDA approval for Voranigo, a treatment indicated for adult patients and children over 12 years old with brain tumors (gliomas) exhibiting an IDH 1 or 2 mutation (Isocitrate Dehydrogenase) following surgery. This is a significant breakthrough for patients, as no new treatments have been available in this area for nearly 25 years. Voranigo has also been approved in the countries under the Orbis procedure (the UK, Brazil, Israel, Australia, Canada, Singapore, and Switzerland), as well as the United Arab Emirates. Additionally, the European Commission has granted approval for Onivyde as a first-line treatment for patients with metastatic pancreatic adenocarcinoma.

In € millions	2023/2024	2022/2023	Evolution
Group revenue	5,902	5,327	+ 10.8%
Brand-name business revenue	4,494	4,041	+ 11.2%
Generics business revenue	1,408	1,286	+ 9.5%
EBITDA	1,312	1,022	+ 28.4%
EBITDA margin	*22.2%*	*19.2%*	+ 3.0 pts
Recurring operating income	965	529	+ 82.4%
Net income	404	– 623	N/A

Source: Servier, Annual Results Publication 2023/24, Press Release of January 28, 2025

What are Servier's investment capabilities?

The group's latest financial results and the sustained growth of the oncology division highlight Servier's ambition to become a leading player in the field of rare and/or hard-to-treat cancers.

Considering Servier's commitment to Owkin to identify therapeutic solutions in glioblastoma, its M&A activity, particularly in oncology, and its investment capabilities, a partnership with TME Pharma seems increasingly relevant.

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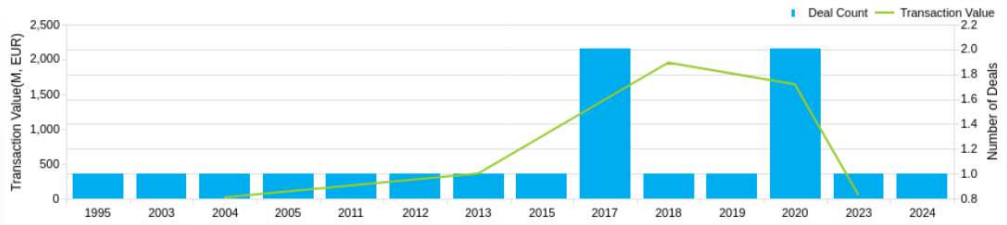
As Servier is a privately held company, it provides limited financial information. Therefore, we do not have access to group-wide availability (consolidated results) or Servier's FCF for 2024. Since the public accounts show no debt, it is also impossible to estimate the debt capacity. However, with a consolidated revenue of €5.9 billion and an EBITDA of €1.4 billion in 2024, we can estimate that the group to raise debt at 2x EBITDA. This gives an approximate indication of its financial capacity, which would be around €2.6 billion.

With these levels of capacity, an investment of €45 million to take an option on a license with TME Pharma to conduct a Phase II trial to demonstrate clinical proof of concept for NOX-A12 in GBM seems entirely feasible. This hypothesis is more plausible when we consider the levels of investment deployed by the group to develop its oncology franchise, as well as the early-stage projects in the field of glioblastoma.

To date, Servier has completed 16 transactions between 1995 and 2024, with half of them occurring between 2017 and the present. The most significant investments were in:

- Shire in 2018 for $2.4 billion (the largest transaction historically for Servier),
- Agios in 2021 for up to $2 billion.

Deal Activity



Includes cancelled transactions, Transaction value is not disclosed on all deals

M&A Summary

	Last 12 Months	All Transactions
Total Number of Transactions	1	16
Total Transaction Value	-	3,988.0
Average Transaction Value	-	797.6
Minimum Transaction Value	-	2.9
Maximum Transaction Value	-	1,946.9

Source: FactSet Mergers; EUR, millions
Includes cancelled transactions, Screening results may differ

Source: Factset

These transactions primarily involved strategic operations, including the acquisition of oncology asset portfolios, as well as gaining access to the U.S. market through Shire, a region where Servier had previously been absent. However, the group may also be interested in smaller-scale projects (see transaction list on page 8).

