INVEST SECURITIES

BIOTECH

TME PHARMA

BUY

TARGET PRICE : 0,49€ +221%

READ ACROSS KAZIA THERAPEUTICS

WELL ON THE WAY TO A KAZIA-STYLE PATHWAY ?

Last week, Kazia's share price soared following the publication of positive Ph II/III results in GBM in a cohort of 100 patients. The stock jumped +546% on the Nasdaq CM market, testifying to the high level of expectation in this difficult indication. While Kazia's therapeutic approach differs significantly from that of TME, the company's positioning and profile are very similar to those of TME. In view of the very promising results obtained in Ph I/II, we consider that the Ph II trial which TME plans to launch on around 100 patients could offer similar potential to that observed for Kazia. In our view, the strong medical need in resistant GBM offers room for several therapeutic options, so that patients who do not respond to one treatment can benefit from an alternative therapy. In this respect, despite being a direct competitor of TME, we believe that Kazia's stock market reaction is a good indicator of the course TME could take in the short term.

Jamila El Bougrini
+33 1 44 88 88 09
jelbougrini@invest-securities.com

Thibaut Voglimacci-Stephanopoli
+33 1 44 88 77 95
tvoglimacci@invest-securities.com

Document completed on 18/07/2024 13:26

Document published on 18/07/2024 13:26

Up +546% in 2 sessions, driven by a 3.8-month gain in overall survival

Last week, Australian company Kazia Therapeutics made spectacular headway after reporting positive Ph II/III data in newly-diagnosed, chemotherapy-resistant glioblastoma. Indeed, the Nasdaq CM-listed stock (the Nasdaq Capital Market is one of the 3 Nasdaq markets, and is aimed at early-stage companies with relatively small market capitalizations) jumped +546% in the space of 2 sessions (July 10 and 11) after the company revealed initial results from its Ph II/III trial in GBM showing a relative gain of 3.8 months for mOS (median overall survival). Kazia's share price rose from $0.19 (July 9 close) to $1.24 (July 11 close), representing a jump in value of $1.05 in 2 sessions (the price having stabilized at around $0.6 since the beginning of the week, a gain of +215%).

Invest Securities and the issuer have signed an analysis services agreement.

in € / share	2023e	2024e	2025e
Adjusted EPS	-0,46	-0,26	-0,73
chg.	*n.s.*	*n.s.*	*n.s.*
estimates chg.	*n.s.*	*n.s.*	*n.s.*

au 31/12	2023e	2024e	2025e
PE	n.s.	n.s.	n.s.
EV/Sales	-23,7x	-0,1x	134,4x
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.	654,5%

* After tax op. FCF before WCR

key points	
Closing share price 17/07/2024	0,15
Number of Shares (m)	42,2
Market cap. (€m)	6
Free float (€m)	6
ISIN	NL0015000YE1
Ticker	ALTME-FR
DJ Sector	Health Technology

	1m	3m	Ytd
Absolute perf.	-23,5%	-39,8%	-33,6%
Relative perf.	-25,0%	-37,6%	-33,9%

Source : Factset, Invest Securities estimates

73, bd Haussmann - 75008 Paris
T : +33 (0)1 80 97 22 01
invest-securities.com

On Wednesday July 10, Kazia published the topline results of its Ph II/III trial involving a total of 313 patients, including 100 with newly diagnosed unmethylated glioblastoma (NDU) and 213 with recurrent GBM. The study demonstrated the benefit of paxalisib, a PI3K/Akt/mTOR pathway kinase inhibitor, as adjuvant therapy after surgery and chemoradiotherapy with temozolomide, in the NDU GBM sub-indication. In a pre-specified secondary sensitivity analysis, results showed that patients who received treatment with paxalisib achieved a mOS of 15.54 months (n=54), while patients who received control treatment achieved a mOS of 11.70 months (n=46), revealing a gain of 3.8 months in median overall survival for the sub-population of 100 NDU GBM patients. These data are in line with the results observed in the previously conducted Ph II (n=30), which revealed a mOS of 15.7 months with paxalisib vs. 12.7 months observed in a historical cohort treated with temozolomide chemotherapy (no head-to-head comparison).

In the primary analysis, OS for these NDU patients was 14.77 months with paxalisib (n=54) vs. 13.84 months with standard therapy (n=75), representing a 0.94-month gain in OS. The difference between the primary and secondary analyses is due to the population analyzed and the statistical analysis methods. For the primary analysis, the company used Bayesian principles applied to the comparison of the primary endpoint (OS) of experimental agents vs. standard treatments in all patients enrolled since the start of the study (cumulative control population). Secondary analyses and endpoints were assessed using statistical models based on control patients enrolled at the same time as those who received paxalisib (concurrent control population). The methods chosen for the secondary analyses are theoretically more reliable for a head-to-head comparison, since the results would have been obtained under the same conditions and would be less subject to the various analytical biases that can occur.

In addition to NDU GBM patients, the trial also assessed the potential of paxalisib in a broader population including patients with recurrent GBM. In the recurrent GBM subpopulation, no efficacy signal was observed: mOS of 8.05 months with paxalisib (n=100) vs. 9.69 months for standard treatment (n=113).

