

Source: Eikon Thomson Reuters

Market data

EPIC/TKR	AGY
Price (p)	13.8
12m High (p)	32.0
12m Low (p)	13.5
Shares (m)	636.2
Mkt Cap (£m)	87.8
EV (£m)	58.9
Free Float*	39%
Market	AIM

*As defined by AIM Rule 26

Description

Allergy Therapeutics (AGY) provides information to professionals related to prevention, diagnosis and treatment of allergic conditions, with a special focus on allergy vaccination. The emphasis is on treating the underlying cause and not just the symptoms.

Company information

CEO	Manuel Llobet
CFO	Nick Wykeman
Chairman	Peter Jensen
	+44 1903 845 820
	www.allergytherapeutics.com

Key shareholders

Directors	0.7%
Abbott Labs	37.8%
Southern Fox	22.7%
Odey	6.9%
Blackrock	5.3%
Invesco	4.5%

Diary

1Q'19	Ph.III PQ Birch trial
1H'19	Ph.I Acarovac trial

Analysts

Martin Hall	020 7194 7632	mh@hardmanandco.com
Dorothea Hill	020 7194 7626	dmh@hardmanandco.com
Grégoire Pavé	020 7194 7628	gp@hardmanandco.com

ALLERGY THERAPEUTICS

Strong operating performance driving market share

AGY is a long-established specialist in the prevention, diagnosis and treatment of allergies. The Pollinex Quattro (PQ) platform, the ultra-short course subcutaneous allergy immunotherapy (AIT), continues to gain market share, despite its availability in the EU only on a 'named-patient' basis. 2019 is expected to deliver progress in several areas, notably PQ Birch, for which top-line Phase III data are due in 1Q'19. Later this year, AGY will commence the pivotal Phase III trial for PQ Grass which will support both an EU and US registration package. Meanwhile, the 'in-market' performance of AGY's products is exceptional, with further market share gains.

- **Strategy:** AGY is a fully-integrated pharmaceutical company focused on the treatment of allergies. There are three parts to its strategy: continued development of its European business via investment or opportunistic acquisitions; the US PQ opportunity; and further development of its pipeline.
- **Interim results:** Operating performance in 1H'19 was particularly strong with underlying sales rising 10.6% and underlying EBIT up 70.8%, benefiting from the second-half weighting of certain marketing and R&D investment. From a competitive standpoint, AGY saw further market share gains in Europe.
- **Trial updates:** Calendar 2019 will be characterised by a strong clinical trial programme. Pivotal will be results from the Phase III PQ Birch trial due by the end of March. Later in the year, AGY expects to commence the important EU and US registration trials for PQ Grass.
- **Risks:** AGY's primary risk lies in the timings of the regulatory approval process, mostly outside of its control, related to the PQ Birch immunotherapy and the European TAV process for full approval. Ongoing trials do represent a risk, but this is limited by the products' use on a named-patient basis.
- **Investment summary:** AGY is approaching an exciting period. It has a clear vision, is gaining market share from competitors, and is leading the race to have its subcutaneous-administered products fully approved and regulated as biologicals – first in Europe and then in the US, where the regulators are demanding change. Read-out from the EU Phase III PQ Birch trial is imminent and will provide the next major value inflection point.

Financial summary and valuation

Year-end Jun (£m)	2016	2017	2018	2019E	2020E	2021E
Sales	48.5	64.1	68.3	74.0	80.0	88.0
R&D investment	-16.2	-9.3	-16.0	-16.0	-20.0	-15.0
Underlying EBIT	-12.3	-2.9	-6.4	-7.2	-9.0	-1.9
Reported EBIT	-12.5	-2.6	-7.4	-8.2	-10.0	-2.9
Underlying PBT	-12.5	-3.0	-6.5	-7.4	-9.3	-2.3
Statutory PBT	-12.2	-2.7	-7.5	-8.4	-10.3	-3.3
Underlying EPS (p)	-2.4	-0.5	-1.1	-1.1	-1.6	-0.5
Statutory EPS (p)	-2.3	-0.4	-1.3	-1.3	-1.6	-0.5
Net (debt)/cash	20.0	18.8	12.5	12.8	0.4	-30.5
Capital increase	11.0	0.0	0.0	10.4	0.3	0.3
P/E (x)	-5.8	-29.4	-12.5	-12.2	-8.8	-28.0
EV/sales (x)	1.2	0.9	0.9	0.8	0.7	0.7

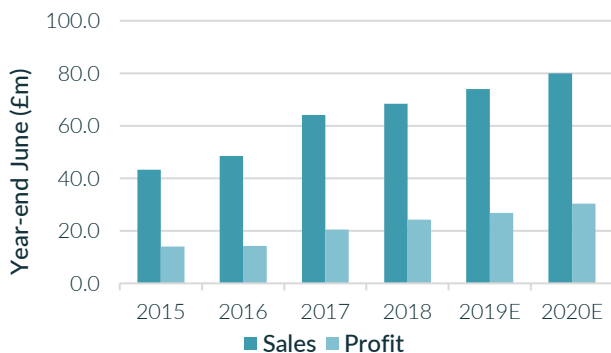
Source: Hardman & Co Life Sciences Research

