

## Clinuvel

Reuters: CUV.AX

Bloomberg: CUV:AU

**Rating: Buy** **Risk: High**  
**Price: AUD 14.56**  
**Price target: AUD 32.70 (previous AUD 31.70)**

### Strong growth in 2017/18 – more to come in 2018/19e

Clinuvel released an excellent set of figures for the FY 2017/18 (30/06) according to the preliminary final report. Revenues and EBIT were up 51.6% and 81.9%, respectively. Latest publications indicate that 1,200 implants were administered in just 57 days, indicating that Clinuvel is poised to further high (potential triple-digit) revenue and profit growth rates in the current fiscal year. Of only minor concern, in our view, is the fact that the FDA requested additional information regarding (1) the product manufacturing and (2) the European post-authorization use of Scenesse. Identifying deficiencies or concerns that appear to have been inadequately addressed in the NDA and requesting additional information in that stage of the application process is usual and should therefore be considered as another step in the review of the submission. In addition, filing review issues like these are certainly distinct from application deficiencies that serve as the basis for a Refusal-to-File (RTF). Following the strong outperformance of the shares since initiation of our research coverage (+66.4% vs. ASX +2.2%), we slightly raise our medium-term DCF entity-model based price target to AUD 32.70 from AUD 31.70 per share (base-case scenario) and confirm our buy rating. Our valuation is based solely on the treatment of EPP. Vitiligo as well as topical and neurodegenerative diseases should represent further substantial long-term upsides.

#### Overview of FY 2017/18 – preliminary final report

**Revenues** increased by 51.6% to AUD 25.8 mn from AUD 17.0 mn in the previous FY. Compared to 2014/15, revenues have almost octuplicated (3-years-CAGR 99.1%). Most of the increase was due to the first full 12 months of supply of Scenesse in Germany. Despite these high growth rates, **EBITDA** improved by 80.6% to AUD 12.9 mn from AUD 7.2 mn in the last FY. **EBITDA margin** was 50.3%, up from 42.2% in 2016/17. With a cost mix similar to previous years, **EBIT** and **net income** were up 81.9% and 85.9%, respectively. Based on 47.8 mn shares, **EPS** almost doubled to AUD 0.28 from AUD 0.15 in 2016/17. **Operating cash flow** was AUD 11.7 mn (2016/17: AUD 9.9 mn, 17.9% YoY) due to an adverse impact from working capital investments. While investing cash flow remained negligible, **free cash flow** was AUD 11.6 mn, which might come as a surprise in our view, given high double-digit revenue growth. **Net cash** at the end of last FY was AUD 36.2 mn or approximately 5.2% of the current market cap.

#### EXHIBIT: 2017/18 VS. 2016/17

		2017/18	2016/17	Δ
Revenues	AUD mn	25.8	17.0	+51.6%
EBIT	AUD mn	12.9	7.1	+81.9%
EBIT margin	%	50.3	41.9	+840 bps
EPS	AUD	0.28	0.15	+87.4%

SOURCE: COMPANY DATA, SPHENE CAPITAL

WKN/ISIN: A0JEGY/AU000000CUV3

Indices: ASX300, All Ordinaries Index (XAO)

Transparency level: n/a

Weighted average number of share: 47.7 mn

Market cap: AUD 695.0 mn

Daily trading volume: ~40,000 shares

Next AGM: n/a

AUD mn (30/06)	2016	2017	2018	2019e
Revenues	6.4	17.0	25.8	63.4
EBITDA	-3.1	7.2	12.9	36.1
EBIT	-3.2	7.1	12.9	36.1
EBT	-3.2	7.1	12.9	36.5
EAT	-3.2	7.1	13.2	36.5