Kazia to request FDA meeting for regulatory approval

On the basis of these initial results, Kazia plans to meet with FDA experts to submit a marketing authorization application for fast-track approval in the coming months. The company was granted Fast Track status by the FDA in August 2020 for its product in GBM NDU after surgery, radiation and temozolomide chemotherapy, and another Fast Track in July 2023 for paxalisib in combination with radiotherapy to treat brain metastases from solid tumors with PI3K pathway mutations.

Read across TME Pharma: similarities despite differences

Kazia's recent track record and stock market reaction are, in our view, a good indicator of the significant interest in the field of brain tumors, particularly those that suffer from having no satisfactory solution. The medical need is such that the GBM NDU market is still considered a medical desert. In fact, the addressable market remains attractive to any player who can demonstrate a significant improvement in patients' mOS and quality of life. Although this is a relatively small market, the absence of competition to date offers blockbuster prospects for any drug that manages to gain approval in this niche indication. And it is precisely this market opportunity that drove Kazia's stock price surge last week.

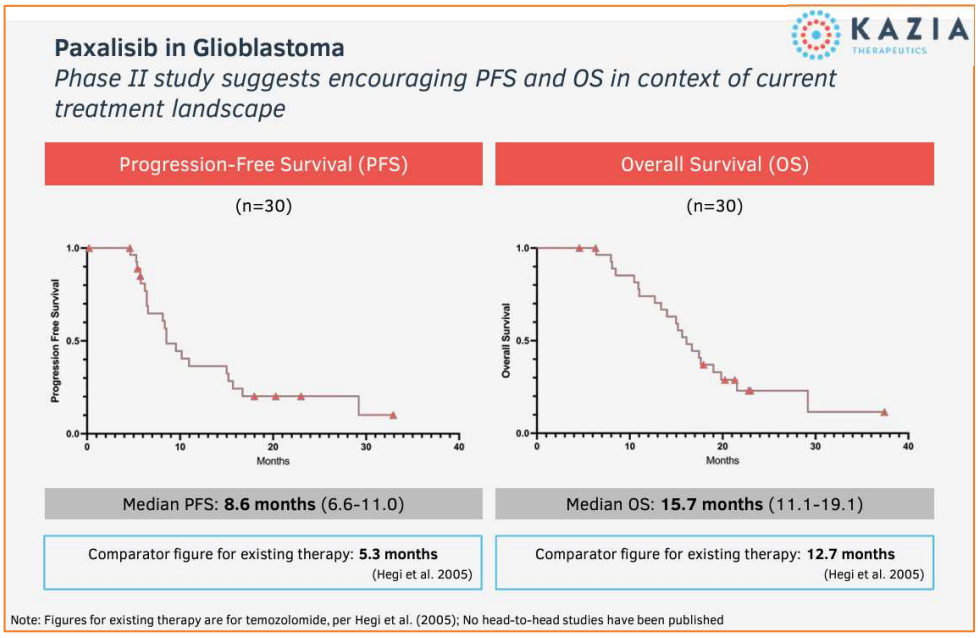
In view of TME Pharma's results to date and its positioning, we believe the company has real potential compared with Kazia's track record. While it is clear that Kazia has strong advantages over TME, particularly in terms of the stage of development reached for the NDU GBM trial, this does not mean that TME Pharma is out of the running - quite the contrary. Kazia, as a potential first mover, could help mark out TME's path and "facilitate" its eventual market entry by defining the perimeter of a market whose

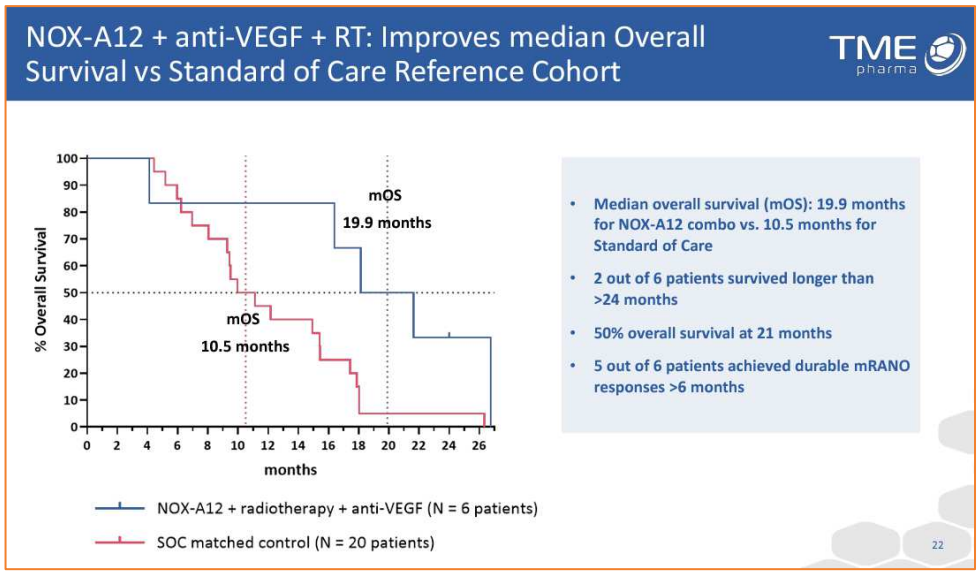
73, bd Haussmann - 75008 Paris
T : +33 (0)1 80 97 22 01
invest-securities.com

contours are still unclear today (no real-life data on the rate of patients responding or not to potential treatments, to the incidence of the sequence of care....), and by creating a new standard of care against which TME could compare itself to evaluate mOS. Indeed, with a relative gain in mOS of 3.8 months, Kazia now has a good chance of gaining approval for its treatment in GBM NDU. In such a scenario, if a new treatment were to demonstrate improved mOS, it would have the potential to become the new gold standard of care for the GBM NDU indication.