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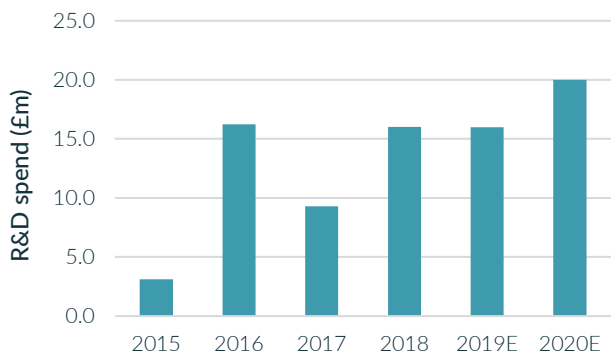
Allergy Therapeutics

Product sales and profit



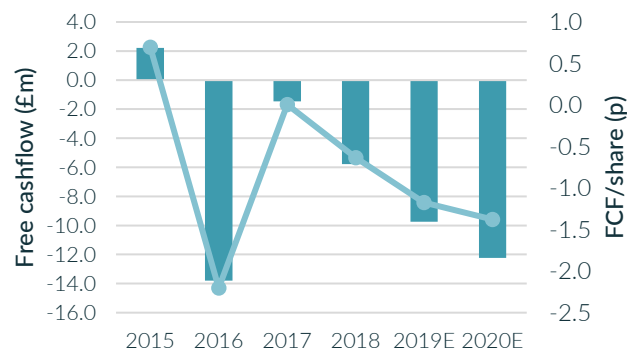
- ▶ AGY has a solid existing portfolio of products for AIT
- ▶ Products have shown consistent growth over the last five years, even though their availability is limited
- ▶ After taking account of manufacturing, distribution and marketing costs, in-market products are profitable
- ▶ Product margins have risen consistently over the last five years, reaching 35.4% in fiscal 2018

R&D investment



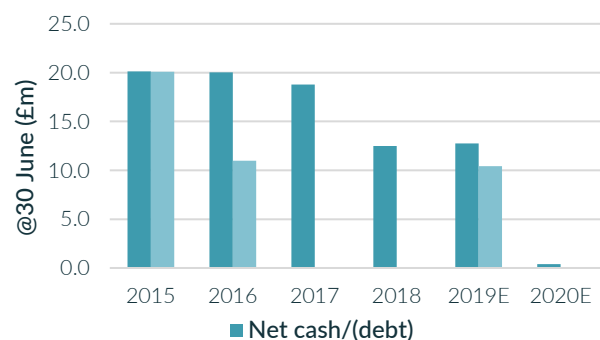
- ▶ Cumulative investment in R&D since 2000 has been >£110m
- ▶ R&D investment is forecast to rise substantially to get Pollinex Quattro products onto the market in the US and formally approved in Europe
- ▶ Two key trials for the US and Europe will cost ca.£40m over the next two years, but will pave the way to regulatory approvals in a changing marketplace

Free cashflow and FCF/share



- ▶ In each of the last five years, AGY has generated free cashflow from its operating activities (before R&D)
- ▶ Considerable investment in R&D and marketing will result in two years of cash burn
- ▶ Cash requirement towards the end of this decade will be dependent on the commercialisation strategy in the US
- ▶ In following the inorganic growth strategy, although acquisitions tend to be small, more cash could be required

Balance sheet



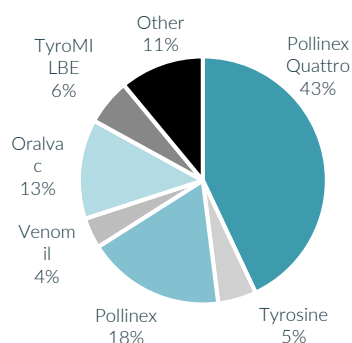
- ▶ £10m was raised in July 2018, largely to fund the key EU and US trials
- ▶ Based on current forecasts, the net cash position will near a neutral position at the end of fiscal 2020
- ▶ Should management decide to commercialise Pollinex Quattro in the US by itself, AGY will require working capital for investment in sales infrastructure