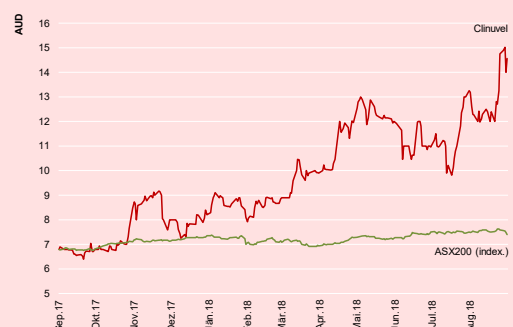
% of revenues.	2016	2017	2018	2019e
EBITDA	-48.7	42.2	50.3	56.9
EBIT	-49.1	41.9	50.3	56.9
EBT	-49.1	41.9	50.3	57.5
EAT	-49.1	41.9	51.4	57.5

Per share (AUD)	2016	2017	2018	2019e
EPS	-0.07	0.15	0.28	0.76
Dividend	0.00	0.00	0.00	0.00
BVPS	0.39	0.53	0.83	1.59
CFPS	-0.11	0.21	0.24	0.71

%	2016	2017	2018	2019e
Equity ratio	89%	89%	92%	90%
Gearing	-78%	-93%	-92%	-92%

X	2016	2017	2018	2019e
P/ER	n/a	47.2	39.7	19.1
EV/sales	28.3	18.2	19.0	9.9
EV/EBIT	n/a	43.4	37.8	17.3
P/BR	11.0	13.1	13.3	9.2

AUD mn	2018	2019e
Guidance: Revenues	n/a	n/a
Guidance: EBIT	n/a	n/a



SOURCE: COMPANY DATA, SPHENE CAPITAL FORECASTS

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## 2017/18 by segments

With growth rates of 79.7% YoY, **unit sales** were the main growth driver in 2017/18, which is due to the strong demand for Scenesse in Europe (mainly Germany and Switzerland), where the EPP population of approximately 1,950 patients (own estimate) has no other proven or effective therapy available for the time being. Revenue increase was mainly driven by volume upon a stable uniform pricing policy across all European countries, while favourable exchange rates (EURAUD) were responsible for approximately 10% of the revenue increase.

Revenues from sales imbursement which Clinuvel generates from the Special Access Scheme in Switzerland were down 14.6%, since part of these sales are now booked as commercial sales. Interest income which Clinuvel for some strange reason recognizes as revenues, remained negligible.

## Strong increase in number of patients

At the end of the last fiscal year, approximately 6,700 implants have been administered in more than 800 patients. On August 21, Clinuvel stated that 7,900 patients have been treated so far. This means that 1,200 implants were administered in just 57 days (between the end of the last fiscal year and mid of August). Extrapolated for the whole year and multiplied with the average price per implant of EUR 9,400 (own estimate), this calculates total revenues of AUD 72 mn. Even if we deduct a discount since more patients will be treated during the summer months, the latest data indicate in our view that Clinuvel is poised to disclose further high double-digit growth rates in the current fiscal year.

## Results from the Vitiligo study

The next steps regarding Vitiligo remain unclear. Though the company mentions "steady progress" in the vitiligo development program, no further details were provided. We understand that Clinuvel is currently in the process of statistically analysing the data of a Singapore study, where 18 vitiligo patients had been treated. Management confirmed, that conducting large scale clinical studies in North America will only be initiated after the FDA approved the EPP treatment with Scenesse.

## Dividend payment detrimental for the company's growth story

Notwithstanding Clinuvel being a high growth company on the verge of entering the US market, Clinuvel's Board of Directors announced that it will pay a dividend for the first time in company history. The dividend for the past fiscal year will be AUD 0.02 per share which is equivalent with a total pay-out of less than AUD 1.0 mn. This corresponds with a pay-out ratio of 7.2% of net profits.

Being a growth stock per excellence, dividends are generally not expected by investors. With just 0.1%, dividend yield is certainly no justification for an investment in Clinuvel shares.

The company justifies the dividend payment with the intention to be "fair for all the investors who have supported the Company", obviously neglecting the fact that the share is trading on its all-time high and that investors are not expecting a dividend payment in this phase of the life cycle. In our view, equity investors typically buy stocks for two reasons: Either they believe that the price will rise which allows them to sell the stock at a profit, or they intend to collect the dividends paid on the stock as investment income. Clinuvel clearly belongs to the first category. Therefore, the payment of dividend as proposed by the management dilutes the growth story of Clinuvel, in our view.