It is of course difficult at this stage to compare the results obtained by Kazia and TME Pharma. However, a comparison of the Ph II and Ph I/II data obtained by each company reveals the following figures:

- a mOS of 15.7 months for Kazia (n=30) vs. 19.9 months for TME (n=6),
- a PFS of 8.6 months for Kazia vs. 9 months for TME,
- an undisclosed response rate for Kazia vs. 83% for TME (including 50% with a reduction in target tumor size of over 99%).





73, bd Haussmann - 75008 Paris
T : +33 (0)1 80 97 22 01
invest-securities.com

Although the cohorts are significantly different in size (n=30 for Kazia and n=6 for TME Pharma), the figures obtained for each of the treatments evaluated suggest a relatively identical PFS. The mOS at this stage is best for the triple combination evaluated by TME Pharma (19.9 months), with a relative gain of almost 9.4 months of additional survival vs. a relative gain of 3 months for the paxalisib treatment. Finally, TME's response rate (ORR) of 83% compares very favorably with standard treatments, which have an average ORR of around 10%, while Kazia has not disclosed any information on response rate. We emphasize that this indirect comparison is only indicative, and has limitations due to significant differences in patient numbers, inclusion criteria for each study...

That said, TME's and Kazia's positioning is relatively comparable, since both companies target patients with newly diagnosed GBM with a non-methylated status for the *mgmt* promoter. What's more, the 2 treatments evaluated are post-surgery:

- in parallel with radiotherapy and treatment with the anti-VEGF bevacizumab for TME,
- adjuvant after radiotherapy and chemotherapy with temozolomide for Kazia.

But beyond the similarities, there are differences in favor of either approach:

- Paxasilib is administered orally (tablets) vs. an injection for NOX-A12, which brings undeniable comfort for patients, but the advantage of NOX-A12 is that it is administered in parallel with radiotherapy vs. post-chimioradiotherapy for paxasilib, which implies a longer treatment time for paxasilib with greater adverse effects given the presence of chemotherapy,
- In theory, the results obtained with TME are much more favourable, because beyond an “absolute” mOS that seems superior in Ph I/II, the patients treated with NOX-A12 are more difficult, since it only concerns patients with incomplete surgery, whereas Kazia targets all GBM NDU patients after surgery, including those who have benefited from complete surgery, and therefore with a more favourable prognosis,
- TME's results at this stage were obtained in an early Ph I/II trial involving just 6 patients, which in terms of robustness is still inferior to Kazia's data, which reached Ph II/III stage in some 100 GBM NDU patients.

Taken together, these data offer interesting prospects for TME Pharma and its forthcoming Ph II project involving around 100 patients to assess the efficacy of its triple combination of radiotherapy/NOX-A12/bevacizumab. With an identical number of patients (n=100), TME's Ph II study will be able to compare indirectly with Kazia's Ph II/III trial, whose results published last week resulted in a jump in value of over x6. It should be remembered that the Fast Track designation obtained by TME at the beginning of the year should enable the company to initiate an accelerated approval procedure without the need to conduct a Ph III for registration in the event of very good clinical results for mOS.

We believe that TME's forthcoming Ph II could offer strong potential, both clinically and on the stock market, in the same way as Kazia. Furthermore, we believe that Kazia's presence does not represent a threat to TME Pharma, as the medical need in NDU GBM remains very high. There is therefore room for at least two therapeutic solutions, and this is all the more true given that not all patients respond to treatment. To date, the ORR for treatment with paxasilib has not been disclosed, but we can assume that a certain number of patients do not respond to treatment. In fact, the possibility of switching to another therapeutic solution offers a crucial alternative for these patients. TME Pharma has also developed a biomarker which should help identify those patients most likely to respond to its treatment. The presence of this biomarker is a strong asset in helping oncologists and caregivers make the right decisions, so as to engage patients in an optimal course of care according to their profile and tumor pattern.