Source: Company data; Hardman & Co Life Sciences Research

Interim results

Key features

Sales by product – 2018



Source: Allergy Therapeutics

- ▶ **Sales:** Sales were reported to the market in the January trading update, with strong (10.6%) underlying growth of products in 1H'19 to £46.7m (£42.2m), which was well above our forecast of 7.0% growth to £45.5m.
- ▶ **COGS:** Although manufacturing costs were slightly higher than forecast, this was the direct consequence of the higher level of sales. The gross margin, at 79.9%, was exactly in line with expectations, rising 0.5 percentage points (ppts) from 79.4% in 1H'18.
- ▶ **Marketing:** Underlying marketing spend, undertaken mostly in Europe, was lower than forecast, falling 4.5% to -£13.6m (-£14.3m), reflecting lower investment in major marketing campaigns. This will reverse out in 2H'19. This spend provides a natural hedge against forex movements.
- ▶ **Product profitability:** One of our key measures of group performance – product profit – increased substantially in the traditionally strong first half. The lower costs led to a 23.2% increase in product profitability to £23.7m (£19.3m), at a margin of 50.8% (45.6%), a gain of 5.2ppts.
- ▶ **R&D:** The timing of, and payment for, clinical trials is difficult to predict. In 1H'19, R&D spend reduced 16% to -£5.0m (-£5.9m) reflecting lower activity levels. This will reverse in 2H'19 with a planned substantial R&D programme.
- ▶ **G&A:** Tight control of administration costs limited the rise 10% to -£7.4m (-£6.7m) on an underlying basis, which excludes non-cash items such as share-based costs (-£0.7m vs. -£0.3m) and retranslation of overseas assets at period-end rates (negligible in 1H'19).
- ▶ **Underlying EBIT:** The strong sales, coupled with the lower costs, notably marketing spend and R&D investment, led to a substantial (71%) improvement in operating profit in 1H'19 to £11.4m (£6.7m).
- ▶ **Net cash/(debt):** The net cash position at 31 December 2018 was £28.9m, comprised of £31.6m cash, offset by debt of -£2.7m which is mostly long-term loans within AGY's Spanish subsidiary.

Allergy Therapeutics – interim analysis

Half-year analysis (£m)	1H'18 actual	1H'19 actual	*1H'18 forecast	Delta Δ
Sales	42.2	46.7	45.5	+1.2
COGS	-8.7	-9.4	-9.2	-0.2
Gross profit	33.5	37.3	36.3	+1.0
Gross margin	79.4%	79.9%	79.9%	-
Marketing	-14.3	-13.6	-14.6	+1.0
Product profit	19.3	23.7	21.7	+2.0
Product margin	45.6%	50.8%	47.8%	+300bp
G&A	-6.7	-7.4	-7.0	-0.4
R&D	-5.9	-5.0	-7.5	+2.5
EBITDA	7.8	12.6	8.4	+4.2
Depreciation	-1.1	-1.2	-1.2	-
Other income	0.0	0.0	0.0	-
Underlying EBIT	6.7	11.4	7.3	+4.1
EBIT margin	15.7%	24.3%	16.0%	+830bp
Underlying PBT	6.6	11.4	7.2	+4.1
Net cash/(debt)	22.6	28.9	29.2	-0.3

*Prior to January trading statement

Source: Hardman & Co Life Sciences Research

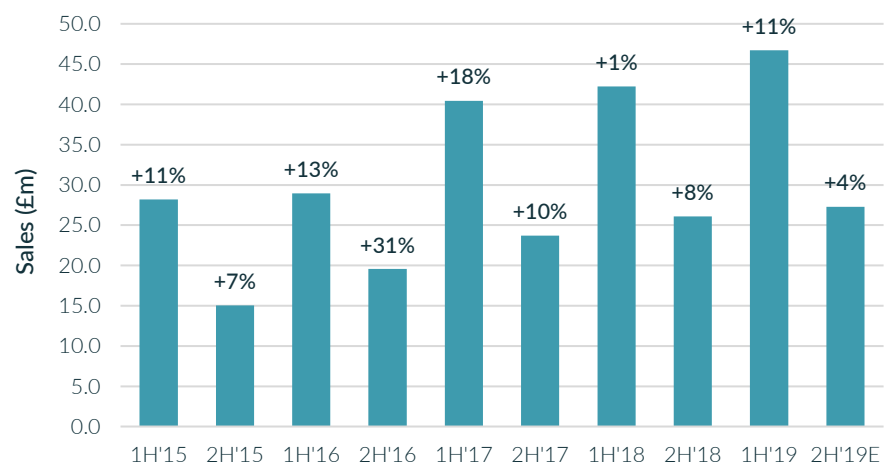
Sales performance

Outperforming the market

Double-digit sales growth led to further market share gains

Sales are seasonal, with a heavy bias to the first half of the financial year, reflecting the allergy season, and 1H'19 was no exception. The rate of growth returned to double-digit levels as the European allergy market recovered from a difficult season in 2018. Our sales forecast for fiscal 2019 has been modestly upgraded (CER basis) to reflect these better results, and may still be too conservative

Allergy Therapeutics – first-half sales trends and CER growth rates



Source: Hardman & Co Life Sciences Research

The majority of AGY's activities are in Europe, with Germany being the biggest single market. However, AGY reported that growth was across the board, with strong sales also in Austria, Switzerland and the Netherlands. During 1H'19, sales grew 10.6% to £46.7m. This suggests that in 2018 AGY, once again, saw an increase in market share from 8.1% to 8.5% (see below), but this hides the fact that its share of the SCIT market is substantial and where it is ranked world #1.