## Addition to the S&P ASX300 index

This morning, S&P announced the addition of Clinuvel in the ASX 300 index, effective from September 24, 2018.

## Management seems to intensify investor activities

This afternoon, management will deliver a presentation on the 25<sup>th</sup> Newsmaker Biotech Conference in New York City. On October 4, Clinuvel will participate on the 18<sup>th</sup> Biotech Europe Forum in Basel. In the past, Clinuvel's management has often hesitated to participate in these kind of capital markets conferences.

**After Clinuvel has filed an NDA in June, the FDA has requested additional information regarding (1) the product manufacturing and (2) the European post-authorization use of Scenesse. From our experience, identifying deficiencies or concerns that appear to have been inadequately addressed in the NDA and requesting additional information in that stage of the application process is quite common and should therefore be considered as another step in the review of the submission.**

## **NDA under rolling review**

On June 22, 2018, Clinuvel filed the final module of a new drug application (NDA) with the US Food and Drug Administration (FDA) under “rolling review”, which means that Clinuvel can submit completed sections of its NDA for review, rather than waiting until every section of the NDA is completed before the entire application can be reviewed. Should the NDA be approved by the FDA, Clinuvel would be allowed to make Scenesse available to adult EPP patients in the US as a first-line therapy. Since Clinuvel has filed for a so-called Priority Review, the FDA aims to arrive at a benefit versus risk assessment within six months from final submission date (compared to up to ten months under Standard Review).

## **Further documentation required, but no Refuse-to-File (RTF)**

On September 05, i. e. within the mandatory (60+14) 74-day validation period, Clinuvel has been informed about the Priority Review designation and released a statement that the FDA requested additional information regarding (1) the product manufacturing and (2) the European post-authorization use of Scenesse.

Only if application deficiencies cannot be rectified readily, an RTF will be considered by the FDA. In our view, this has not been the case.

As it is typical for Clinuvel's information policy, no further details were provided, causing immediate high volatility in the share price. It is therefore unclear how difficult it will be for Clinuvel to provide the requested data.

From our experience, identifying deficiencies or concerns that appear to have been inadequately addressed in the NDA and requesting additional information in that stage of the application process is usual and should therefore be considered as another step in the review of the submission. In addition, filing review issues like these are distinct from application deficiencies that serve as the basis for a Refusal-to-File (RTF).

**Presuming a huge and untapped market potential, in which Clinuvel has a patent protected monopolistic position, our valuation methodology is a standardized three-stage discounted cash flow (DCF) entity model which, as of our view, best reflects the long-term growth opportunities of the company. In our model, we calculate a base-case scenario equity value of AUD 1,537.9 mn or AUD 32.70 (previous AUD 31.70) per share; a Monte Carlo simulation calculates bear and bull case scenario equity values of AUD 26.30 and AUD 81.40 per share, respectively.**

**Our equity valuation is based on the treatment of EPP only. Neither vitiligo nor topical products or any of the promising neurodegenerative products have been taken into account due to a lack of transparency about their potential impact. We therefore consider our valuation a worst-case model.**

## **Valuation methodology overview**

Our valuation method for Clinuvel is a three-phase and fully integrated discounted cash flow (DCF) model. As typical for the industry, Clinuvel' business model is characterized by relatively low capital intensity: Capital requirements for investments in tangible fixed assets have been limited in the last few years, and working capital is negligible, too. The funding of further growth will thus not require high net capital expenditures, according to our estimates. Therefore, a high cash conversion rate can, in principle, be deduced from Clinuvel' business model, since the company turned profitable last year. In conjunction with our growth-scenario assumptions, a standardized three-phase DCF model with a long-term orientation is therefore the most suitable valuation approach for Clinuvel.

A long-term DCF model should best reflect the rewards of a patent protected market.