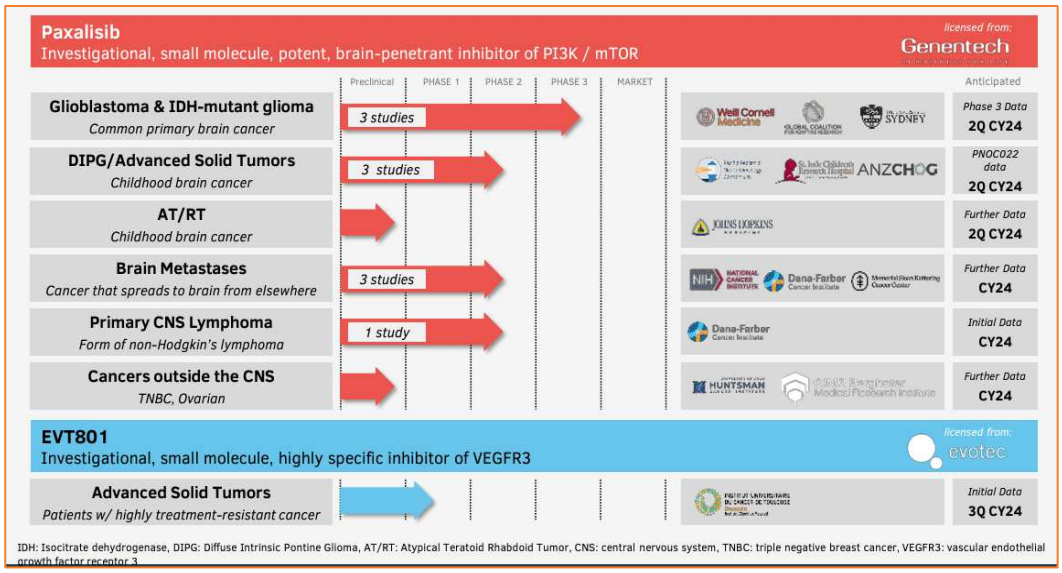
73, bd Haussmann - 75008 Paris
T : +33 (0)1 80 97 22 01
invest-securities.com

Anti-VEGF and GBM: Kazia is also on the MET front!

Kazia is dedicated to brain cancers and is developing a relatively dense pipeline with two molecules:

- paxasilib, a kinase inhibitor developed by Genentech (agreement signed in 2016 to recover the rights),
- EVT801, a VEGFR3 inhibitor developed by Sanofi and licensed to Evotec in 2015. Kazia entered into an exclusive worldwide licensing agreement with Evotec in March 2021.

Kazia is thus also interested in the anti-VEGF pathway in the treatment of brain cancers. The aim of EVT801, by inhibiting the development of new lymphatic vessels, is to reduce the incidence of metastases, and make tumors more sensitive to local treatments such as surgery. In line with the known effects of Avastin (bevacizumab), EVT801 has demonstrated in vitro its ability to increase immune cell infiltration, which could enable synergistic activity with immuno-oncology drugs in the future... which is exactly the approach developed by TME Pharma!



TME Pharma selected for oral presentation at ESMO

The company announced yesterday that its results have been selected for an oral presentation at the ESMO (european society for medical oncology) congress from September 13 to 17. The presentation entitled “Double inhibition of post-radiogenic angiovasculogenesis in glioblastoma: Results of the GLORIA phase 1/2 trial” will take place on September 15 at 8:30 a.m., and will be given by Dr. Franck Giordano, principal investigator of the GLORIA Ph I/II trial, and Chairman of the Department of Radiation Oncology, University Medical Center Mannheim, Germany, where the clinical trial is being conducted. On this occasion, additional data on the exploratory tissue analysis of dual inhibition of NOX-A12 and bevacizumab in GBM in the first expansion arm of the Ph I/II GLORIA trial will be unveiled. We believe that the selection of TME Pharma's data for a short oral presentation vs. a poster presentation is an excellent recognition of its potential by the ESMO committee, one of the world's leading oncology congresses.

73, bd Haussmann - 75008 Paris
T : +33 (0)1 80 97 22 01
invest-securities.com

Licensing agreement: the ideal option for accelerating NOX-A12 developments

In the list of possible solutions for TME Pharma, we believe that a tie-up with an industrial company through a licensing agreement or a licensing option remains the best configuration for TME Pharma, given the company's need for funds and its current situation. We believe that a tie-up would make even more sense with a recognized player in oncology, or a player with the strategy of building a franchise in this field with the intention of distinguishing itself by :

- a niche indication,
- a significant unmet medical need,
- a combination with unprotected standard treatments,
- a highly significant therapeutic effect (PFS and OS),
- a time-to-market of 5 years in a favorable scenario,
- a measured financial risk: study costs of around €50m to reach the market,
- demonstrated biological rationale (biomarkers and imaging).

It should be remembered that the initiation of Ph II in GBM is subject to substantial funding, since we estimate the total cost of this study at nearly €50m on the basis of the design proposed by TME Pharma. The protocol for the FDA-approved Ph II study will comprise the following 5 arms, each of which will enroll around 20 patients :

- Arm 1: NOX-A12 - 200mg/week + radiotherapy and bevacizumab
- Arm 2: NOX-A12 - 400mg/week + radiotherapy and bevacizumab
- Arm 3: NOX-A12 - 600mg/week + radiotherapy and bevacizumab
- Arm 4: NOX-A12 - 600mg/week + radiotherapy
- Arm 5: Control of standard treatment (temozolomide + radiotherapy)