Competitor performance

ALK's sales rose 1% in local currencies in 2018, but only 0.3% in Europe...

...and it is anticipating a further increase in 2019 of 6%-13%

Recent results from ALK-Abello (ALK), the market leader in AIT both globally and in Europe, reported that it had seen a 1.0% increase in sales (CER) during 2018. In Europe, sales grew just 0.3%, with a strong performance in SLIT-tablets (+30%) offsetting weakness in SCIT and SLIT-drops (-10%), the latter being caused by product rationalisation and a slow recovery from the supply constraints encountered in 2017. ALK did see an improvement in quarterly sales as the year progressed, with 4% growth in Europe in 4Q'18. ALK expects that its sales will rise further in 2019, as it continues to recover from the capacity constraints, and greater use of its SLIT-tablets, guiding to sales growth of 6%-13%.

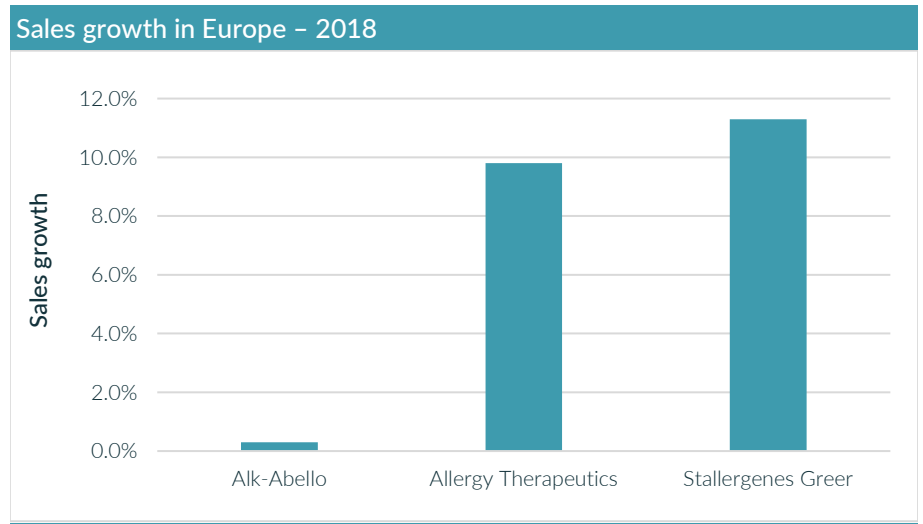
Stallergenes reported sales growth of 8% in 2018...

...driven by a strong performance in France and of its sub-lingual products...

...both areas where AGY does not compete

Recent sales data from Stallergenes Greer (STAGR) indicated that it had seen underlying growth of 8% in 2018. The main drivers of this performance were Southern Europe and the US. In Europe overall, STAGR reported sales growth of 11%. However, this strong performance was largely generated in France from sales of sub-lingual products – both areas that do not compete with AGY. In the SCIT category, STAGR reported that sales in 2018 were flat on 2017, at ca.€70m. This reflected the impact of a temporary shortage of injectable products, and the company having to embark upon major renovations and upgrades at its Antony facility following receipt of an injunction from the French National Agency for Medicines and Health Products Safety after an inspection of its SCIT manufacturing facility. At this stage, STAGR did not provide any guidance for 2019.

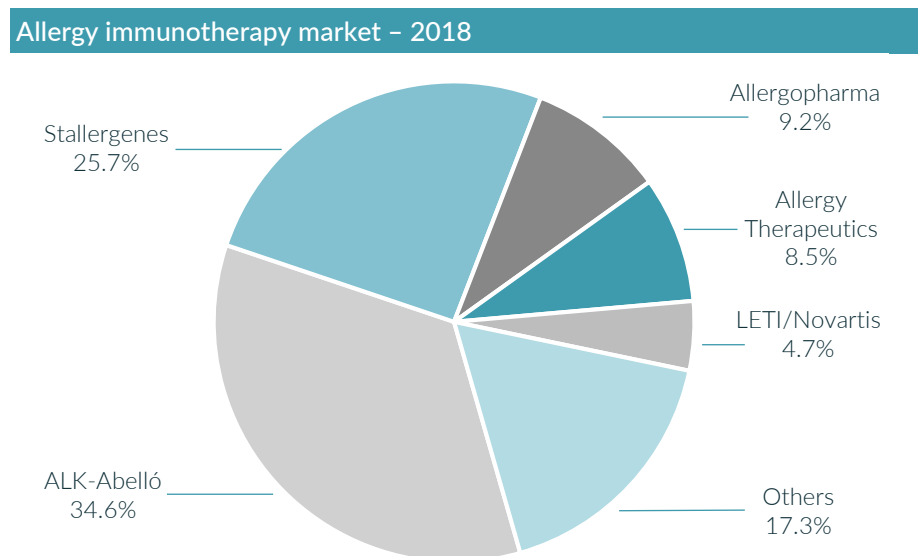
A summary of the performance of the three main players in Europe is provided in the following chart.