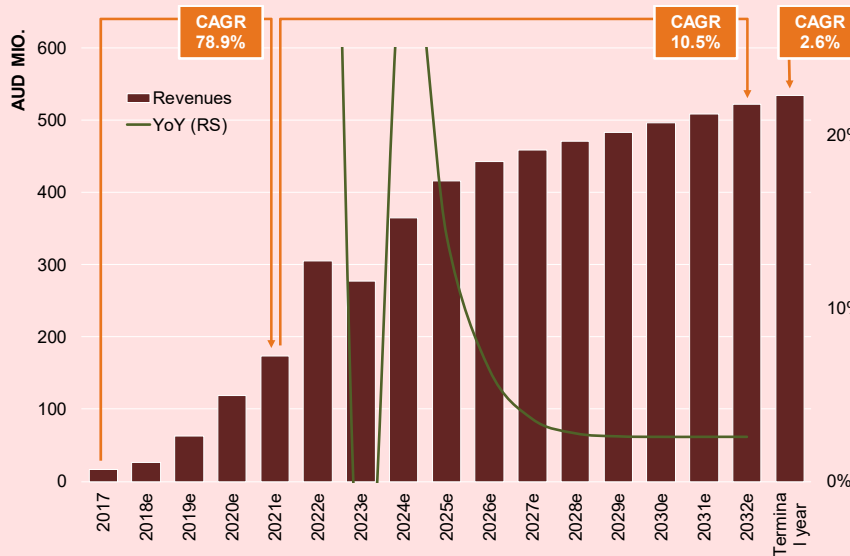
## **Basic assumptions of the DCF model**

In our standardized three-stage DCF model, we have used detailed income-statement and balance-sheet projections for Clinuvel for the first phase through 2020/21e. During this period, revenues are expected to grow by an annual average rate of 78.9% (CAGR 2017/18e-20/21e). This high growth period is followed by a second “rough-planning phase” ending in 2031/32e, for which we have assumed average annual growth rates of 10.5%. Our growth forecast in the terminal value is 2.6%, which is equivalent with the quasi risk-free interest rates,

The model is based on our detailed income-statement and balance-sheet projections for the period through 2020/21e. This is followed by a second rough-planning phase ending in 2031/32e.

represented by 10-year Australian sovereign bonds.

**EXHIBIT 1: REVENUES AND REVENUE GROWTH**



We expect a continuation of the most recent strong growth trend in the years 2018/19e-20/21e and forecast an increase in revenues to AUD 174.1 mn (2020/21e). After 2020/21e, we model the so called “rough planning phase” of our three-stage discounted cashflow model, which ends in 2031/32e. During this period, we have modelled an average annual revenue growth rate of 10.5% (CAGR 2020/21e-31/32e). Our growth forecast in the terminal value is 2.6%, which is equivalent with the quasi risk-free interest rates in Australia (represented by 10-year sovereign bonds).

SOURCE: SPHENE CAPITAL FORECASTS

**Our DCF model is based on the following assumptions:**

- Ⓢ **Pre-tax operating margins:** In the years of the rough planning phase after-tax operating margins should decrease gradually from 65.3% in 2023/24e (peak margins) to 50.1% in the last year of our rough planning phase;
- Ⓢ For the **terminal value phase**, we have assumed pre-tax operating margins of 50.0% which is the current average pre-tax operating margin of global pharmaceutical drug manufacturers;
- Ⓢ Marginal **tax rates** are expected to be 30.0% over the whole forecast period which is the actual marginal tax rate for Australian companies;
- Ⓢ Average **free cash flow (FCF) growth rate** during the terminal phase is expected to be 2.6%, which corresponds to the quasi risk-free interest rate of 10-year Australian sovereign bonds, which represent an appropriate benchmark for risk-free growth in our view;
- Ⓢ Being a debt free company, only rough assumptions about the likely risk premium for financial debt can be made. We expect a corporate credit rating of B+. To be on the conservative side, we expect debt risk premiums of about 4.0% in current depressed credit markets;
- Ⓢ Applying a recovery rate of 50%, we calculate an average annual **probability of default** of currently 9.0% for the terminal value (which we consider a very conservative approach);
- Ⓢ We expect a steadily declining asset turnover, enabling Clinuvel to generate revenue growth with lower capex needs in the future;
- Ⓢ We calculate a **fundamental beta** of 1.4, which is derived from the following assumptions:

Overview of our assumptions

## EXHIBIT 2: DERIVATION OF FUNDAMENTAL BETA, 2018/19E-2020/21E

Degree of diversification	0.10
Competitive intensity	0.00
Business model maturity	0.00
Regulatory risks	0.10
Financial risks	0.10
Earnings forecast risks	0.10
Liquidity premium for pre-IPO valuation	0.00
Market beta	1.00
<b>Fundamental beta</b>	<b>1.40</b>

SOURCE: SPHENE CAPITAL

- ⑤ Current **weighted average cost of capital (WACC)** are composed of the risk-free interest rate of currently 2.6%, determined from the yield on long-term (10-year) Australian government bonds and an implicit risk premium for the overall market of currently 8.0% (geometric mean). Finally, we assume that Clinuvel is targeting equity and debt capital structure of ~85%/15% representing the current debt to capital ratios of global pharmaceutical drug manufacturers. In total the weighted average costs of capital in the beginning of our detailed planning phase (2018/19e-19/20e) are expected to be approximately 13.5%.

## EXHIBIT 3: WACC IN THE PERIOD 2018/19E-19/20E

<b>Cost of Equity</b>	<b>%</b>	<b>13.8%</b>
Risk free rate 10-year Australian government bond	%	2.6%
beta		1.40
Risk premium	%	8.0%
<b>Small caps premium</b>	<b>%</b>	<b>1.0%</b>
Management premium	%	1.0%
Liquidity premium	%	0.0%
Private company premium	%	0.0%
Target equity structure	%	85.0%
<b>Weighted costs of equity</b>	<b>%</b>	<b>12.5%</b>
<b>Cost of debt</b>	<b>%</b>	<b>6.6%</b>
Risk free rate 10-year Australian government bond	%	2.6%
Risk premium liabilities	%	4.0%
Tax rate	%	0.0%
Cost of debt after tax	%	15.0%
<b>Weighted costs of debt</b>	<b>%</b>	<b>1.0%</b>
<b>WACC based on target values</b>	<b>%</b>	<b>13.5%</b>

SOURCE: SPHENE CAPITAL FORECASTS

- ⑤ In our model, Clinuvel will have **WACC in the terminal value**, which do not differ from those of other mature companies. Accordingly, we assume a decrease of WACC from 13.5% to 7.6% in the terminal stage, representing an equity risk premium of 500 bps.

### Our base-case scenario indicates an equity value of AUD 32.70 per share

We calculate an enterprise value of AUD 1,537.9 mn. In these computations, 25.7% of our enterprise value calculation is derived from the terminal value, 8.1% from cash flows generated in the detailed planning phase 2018/19e-20/21e and

Equity value of Clinuvel (base case scenario) is AUD 32.70 per share

66.2% from cash flows generated in the subsequent rough planning phase 2021/22e-31/32e.

#### EXHIBIT 4: DCF MODEL SUMMARY

Terminal cashflow	AUD mn	343.7
Terminal cost of capital	%	7.6%
Terminal value	AUD mn	1,870.3
PV (Terminal value)	AUD mn	395.5
Share in EV	%	25.7%
PV (CF 2017/18e-20/21e)	AUD mn	123.9
Share in EV	%	8.1%
PV (CF 2021/22e-31/32e)	AUD mn	1,018.5
Share in EV	%	66.2%
<b>Enterprise value</b>	<b>AUD mn</b>	<b>1,537.9</b>
Financial debt	AUD mn	0.0
Excess cash	AUD mn	23.8
Value of equity	AUD mn	<b>1,561.6</b>
Number of shares	mn	47.7
<b>Value per share</b>	<b>AUD</b>	<b>32.70</b>

SOURCE: SPHENE CAPITAL FORECASTS

#### Valuation at price target

Vis a vis the current share price of AUD 14.56, our intrinsic company value represents an upside of 124.6%. We therefore confirm our buy rating.