The excellent data from Ph I/II having demonstrated a mOS (median overall survival) of almost 20 months, we consider that one of the main criteria to be considered for the validation of the Ph II trial will be survival at 18 and 24 months. Taking into account the size of the study and the speed of recruitment, we estimate that a first readout at 24 months of treatment will be possible between 3.5 and 4 years after the start of the Phase II study. In Phase I/II (cohort of 6 patients), mOS was 19.9 months with the NOX-A12/radiotherapy/bevacizumab combination versus 10.5 months with standard treatment, representing a near doubling of overall survival, while mPFS (median progression-free survival) was 9 months versus 4 months, with an ORR (overall response rate) of 83% versus <10% achieved with reference treatments. If these results are confirmed in Phase II on a sufficient number of patients to achieve robust statistical power, and in the context of a randomised controlled trial (comparison with standard treatments), then it is very likely that the NOX-A12/RT/beva combination could become the new reference treatment for newly diagnosed patients with glioblastoma treated by surgery but with residual tumor resistant to chemotherapy (unmethylated MGMT).

Very attractive package for a player willing to take measured risks

➢ Very promising data at 24-month follow-up in a severe indication

The company announced that of the 6 patients in the cohort receiving the triple combination of NOX-A12/radiotherapy/bevacizumab treated for newly diagnosed and partially resected glioblastoma, 2 were still alive at 24 months' follow-up. This rate compares favorably with the literature with reference treatments showing a 2-year survival rate of only 5% vs. 33% in the TME Pharma trial. Although the figures for TME Pharma were obtained in a non-randomized, uncontrolled trial on a small cohort (n=6), this remains a good indicator of the trend for the triple combination evaluated, and this new result reinforces the data already known in terms of median overall survival (19.9 months vs. 10.5 months in the reference cohort), and in terms of response rate (83% vs. less than 10% with reference treatments). Following the FDA's validation of the protocol for the upcoming Ph II trial in glioblastoma, and the granting of the Fast Track label (enabling potential registration after the end of Ph II if results are positive), the company is now waiting to obtain the necessary funds (through a partnership or by raising funds) to initiate the Ph II trial this year.

73, bd Haussmann - 75008 Paris
T : +33 (0)1 80 97 22 01
invest-securities.com

FDA Fast Track designation for NOX-A12 in GBM

Expected at the end of Q1 24, the FDA's decision on Fast Track designation was announced yesterday after market. The Agency has thus decided to grant Fast Track designation in the event of an application for marketing approval in the US based on clinical results to be obtained in the pivotal phase (Ph II or Ph III, depending on the quality of the data and medical need). Thanks to this designation, and given the clinical protocol chosen for Ph II (randomized, controlled study), a registration procedure could be initiated as soon as Ph II is completed, should the results be positive and superior to reference treatments.
The company has now achieved its 2 regulatory objectives: (i) validating the clinical protocol and obtaining the IND for Ph II, and (ii) obtaining Fast Track designation. The next step will be to continue discussions with potential partners, with a view to concluding a collaboration agreement with one of them.

The amounts recently raised (and still to be raised) will primarily serve this business development objective. The company's objective is to present itself as soundly and attractively as possible in order to attract the interest of a potential partner:

- end of debt and convertible bonds financing program,
- obtaining an IND for a randomized, controlled Ph II trial (protocol validated by the FDA),
- Fast Track designation for an accelerated procedure and the possibility of submitting a registration application as soon as Ph II is completed,
- availability of sufficient clinical batches of NOX-A12 to conduct Ph II.

Biomarker development: better opportunities for patients

In parallel with the extremely promising clinical data obtained to date, particularly for the RT/NOX-A12/beva combo, a biological-related work has identified a potential biomarker that could predict the clinical response of brain cancer patients to NOX-A12 treatment. The presence of this specific biomarker is a considerable asset in the patient care pathway, as it should enable prescribers to better screen and select only those patients with a responder profile and who will therefore benefit most from the therapy. This should prevent patients who are unlikely to respond favorably to treatment from losing their chances of success and, ultimately, survival.

In addition, the presence of this predictive biomarker brings another advantage to TME Pharma, as it should encourage evaluators and payers to positively appreciate the availability of an effective therapy with a sensitive companion test, which in theory should increase NOX-A12's chances of regulatory approval and commercial success, while reducing the cost and duration of associated trials (thanks to better stratification and selection of target patients). At present, the company has financial visibility until September 2024. Discussions are underway on additional partnerships and financing options, which have recently been strengthened to ensure the future clinical development of NOX-A12 without recourse to convertible debt financing.

Beyond GBM: NOX-A12's potential may extend to other indications

Given NOX-A12's mechanism of action (see Appendix 3), its potential field of application in oncology extends beyond GBM. NOX-A12 targets the tumor microenvironment (MET) to overcome the escape strategies put in place by cancer (i) by making the MET permissive to the immune system and (ii) by blocking repair pathways that benefit tumor cells. In fact, NOX-A12 could prove effective in various types of cancer, in particular those currently treated by radiotherapy, and also those which suffer from a high medical need because they are not sensitive to currently available solutions.