Source: Hardman & Co Life Sciences Research

Overall AIT market

Most of the major players in the AIT market have now reported sales data for 2018. Based on the available information, Hardman & Co estimates that the overall AIT market grew 6% in 2018 to \$1,115m (\$1,050m).

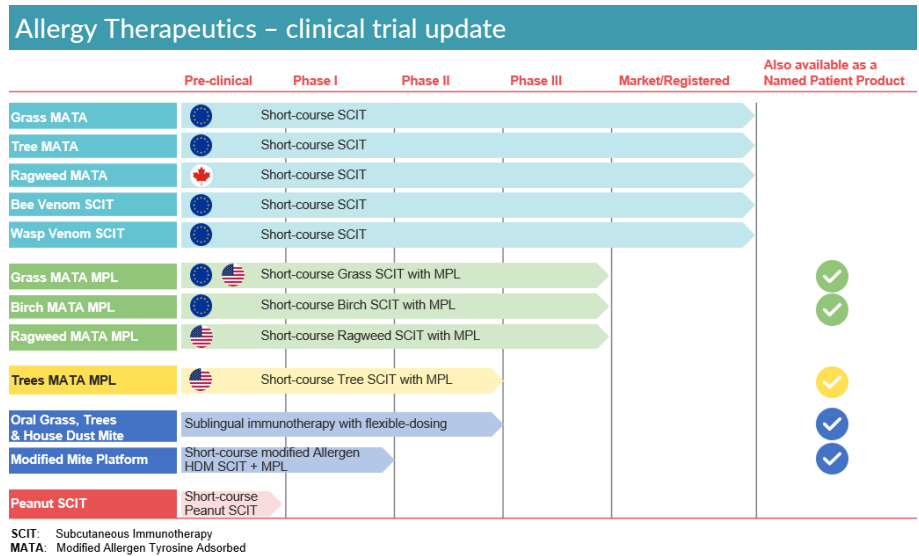


Source: Hardman & Co Life Sciences Research

Clinical trial update

Good progress over past six months in clinical programmes

Although PQ has been available in the EU for several years as the only short-course subcutaneous immunotherapy (SCIT), this has been only on a 'named patient' basis, which limits the claims that can be made and the marketing of the product. Over the last six months, good progress has been made in the two clinical programmes for PQ pollen allergy vaccines as part of the process of achieving full regulatory approval as a biological in both Europe and the US, in order to expand their market potential. The updated pipeline chart is shown in the following graphic.



Source: Allergy Therapeutics

Driven by the Paul Ehrlich Institute (PEI) based on European legislation, the Therapieallergene-Verordnung (TAV, Therapy Allergy Ordinance) process commenced in 2008, with the goal of having a number of fully regulated allergy vaccines. At the beginning of the process, documentation for 123 vaccines was submitted to the TAV for consideration, which included 10 from AGY. At the PEI seminar in September 2018, a number of competitor products (estimated at ca.47%) have had applications withdrawn or turned down, although none of these were related to AGY's products - improving the company's position in the wider competitive landscape.

PQ Birch

Top-line Phase III data for PQ Birch due in 1Q'19

The pivotal PQB301 Phase III study, designed to evaluate the safety and efficacy of PQ Birch, recruited 560 patients from 59 centres in four European countries. Following immunisation, patients were assessed during the 2018 birch pollen season (May through July) to measure any allergy rhinoconjunctivitis symptoms. AGY has reiterated that the results are expected to be announced before the end of this month. This is a little later than original projections because the contracted CRO has taken longer to audit, review and consolidate all the data from the field trial. Following this, the next step will be to submit its application to the PEI for market authorisation in Europe.

PQ Grass

Results from the Phase II PQ Grass trial were very positive: a strong dose-response relationship, extremely well tolerated, and an excellent adherence rate (>95%), allowing the company to identify the optimal dose for Phase III trials.

Allergy Therapeutics

Later this year, AGY will commence Phase III trial for PQ Grass

Discussions continue with both the PEI and the FDA regarding the upcoming Phase III field trial which is expected to start in the autumn of 2019. Although the overall protocol for the Phase III trials in the EU and the US might be slightly different, they are likely to use the same dose. This trial will open the door for PQ Grass to become the first ultra-short-course allergy immunotherapy product to be registered in both Europe and the US.