This is precisely the case with the latest operation. Servier acquired a drug from the Chinese company Cstone Pharmaceuticals for $50 million. The drug, Tibsovo, is indicated for the treatment of acute myeloid leukemia. The acquired license allows Servier to develop and market Tibsovo in Greater China and Singapore, with the group now holding the global rights to this treatment. The group's subsidiary in Japan also submitted a market authorization application for Tibsovo in acute myeloid leukemia in June 2024.

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This investment currently represents a revenue of $306 million, with peak sales expected to reach around $400 million by 2030. This operation offers three advantages for Servier:

- The medication is already approved in China, making the investment less risky from a clinical and regulatory standpoint,
- The investment is amortized in the first year of sales post-acquisition: $50 million invested in December 2023 versus $306 million in revenue in 2024, resulting in a multiple of 6 times the acquisition amount (excluding commercial launch expenses),
- Possible extensions to other countries and indications, which could theoretically multiply the potential of the asset and, therefore, the return on this investment.

Sales projections for Tibsovo

Source: Evaluate Pharma

➢ Servier: an increasingly credible partner for TME Pharma

The company has a few months to implement various actions to attract the interest of a pharmaceutical company and sign an agreement. In parallel with strict cost management to reduce expenses and preserve funds for business development activities, the company continues discussions with various potential partners. A licensing agreement option seems like the most relevant scenario at this stage. The possible synergies with Servier increasingly suggest that it is a credible partner for TME Pharma. With a market capitalization of €7.5 million to date, and a financing need of around €50 million, an acquisition of TME Pharma by a player like Servier appears strategically relevant:

- The licensing option has the advantage of a limited risk if the amount to be invested remains lower than the financing needs of the target to reach its clinical proof-of-concept (PoC) goal. An amount of €50 million for a licensing option seems likely to be too high, considering the other financial aspects.
- The acquisition offers Servier the advantage of acquiring a company that currently has a market capitalization of €7.5 million but whose valuation could significantly increase if the Phase II trial succeeds, and accelerated approval is obtained for GBM in Europe and the US. The target market represents an estimated peak sales potential of $2.5 billion.

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From Servier's perspective, if the investment amount under discussion is around $50 million, it would be more strategic for the group to make the investment through an acquisition rather than a licensing option. Although there remains a real clinical risk at this stage (with our current probability of success being 25%), the risk/reward still appears very attractive given the market potential offered by NOX-A12 in the target GBM market. When compared to the $50 million investment made for the acquisition of Tibsovo and the market outlook for NOX-A12 versus Tibsovo, our scenario of a potential negotiation for the acquisition of NOX-A12 and/or TME Pharma is reinforced. It is now up to TME Pharma to convince Servier of the potential of its asset in GBM and the value of investing:

- In an asset at the clinical stage, which is more mature and less risky than the ongoing projects with Owkin,
- in an area of interest for the group and in line with its oncology franchise,
- with a potential market estimated at $2.5 billion versus an investment ranging from $50 million to $100 million,
- a figure significantly lower than the average transaction value for the group in recent years, and aligned with its estimated investment capabilities.

Clinical risks vs Potential gains of Servier's investment in TME Pharma :

- In line with the strategy to target GBM,
- Support for very early-stage projects in the France 2030 plan with Owkin, with no guarantee of success,
- First clinical efficacy evidence obtained for NOX-A12 in the GLORIA trial,
- Integration of AI to identify an optimized NOX-A12 candidate,
- Investment of €50 million to obtain clinical proof of concept and decide on a GO/NO GO for a license acquisition or buyout,
- Possibility of new intellectual property protection through a patent filing for a unimolecule with a dual mechanism of action (NOX-A12/VEGF) = disruptive innovation, one of the avenues explored by TME Pharma with Aimed Analytics. With an incidence of 29k cases annually in key regions (US and EU), the resistant GBM market could reach up to $2.5 billion in first-line treatment for newly diagnosed GBM. This estimate is based on a pricing of $10k/month in the US and $5k in the EU, translating to $120k and $60k in annual costs, in line with prices for targeted anticancer therapies having a significant impact on overall survival (OS).