TME Pharma is exploring 2 other indications in addition to GBM:

- Pancreatic cancer, for which a Ph I/II study has already been successfully completed in combination with Keytruda (provided by Merck MSD). A Ph II trial has been designed to evaluate the combination of NOX-A12 with pembrolizumab +/-

73, bd Haussmann - 75008 Paris
T : +33 (0)1 80 97 22 01
invest-securities.com

gemcitabine/Abraxane® or Onivyde®/5FU/LV in second-line pancreatic cancer. The protocol has been approved by regulators in France and Spain, and by the FDA. The company plans to conduct this trial in partnership, as its current resources do not allow it to consider developments on its own, and priority is currently given to the development of the GBM program in Ph II.

- The Ph I/II program which evaluated NOX-A12 + Keytruda included patients with metastatic colorectal cancer in 6th-line treatment. As these were heavily pre-treated patients with very advanced cancer, it is difficult to comment on the results.

BUY opinion reiterated, TP €0.49

With financial visibility extending to the end of 2024, TME Pharma needs to deliver on its business development plan and bring to a successful conclusion its discussions with various potential partners with a view to concluding a licensing agreement (or option to license), with the main aim of securing its developments. We believe that the company currently benefits from robust arguments to trigger the interest of a partner, although the clinical results obtained at this stage remain preliminary and "questionable" pending confirmation in a randomized controlled trial. However, the risk/reward ratio remains very attractive, as Big Pharmas are well versed in clinical risk, sensitive to the issue of loss of exclusivity, and keen to achieve growth, especially in a potential blockbuster scenario. Very high amounts are very regularly raised for promising assets that are still in the early clinical or even pre-clinical stage, so the risk seems moderate to us for an asset in the Ph II-ready stage that has shown extremely promising initial efficacy signals, although these still need to be confirmed.

We have highlighted a number of arguments in favor of a collaboration, including:

- time-to-market: 4-5 years from eventual commercialization,
- relatively low cost for a manufacturer,
- absence of real competition,
- blockbuster potential in the target GBM market,
- the possibility of extending to other oncology indications.

The very strong stock market reaction to Kazia Therapeutics last week underlines the strong interest in this GBM indication, and probably Pharma's interest in a currently uncompetitive market.

Note that Kazia Therapeutics' Ph II/III trial was sponsored by the Global Coalition for Adaptive Research, a US-based non-profit organization which uses cutting-edge statistical techniques to accelerate the development of new therapies. This could be another development option for TME Pharma's Ph II. The achievement of the Ph II milestone could then create a major inflection point for TME Pharma in terms of negotiating a licensing agreement under very favorable conditions in the event of positive results.

Kazia's capitalization remains low ($19.7m to date on Nasdaq CM - 5.7 before announcement), in line with TME Pharma's profile (€6m on Euronext to date), but Kazia's CT track record (+46.4% YTD) suggests rather promising prospects for TME Pharma, albeit still fragile.

73, bd Haussmann - 75008 Paris
T : +33 (0)1 80 97 22 01
invest-securities.com

FINANCIAL DATA

Share information	2017	2018	2019	2020	2021	2022	2023e	2024e	2025e
Published EPS (€)	-2,54	-2,70	-0,08	-0,32	-0,21	-6,33	-0,46	-0,26	-0,73
Adjusted EPS (€)	**-2,54**	**-2,70**	**-0,08**	**-0,32**	**-0,21**	**-6,33**	**-0,46**	**-0,26**	**-0,73**
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	1,00	2,00

Valuation ratios	2017	2018	2019	2020	2021	2022	2023e	2024e	2025e
P/E	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.
EV/Sales	144,40x	18,29x	23,82x	-22,23x	-28,17x	-48,04x	-23,74x	-0,09x	134,38x
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.	654,5%

NB : valuation based on annual average price for past exercise

Entreprise Value (€m)	2017	2018	2019	2020	2021	2022	2023e	2024e	2025e
Share price in €	*15,6*	*0,15*	*0,15*	*0,15*	*0,15*	*0,15*	*0,15*	*0,15*	*0,15*
Market cap.	36	6	6	6	6	6	6	6	6
Net Debt	*1,9*	*0,5*	*0,2*	*-9,7*	*-10,6*	*-13,5*	*-9,9*	*-8,5*	*9,3*
Minorities	*0,0*	*0,0*	*0,0*	*0,0*	*0,0*	*0,0*	*0,0*	*1,0*	*2,0*
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*	*1,0*	*2,0*
Entreprise Value (EV)	**38**	**7**	**7**	**-3**	**-4**	**-7**	**-3**	**0**	**20**

Income statement (€m)	2017	2018	2019	2020	2021	2022	2023e	2024e	2025e
Sales	0	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	-5	-4	-4	-6	-10	-6	-7	-5	-16
adjusted EBITA	**-5**	**-4**	**-4**	**-6**	**-10**	**-6**	**-7**	**-5**	**-16**
chg.	***n.s.***	***n.s.***	***n.s.***	***n.s.***	***n.s.***	***n.s.***	***n.s.***	***n.s.***	***n.s.***
EBIT	-5	-4	-4	-6	-10	-6	-7	-5	-16
Financial result	-1	-6	3	-5	-5	-3	-1	-2	-2
Corp. tax	0	0	0	0	0	0	0	0	0
Minorities+affiliates	0	0	0	0	0	0	0	1	2
Net attributable profit	-5	-11	-1	-10	-15	-10	-8	-5	-16
Adjusted net att. profit	**-5**	**-11**	**-1**	**-10**	**-15**	**-10**	**-8**	**-5**	**-16**
chg.	***n.s.***	***n.s.***	***n.s.***	***n.s.***	***n.s.***	***n.s.***	***n.s.***	***n.s.***	***n.s.***