Human trial with peanut product due to start before end of the year...

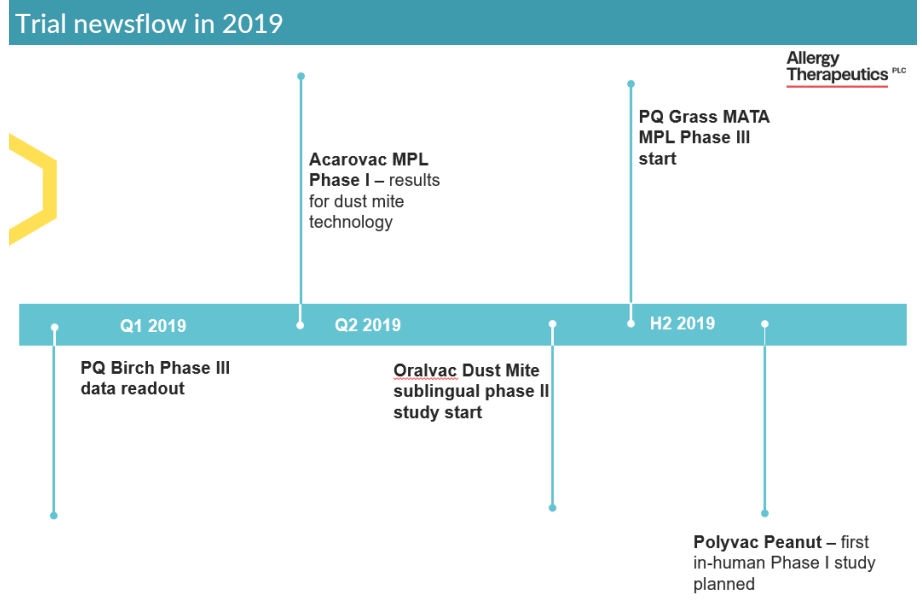
Polyvac Peanut

AGY has reported good progress in the scale-up of the manufacturing of its peanut product, Polyvac Peanut. This process is critical to ensure that the product can be manufactured commercially under GMP conditions and in a consistent manner for clinical trials. Management expects to start the first clinical trial before the end of calendar year 2019.

...and a Phase I house dust mite trial due to report in 1H'19

House dust mite

The company reported that the modified allergen plus aluminium-free adjuvant, monophosphoryl lipid A (MPL), house dust mite Phase I trial remains on track and is due to report in 1H'19.



Source: Allergy Therapeutics

Legal dispute could lead to additional expense for AGY

Disputed clinical trial costs

AGY indicated in its statement that it is in a legal dispute with one of its suppliers over potential cost overruns on one of its clinical trials, which could lead to additional expense for the company. Litigation proceedings have been commenced with a third party, whereby AGY is claiming \$22m in damages, and additionally, interest and legal fees. The third-party contractor is counterclaiming \$4.3m in what it claims are unpaid invoices, plus interest and legal fees. Management is of the opinion that it has a strong claim against the contractor and a full defence to the counterclaim. No liabilities or assets have been recognised in these interim financial statements in relation to these claims.

Financial forecasts

Profit & Loss

- ▶ **Sales:** Following the strong performance in 1H'19, our sales forecast for the full year has been increased modestly, from £73.0m to £74.0m. This would equate to underlying growth of 4% in 2H'19, which may prove conservative.
- ▶ **Costs:** Marketing expenditure was lower than anticipated in 1H'19. However, phasing of investment in marketing campaigns looks set to be second-half-biased. Therefore, this is likely to impact 2H'19.
- ▶ **R&D:** The split for 2019 was always expected to be weighted heavily towards the second-half. A lower-than-expected 1H'19 spend has exacerbated this differential. It should be noted that timing of clinical trials is difficult to predict.
- ▶ **Underlying EBIT:** Despite the weighting of certain marketing expenditure and R&D investment towards 2H'19, we believe that the overall outcome for the underlying EBIT loss will only be about -£1m higher than that for fiscal 2018. Increased R&D spend is like to push this ca.-£2m higher in fiscal 2020.