Recommendation to Buy reiterated, target price maintained at €0.17

We maintain our Buy rating with a target price of €0.17, offering an upside of 120% from the current price.

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Summary of Transactions Made by Servier Laboratories

All M&A Deals (16)

Announce Date	Close Date	Target	Acquirer	Deal Type	Transaction Value	EV/EBITDA	Role	Target Industry
15 Oct '24	15 Oct '24	Swiss Pharma Nigeria Ltd.	Micro Labs Ltd.	Acquisition / Merger	-	-	Seller	Medical Distributors
20 Dec '23	Pending	Cstone Pharmaceuticals Co. Ltd. /Cstone Ivosidenib Business/	Les Laboratoires Servier SAS	Acquisition / Merger	45.5	-	Buyer	Pharmaceuticals: Major
21 Dec '20	01 Apr '21	Agios Pharmaceuticals, Inc. /Oncology Business/	Servier Pharmaceuticals LLC	Acquisition / Merger	1,634.7	-	Buyer	Medical/Nursing Services
03 Apr '20	04 Jun '20	Symphogen A/S	Les Laboratoires Servier SAS	Acquisition / Merger	-	-	Buyer	Pharmaceuticals: Major
01 Oct '19	01 Oct '19	Cti Biopharma Corp. /Pixuvri/	Servier Laboratories Ltd.	Acquisition / Merger	-	-	Buyer	Financial Conglomerates
16 Apr '18	31 Aug '18	Shire Plc /Oncology Business/	Les Laboratoires Servier SAS	Acquisition / Merger	1,946.9	-	Buyer	Hospital/Nursing Management
21 Mar '17	21 Mar '17	Swiss Pharma Nigeria Ltd.	Biogaran SAS	Majority Stake	-	-	Buyer	Medical Distributors
06 Feb '17	06 Feb '17	Jadran-Galenski Laboratorij dd	Egis Gyógyszergyár Zrt.	Acquisition / Merger	-	-	Buyer	Pharmaceuticals: Major
18 Dec '15	18 Dec '15	GeNeuro SA (Switzerland)	Les Laboratoires Servier SAS	Minority Stake	-	-	Buyer	Biotechnology
24 Sep '13	31 Dec '13	Egis Gyógyszergyár Zrt.	Arts et Techniques du Progrès SAS	Acquisition / Merger	357.9	6.1	Buyer	Pharmaceuticals: Major
07 Jun '12	20 Jun '12	PHARLAB Indústria Farmacêutica SA	Biogaran SAS	Majority Stake	-	-	Buyer	Pharmaceuticals: Major
04 Jul '11	04 Jul '11	BioRéalités SAS	Les Laboratoires Servier SAS	Acquisition / Merger	-	-	Buyer	Pharmaceuticals: Major
31 Jan '05	31 Jan '05	EGIS Plc	FTIF Templeton Eastern Europe Fund	Minority Stake	-	-	Seller	Pharmaceuticals: Major
25 Aug '04	25 Aug '04	Serdix OAO	EGIS Plc	Majority Stake	2.9	-	Buyer	Pharmaceuticals: Major
06 May '03	06 May '03	Hungaropharma Zrt	Chemical Works of Gedeon Richter Plc	Minority Stake	-	-	Buyer	Medical Distributors
01 Dec '95	01 Dec '95	EGIS Plc	Les Laboratoires Servier SAS	Majority Stake	-	-	Buyer	Pharmaceuticals: Major