Cash flow statement (€m)	2017	2018	2019	2020	2021	2022	2023e	2024e	2025e
EBITDA	-5	-4	-4	-6	-10	-6	-7	-5	-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	**-5**	**-4**	**-4**	**-6**	**-10**	**-6**	**-7**	**-5**	**-16**
Change in WCR	0	0	0	0	0	0	0	0	0
Operating FCF	**-5**	**-4**	**-3**	**-6**	**-10**	**-6**	**-7**	**-5**	**-16**
Acquisitions/disposals	0	0	0	0	0	0	0	0	0
Capital increase/decrease	3	8	1	14	16	12	4	5	0
Dividends paid	0	0	0	0	0	0	0	0	0
Other adjustments	-1	-6	3	-5	-5	-3	-1	-2	-2
Published Cash-Flow	**-3**	**-3**	**1**	**3**	**1**	**3**	**-4**	**-2**	**-18**

Balance Sheet (€m)	2017	2018	2019	2020	2021	2022	2023e	2024e	2025e
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	-4	-3	-2	8	-2	1	-3	-4	-22
Minority shareholders	0	0	0	0	0	0	0	1	2
Provisions	0	0	0	0	0	0	0	0	0
Net financial debt	**2**	**0**	**0**	**-10**	**-11**	**-14**	**-10**	**-8**	**9**

Financial ratios	2017	2018	2019	2020	2021	2022	2023e	2024e	2025e
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

73, bd Haussmann - 75008 Paris
T : +33 (0)1 80 97 22 01
invest-securities.com

INVESTMENT CASE

TME PHARMA (ex-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
- Promising Ph I/II results in GBM
- Drugs that target indications with little competition

WEAKNESSES

- Relatively early-stage pipeline
- Need for additional financing

OPPORTUNITIES

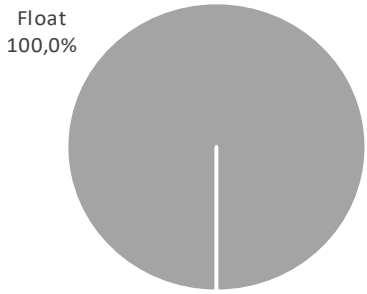
- Combination drug trials
- Possibility of new partnerships
- Significant M&A activity in the field

THREATS

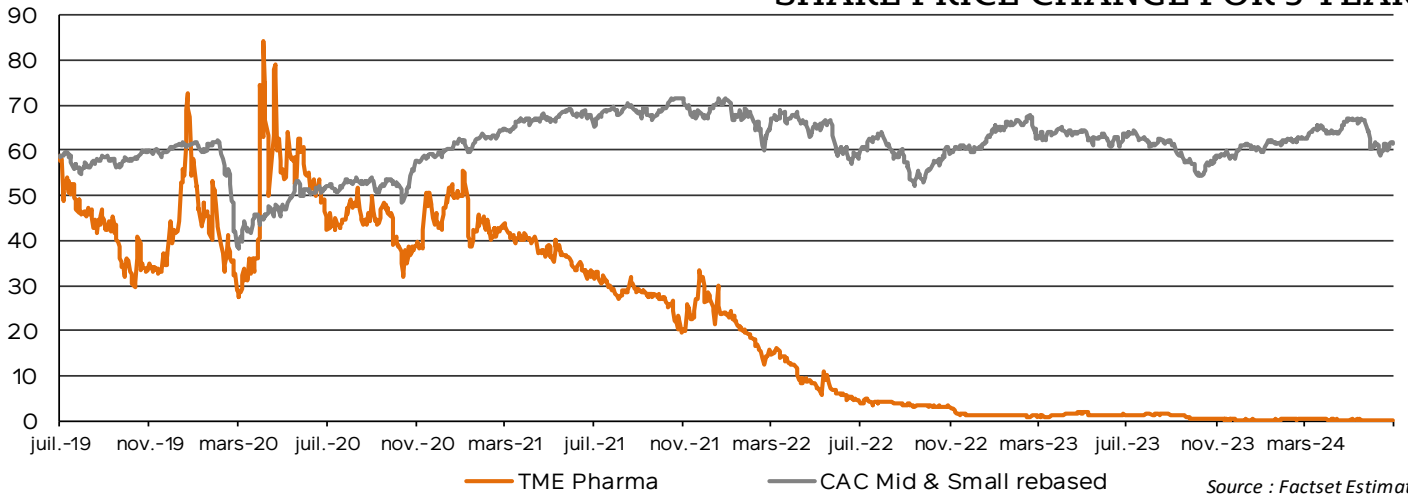
- Regulatory and clinical risks
- Legal risks
- Commercial risks

ADDITIONAL INFORMATION

Shareholders



SHARE PRICE CHANGE FOR 5 YEARS



Source : Factset Estimates

73, bd Haussmann - 75008 Paris
T : +33 (0)1 80 97 22 01
invest-securities.com

DISCLAIMER

Invest Securities is authorized and supervised by the Prudential Control and Resolution Authority (ACPR) and regulated by the Financial Markets Authority (AMF).