Profit & Loss account						
Year-end Jun (£m)	2016	2017	2018	2019E	2020E	2021E
GBP:EUR	1.338	1.171	1.130	1.130	1.130	1.130
GBP:USD	1.484	1.281	1.341	1.341	1.341	1.341
Sales	48.51	64.14	68.35	74.00	80.00	88.00
COGS	-14.07	-16.77	-17.01	-18.00	-18.66	-20.17
Gross profit	34.44	47.37	51.33	56.00	61.34	67.83
Marketing	-20.22	-26.89	-27.13	-29.21	-31.03	-33.67
Product profit	14.22	20.48	24.20	26.79	30.31	34.15
Product margin	29.3%	31.9%	35.4%	36.2%	37.9%	38.8%
G&A	-10.33	-14.08	-14.56	-18.00	-19.30	-21.06
R&D investment	-16.22	-9.30	-16.02	-16.00	-20.00	-15.00
EBITDA	-10.68	-0.96	-4.36	-4.73	-6.53	0.57
Depreciation	-1.43	-1.51	-1.57	-2.02	-2.02	-2.02
Other income	0.00	0.00	0.00	0.00	0.00	0.00
Underlying EBIT	-12.34	-2.89	-6.38	-7.20	-9.00	-1.90
Share-based costs	-0.33	-0.70	-0.99	-1.00	-1.00	-1.00
Exceptional items	0.14	1.00	0.00	0.00	0.00	0.00
Statutory EBIT	-12.53	-2.60	-7.36	-8.20	-9.99	-2.90
Net financials	-0.11	-0.07	-0.17	-0.16	-0.27	-0.38
Underlying pre-tax profit	-12.45	-2.97	-6.54	-7.37	-9.27	-2.28
Extraordinary items	0.43	0.00	0.00	0.00	0.00	0.00
Statutory pre-tax profit	-12.21	-2.67	-7.53	-8.36	-10.26	-3.28
Tax payable/credit	-0.86	0.19	-0.01	0.22	0.14	-0.18
Minorities	0.00	0.00	0.00	0.00	0.00	0.00
Underlying net income	-13.46	-2.78	-6.55	-7.15	-10.03	-3.14
Statutory net income	-13.07	-2.48	-7.53	-8.15	-10.12	-3.46
Ordinary 0.1p shares:						
Period-end (m)	589.2	594.1	596.2	636.2	636.2	636.2
Weighted average (m)	570.3	592.2	595.1	633.4	636.2	636.2
Fully-diluted (m)	589.2	615.1	625.2	668.5	679.2	691.2
Underlying basic EPS (p)	-2.36	-0.47	-1.10	-1.13	-1.58	-0.49
Statutory basic EPS (p)	-2.29	-0.42	-1.27	-1.29	-1.59	-0.54
Underlying fully-dil. EPS (p)	-2.28	-0.45	-1.05	-1.07	-1.48	-0.45
Statutory fully-diluted EPS (p)	-2.22	-0.40	-1.20	-1.22	-1.49	-0.50
DPS (p)	0.00	0.00	0.00	0.00	0.00	1.00

Source: Hardman & Co Life Sciences Research

Balance sheet

- ▶ **Net cash/(debt):** At 31 December 2018, AGY had net cash of £28.9m, comprised of a cash balance of £31.6m less debt, mostly long-term, of -£2.7m. The debt is largely within AGY's Alerpharma subsidiary in Spain, providing a natural currency hedge.
- ▶ **Seasonality:** There is a natural first-half bias to performance due to the seasonality of allergy treatment, with more cash being generated in the first half of the year from operations (ex-R&D).
- ▶ **R&D:** AGY's accounting policy is to write off R&D investment in the year in which the expense is incurred. Solely for the calculation of invested capital and NOPLAT, we add back R&D and amortise it over eight years to enable a direct comparison of ROIC between all the companies under coverage.

Balance sheet						
@30 Jun (£m)	2016	2017	2018	2019E	2020E	2021E
Shareholders' funds	30.32	29.97	23.03	14.89	4.77	1.31
Cumulated goodwill	0.00	0.00	0.00	0.00	0.00	0.00
Total equity	30.32	29.97	23.03	14.89	4.77	1.31
Share capital	0.60	0.60	0.61	0.64	0.64	0.64
Reserves	29.73	29.36	22.43	14.25	4.13	0.67
Capitalised R&D	21.13	25.42	34.69	42.16	51.39	54.07
Minorities	0.00	0.00	0.00	0.00	0.00	0.00
Provisions/liabilities	1.44	0.70	0.38	0.38	0.38	0.38
Deferred tax	0.33	0.35	0.31	0.31	0.31	0.31
Long-term loans	3.07	2.94	2.41	2.41	2.41	2.41
Short-term debt	0.30	0.39	0.64	0.64	0.64	0.64
less: Cash	23.41	22.12	15.53	15.82	3.45	-27.48
less: Deposits	0.00	0.00	0.00	0.00	0.00	0.00
less: Non-core investments	4.05	4.59	5.04	5.04	5.04	5.04
Invested capital	39.32	42.66	51.24	50.28	61.76	91.91
Fixed assets	9.67	9.67	10.10	10.83	12.72	19.80
Intangible assets	2.08	2.07	1.54	1.09	0.64	0.19
Capitalised R&D	21.13	25.42	34.69	42.16	51.39	54.07
Goodwill	3.27	3.39	3.41	3.41	3.41	3.41
Inventories	7.69	7.48	8.81	9.54	10.31	11.34
Trade debtors	4.68	4.34	3.78	4.10	4.43	4.87
Other debtors	1.84	3.52	2.80	3.80	4.80	5.80
Tax liability/credit	-1.43	-1.54	-2.22	-2.22	-2.22	-2.22
Trade creditors	-3.11	-2.88	-3.19	-3.38	-3.50	-3.79
Other creditors	-6.51	-8.81	-8.48	-19.06	-20.23	-1.57
Debtors less creditors	-4.53	-5.37	-7.30	-16.75	-16.71	3.11
Invested capital	39.32	42.66	51.24	50.28	61.76	91.91
Net cash/(debt)	20.04	18.80	12.48	12.76	0.39	-30.54
Net debt/equity	66%	63%	54%	86%	8%	-2331%
After-tax ROIC	-33%	-8%	-13%	-15%	-16%	-3%
NAV/share (p)	5.32	5.06	3.87	2.35	0.75	0.21
Stock days	182	165	167	175	174	182
Debtor days	28	26	22	19	19	18
Creditor days	80	65	65	67	67	66