Source: FactSet Mergers; LTM, EUR, millions

Source: Factset

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FINANCIAL DATA

Share information	2019	2020	2021	2022	2023	2024e	2025e	2026e
Published EPS (€)	-0,08	-0,32	-0,21	-6,33	-0,46	-0,07	-0,19	-0,26
Adjusted EPS (€)	**-0,08**	**-0,32**	**-0,21**	**-6,33**	**-0,46**	**-0,07**	**-0,19**	**-0,26**
chg.	*n.s.*	*n.s.*	*n.s.*	*n.s.*	*n.s.*	*n.s.*	*n.s.*	*n.s.*
Consensus EPS)	-5,41	-21,63	-17,58	-8,69	-0,34	-0,27	-0,47	-0,57
Diff. I.S. vs Consensus	*-98,6%*	*-98,5%*	*-98,8%*	*-27,2%*	*+33,0%*	*-74,4%*	*-59,6%*	*-53,7%*
Dividend	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Pay-out ratio	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.
Operating FCF	-0,31	-0,19	-0,14	-4,28	-0,39	-0,05	-0,17	-0,25
Book Value	-0,17	0,24	-0,03	0,37	-0,17	-0,05	-0,24	-0,49

Valuation ratios	2019	2020	2021	2022	2023	2024e	2025e	2026e
P/E	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.
Price to Book Value	n.s.	2,2x	n.s.	4,1x	n.s.	n.s.	n.s.	n.s.
EV/Sales	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.
EV/Adjusted EBITDA	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.
Op. FCF bef. WCR yield	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.
Div. yield (%)	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)	2019	2020	2021	2022	2023	2024e	2025e	2026e
Average number of shares (m)	11	32	71	2	17	94	94	94
Share price in €	*0,6*	*0,5*	*0,4*	*1,5*	*1,1*	*0,0*	*0,0*	*0,0*
Market cap.	7	16,8	27,1	2,3	19,8	0,0	0,0	0,0
Net Debt	0	-10	-11	-14	-2	-2	2	26
Minorities	0	0	0	0	0	0	0	0
Provisions/ near-debt	0	0	0	0	0	0	0	0
Financial assets	0	0	0	0	0	0	0	0
+/- Adjustments	0	0	0	0	0	0	0	0
Entreprise Value (EV)	**7**	**7,1**	**16,6**	**-11,2**	**17,8**	**-2,0**	**1,8**	**26,3**

NB : valuation based on annual average price for past exercise

Financial ratios	2019	2020	2021	2022	2023	2024e	2025e	2026e
Adjusted EBITDA margin	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.
Adjusted EBITA margin	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.
Tax rate	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.
FCF/EBITDA adjusted	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.
Capex/Revenue	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.
WCR in % of sales	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.
DSO (days)	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.
ROCE exc. Intangible assets	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.
Gearing	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.
Net Debt/Adjusted EBITDA (in x)	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.
Interest cover ratio	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.

Source : company, Invest Securities Estimates

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FINANCIAL DATA

Income statement (€m)	2019	2020	2021	2022	2023	2024e	2025e	2026e
Revenue	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Organic growth.	*n.s.*	*n.s.*	*n.s.*	*n.s.*	*n.s.*	*n.s.*	*n.s.*	*n.s.*
chg.	*n.s.*	*n.s.*	*n.s.*	*n.s.*	*n.s.*	*n.s.*	*n.s.*	*n.s.*
Adjusted EBITDA	**-3,9**	**-5,7**	**-10,0**	**-6,4**	**-6,7**	**-4,8**	**-16,3**	**-23,1**
chg.	***n.s.***	***n.s.***	***n.s.***	***n.s.***	***n.s.***	***n.s.***	***n.s.***	***n.s.***
Adjusted depreciation	0,0	0,0	0,1	0,0	0,0	0,0	0,0	0,0
Adjusted EBITA	**-3,9**	**-5,8**	**-10,0**	**-6,4**	**-6,7**	**-4,8**	**-16,3**	**-23,1**
chg.	***n.s.***	***n.s.***	***n.s.***	***n.s.***	***n.s.***	***n.s.***	***n.s.***	***n.s.***
Exceptional items	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
EBIT	**-3,9**	**-5,8**	**-10,0**	**-6,4**	**-6,8**	**-4,9**	**-16,4**	**-23,1**
chg.	***n.s.***	***n.s.***	***n.s.***	***n.s.***	***n.s.***	***n.s.***	***n.s.***	***n.s.***
Financial result								
Profit before taxes	**-0,9**	**-10,4**	**-15,0**	**-9,5**	**-7,9**	**-6,4**	**-17,9**	**-24,6**
chg.	***n.s.***	***n.s.***	***n.s.***	***n.s.***	***n.s.***	***n.s.***	***n.s.***	***n.s.***
Corp. tax	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Minorities & affiliates	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Net attributable profit	**-3,9**	**-5,8**	**-10,0**	**-6,4**	**-6,8**	**-4,9**	**-16,4**	**-23,1**
chg.	***n.s.***	***n.s.***	***n.s.***	***n.s.***	***n.s.***	***n.s.***	***n.s.***	***n.s.***
Adjusted net profit	**-3,9**	**-5,8**	**-10,0**	**-6,4**	**-6,8**	**-4,9**	**-16,4**	**-23,1**
chg.	***n.s.***	***n.s.***	***n.s.***	***n.s.***	***n.s.***	***n.s.***	***n.s.***	***n.s.***