This document does not constitute or form part of any offer or invitation to subscribe, buy or sell financial securities, or to participate in any other transaction.

While all reasonable care has been taken to ensure that the facts stated herein are accurate, Invest Securities has not verified the contents hereof and accordingly none of Invest Securities, shall be in any way responsible for the contents hereof and no reliance should be placed on the accuracy, fairness, or completeness of the information contained in this document.

The opinions, forecasts and estimates contained in this document are those of their authors only. The assessments made reflect their opinion on the date of publication and are therefore subject to change or invalidation at any time, without notice. Invest Securities has no obligation to update, modify or amend this document or to inform in any way the recipient of this document in the event that a fact, opinion, forecast or estimate contained in this document, changes or becomes inaccurate.

The investments mentioned in this document may not be suitable for all of its recipients. The recipients of the document are invited to base their investment decisions on the appropriate procedures they deem necessary. It is recalled that past performances do not prejudge future performances. Investing in the markets presents a risk of capital loss. Any loss or other consequence arising from the use of the information contained in the document is the sole responsibility of the investor. Neither Invest Securities nor any other person can be held responsible in any way for any direct or indirect damage resulting from the use of this document. If in doubt about any investment, recipients should contact their own investment, legal and / or tax advisers for advice regarding the advisability of investing.

Research reports including their preparation and distribution are subject to the provisions of market abuse regulation (EU) n°2014/596 and delegated regulation (EU) n°2016/958 on the technical modalities for the objective presentation of recommendations. This document is intended only for professional investors who meet the criteria set out in Annex II of Directive 2014/65/EU, or “qualified investors” within the meaning of the prospectus regulation (eu) 2017/1129.

This document is provided to you on a confidential basis for your information and may not be reproduced or transmitted, in whole or in part, to any other person or published.

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

73, bd Haussmann - 75008 Paris
T : +33 (0)1 80 97 22 01
invest-securities.com

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	02-avr.-24	ACHAT	0,61	+94%
TME PHARMA	Jamila El Bougrini	26-févr.-24	ACHAT	0,62	+130%
TME PHARMA	Jamila El Bougrini	13-févr.-24	ACHAT	0,67	+101%
TME PHARMA	Jamila El Bougrini	27-nov.-23	ACHAT	0,4	+36%

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.

73, bd Haussmann - 75008 Paris
T : +33 (0)1 80 97 22 01
invest-securities.com

MANAGEMENT

Marc-Antoine Guillen
CEO
+33 1 44 88 77 80
maguillen@invest-securities.com

Jean-Emmanuel Vernay
Managing Director
+33 1 44 88 77 82
jevernay@invest-securities.com

Anne Bellavoine
Deputy Managing Director
+33 1 55 35 55 75
abellavoine@invest-securities.com

Pascal Hadjedj
Deputy Managing Director and Head of Primary Market Sales
+33 1 55 35 55 61
phadjedj@invest-securities.com

EQUITY RESEARCH

Maxime Dubreil
Head of Equity Research
+33 1 44 88 77 98
mdubreil@invest-securities.com

Stéphane Afonso
Financial analyst, Real Estate
+33 1 73 73 90 25
safonso@invest-securities.com

Bruno Duclos
Financial analyst, Real Estate
+33 1 73 73 90 25
bduclos@invest-securities.com

Jamila El Bougrini
Financial analyst, Biotech/Healthtech
+33 1 44 88 88 09
jelbougrini@invest-securities.com

Benoît Faure-Jarrosson
Senior Advisor, Real Estate
+33 1 73 73 90 25
bfaure-jarrosson@invest-securities.com

Claire Meilland
Financial analyst, CleanTech
+33 1 73 73 90 34
cmeilland@invest-securities.com

Jean-Louis Sempé
Financial analyst, Automotive
+33 1 73 73 90 35
jlsempe@invest-securities.com

Thibaut Voglimacci-Stephanopoli
Financial analyst, Medtechs / Biotechs
+33 1 44 88 77 95
tvoglimacci@invest-securities.com

TRADING FLOOR

Raphael Jeannet
Institutional Sales
+33 1 55 35 55 62
rjeannet@invest-securities.com

Edouard Lucas
Institutional Sales
+33 1 55 35 55 74
elucas@invest-securities.com

Ralph Olmos
Institutional Sales
+33 1 55 35 55 72
rolmos@invest-securities.com

Kaspar Stuart
Institutional Sales
+33 1 55 35 55 65
kstuart@invest-securities.com

Frédéric Vals
Institutional Sales
+33 1 55 35 55 71
fvals@invest-securities.com

CORPORATE BROKING & ISSUER MARKETING

Thierry Roussilhe
Head of CB & Issuer Marketing
+33 1 55 35 55 66
troussilhe@invest-securities.com

Fabien Huet
Liquidity
+33 1 55 35 55 60
fhuet@invest-securities.com

73, bd Haussmann - 75008 Paris
T : +33 (0)1 80 97 22 01
invest-securities.com