Source: Hardman & Co Life Sciences Research

Cashflow

- ▶ **Cash outflow:** Increased R&D expenditure in the next three years offsets cash generated from product sales, resulting in negative cashflow over the forecast period.
- ▶ **R&D investment:** Important Phase III trials are ongoing or soon to begin, for which stage payments will be made in fiscal 2019 and 2020. Forecasts are based solely on the planned clinical trial programmes; however, in all likelihood, further clinical trials for the pipeline (including for house dust mites) will be performed in fiscal 2020, which may require further capital.
- ▶ **Capital increase:** The capital increase in July 2018 has provided sufficient funds to undertake the Phase III PQ Grass trials in the US and Europe. However, given an expansion in the number of clinical trials being scheduled, it is inevitable that AGY will require more funds in the future. This could come from one of, or a combination of, equity, debt and licensing/distribution deals.

Cashflow						
Year-end Jun (£m)	2016	2017	2018	2019E	2020E	2021E
Underlying EBIT	-12.34	-2.89	-6.38	-7.20	-9.00	-1.90
Depreciation	1.43	1.51	1.57	1.57	1.57	1.57
Amortisation	0.24	0.43	0.45	0.45	0.45	0.45
<i>Inventories</i>	-0.59	0.33	-1.33	-0.73	-0.77	-1.03
<i>Receivables</i>	-0.37	1.00	3.30	-4.10	-0.33	0.00
<i>Payables</i>	-0.50	0.82	-1.76	3.38	0.12	0.00
Change in working capital	-1.45	2.16	0.21	-1.45	-0.98	-20.98
Exceptionals/provisions	0.00	0.00	0.00	0.00	0.00	0.00
Disposals	0.00	0.00	0.01	0.00	0.00	0.00
Other	-0.15	0.11	0.26	0.00	0.00	0.00
Company operating cashflow	-12.28	1.32	-3.88	-6.63	-7.96	-21.90
Net interest	-0.39	-0.18	-0.27	-0.16	-0.27	-0.38
Tax paid/received	0.09	-1.10	0.37	-0.64	-0.54	0.14
Operational cashflow	-12.57	0.03	-3.78	-7.43	-8.77	-22.13
Capital expenditure	-1.23	-1.50	-2.01	-2.31	-3.46	-8.65
Capitalised R&D	0.00	0.00	0.00	0.00	0.00	0.00
Sale of fixed assets	0.00	0.00	0.00	0.00	0.00	0.00
Free cashflow	-13.80	-1.47	-5.79	-9.74	-12.22	-30.78
Dividends	0.00	0.00	0.00	0.00	0.00	0.00
Acquisitions	0.00	-0.23	-0.18	-0.10	-0.10	-0.10
Disposals	0.00	0.00	0.00	0.00	0.00	0.00
Other investments	-0.26	-0.26	-0.37	-0.30	-0.30	-0.30
Cashflow after investments	-14.06	-1.95	-6.33	-10.14	-12.62	-31.18
Share repurchases	0.00	0.00	0.00	0.00	0.00	0.00
Share issues	10.97	0.03	0.00	10.43	0.25	0.25
Currency effect	3.00	0.67	0.01	0.00	0.00	0.00
Borrowings acquired	0.00	0.00	0.00	0.00	0.00	0.00
Change in net debt	-0.10	-1.25	-6.32	0.29	-12.37	-30.93
Opening net cash	20.14	20.04	18.79	12.47	12.76	0.39
Closing net cash	20.04	18.79	12.47	12.76	0.39	-30.54
Hardman FCF/share (p)	-2.20	0.01	-0.64	-1.17	-1.38	-3.48

Source: Hardman & Co Life Sciences Research

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research@hardmanandco.com

35 New Broad Street
London
EC2M 1NH

+44(0)20 7194 7622

www.hardmanandco.com