Cash flow statement (€m)	2019	2020	2021	2022	2023	2024e	2025e	2026e
Adjusted EBITDA	-3,9	-5,7	-10,0	-6,4	-6,7	-4,8	-16,3	-23,1
Theoretical Tax / Adjusted EBITA	0	0	0	0	0	0	0	0
Capex	0	0	0	0	0	0	0	0
Operating FCF bef. WCR	**-3,9**	**-5,7**	**-10,0**	**-6,4**	**-6,8**	**-4,9**	**-16,4**	**-23,1**
Change in WCR	0,5	-0,4	0,0	0,0	0,0	0,0	0,0	0,0
Operating FCF	**-3,4**	**-6,1**	**-10,0**	**-6,4**	**-6,8**	**-4,9**	**-16,4**	**-23,1**
Acquisitions/disposals	0,0	0,0	0,0	0,0	0,0	0,2	0,0	0,0
Capital increase/decrease	1,4	14,2	15,8	12,3	8,9	7,4	0,0	0,0
Dividends paid	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Other adjustments	3,1	-4,6	-5,1	-3,1	-1,1	-1,5	-1,5	-1,5
Published Cash-Flow	**1,1**	**3,4**	**0,7**	**2,8**	**1,0**	**1,2**	**-17,9**	**-24,6**

Balance Sheet (€m)	2019	2020	2021	2022	2023	2024e	2025e	2026e
Assets	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
- of which Intangible assets/GW	0	0	0	0	0	0	0	0
- of which tangible assets	0	0	0	0	0	0	0	0
WCR	-1,7	-2,1	-2,1	-2,1	-2,1	-2,1	-2,1	-2,1
- of which trade receivables	0	0	0	0	0	0	0	0
- of which inventories	0	0	0	0	0	0	0	0
Group equity capital	-1,9	7,7	-2,4	0,6	-3,0	-4,4	-22,1	-46,6
Minority shareholders	0	0	0	0	0	0	0	0
Provisions	0	0	0	0	0	0	0	0
Net financial debt	**0,2**	**-9,7**	**-10,6**	**-13,5**	**-1,9**	**-2,0**	**1,8**	**26,3**
- of which gross financial debt	1,6	0,6	0,6	0,6	0,6	0,6	0,6	0,6
- of which gross cash	1,4	10,3	11,2	14,1	2,6	2,6	-1,2	-25,7

Source : company, Invest Securities Estimates

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INVESTMENT CASE

TME PHARMA (formerly NOXXON) is a biotechnology company that has developed a portfolio of products dedicated to the fight against cancer. To date, TME PHARMA has developed 2 products, NOX-A12 (glioblastoma, and metastatic colorectal and pancreatic cancer) and NOX-E36 (solid cancers), whose objective is to degrade tumor protection and inhibit their repair by neutralizing tumor microenvironment chemokines (MET). TME PHARMA is developing a unique approach that can be used in combination with other therapeutic approaches, including radiotherapy and immunotherapies, to weaken the tumor's defenses against the immune system and enhance the treatment effect.

SWOT ANALYSIS

FORCES

- An innovative approach within the IO space
- Promising Ph I/II results in GBM
- Drugs that target indications with little competition

WEAKNESSES

- Early-stage pipeline and preliminary clinical results
- Need for additional financing
- Small capitalization

OPPORTUNITES

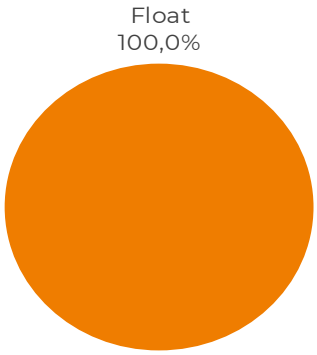
- Combination drug trials with SoC non protected (IP)
- Possibility of new partnerships
- Significant M&A activity in the field

THREATS

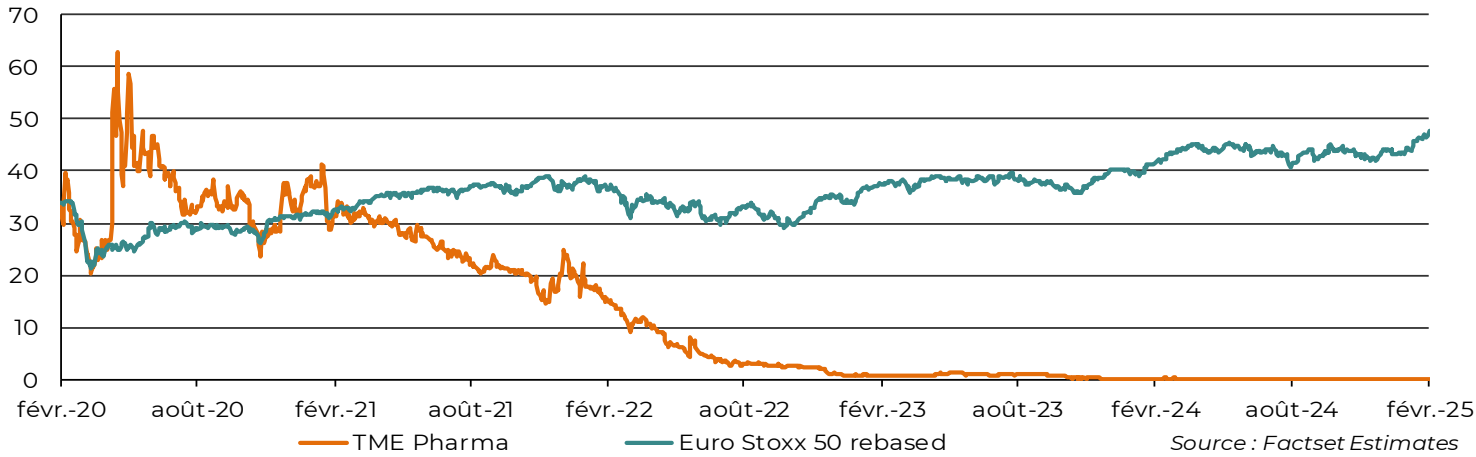
- Regulatory and clinical risks
- Legal risks
- Commercial risks

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.

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- 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	Current Share price	Potential
TME Pharma	Jamila El Bougrini	07-janv.-25	ACHAT	0,2	0,1	+134%
TME Pharma	Jamila El Bougrini	06-déc.-24	SOUSCRIRE	0,2	0,1	+109%
TME Pharma	Jamila El Bougrini	26-juin.-24	ACHAT	0,5	0,2	+211%
TME Pharma	Jamila El Bougrini	02-avr.-24	ACHAT	0,6	0,3	+94%
TME Pharma	Jamila El Bougrini	26-févr.-24	ACHAT	0,6	0,3	+130%
TME Pharma	Jamila El Bougrini	13-févr.-24	ACHAT	0,7	0,3	+101%

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
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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
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