On the basis of our financial forecasts and upon realization of the value of equity we have calculated (base-case scenario), the Clinuvel stock would feature the following valuation multiples:

#### EXHIBIT 5: VALUATION MULTIPLES – CURRENT VS. PRICE TARGET

X	Valuation at current price		Valuation at price target of AUD 32.70	
	2018/19e	2019/20e	2018/19e	2019/20e
P/E	19.1x	9.7x	42.8x	21.8x
EV/Sales	9.9x	4.7x	23.5x	12.0x
EV/EBIT	17.3x	7.9x	41.3x	20.1x
P/BV	9.2x	4.7x	20.8x	10.7x

SOURCE: SPHENE CAPITAL FORECASTS

#### Stock performance catalysts

In our view, the most important catalysts for Clinuvel's stock performance in the coming months are: **(1)** statements on the current status of FDA approval, **(2)** statements on the status of the clinical trials for the vitiligo product, **(3)** a further year-on-year earnings improvement in 2018/19e; **(4)** statements on the company's willingness to interact with its shareholders.

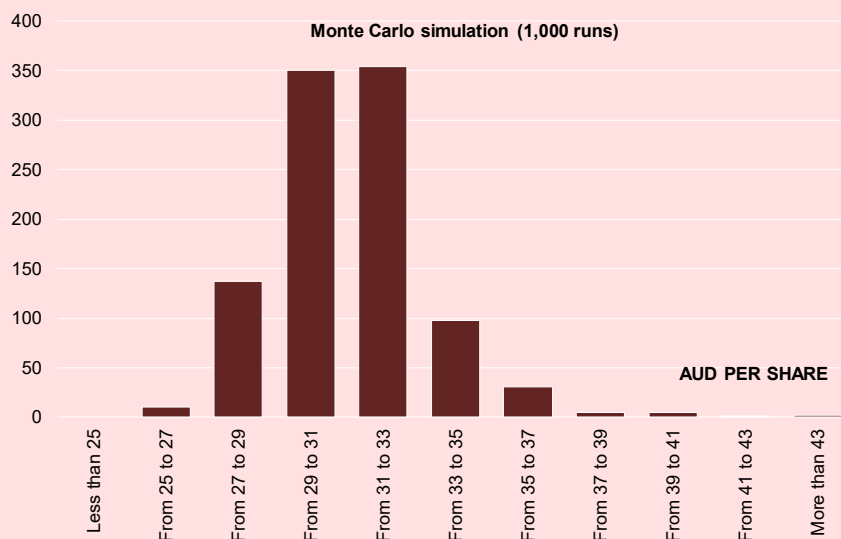
Catalysts for realization of the computed price target

#### Monte Carlo simulation

In a Monte Carlo simulation, potential values for rough planning phase growth rates and during the terminal value were given through random variables. In total, we tested and evaluated 1,000 combinations of the two variables, with the outcome, that equity values of less than AUD 26.3 and more than AUD 81.40 per share could not be achieved by combinations of the two variables. (see exhibit 6 below).



## EXHIBIT 6: MONTE CARLO SIMULATION



The scenario analysis is based on the assumptions underlying the model, with deviations in the average annual growth rate during the rough planning phase and the terminal value. The result is a left-angled (right-hand) distribution with a mode for values of equity between AUD 31 and 33 per share.

SOURCE: SPHENE CAPITAL FORECASTS

### Weaknesses and threats

We see the following risks for our valuation findings: **(1)** Management considers shareholders are only one group among many stakeholders and seems not to be interested in maximizing shareholder's value; **(2)** Approval procedures seem to be more time consuming than usual, since many payors have been unaware of the need to treat EPP patients due to the rarity of the disease; **(3)** Since Clinuvel has restricted the product's availability only to those expert centres who have worked with EPP patients, long-term growth could be endangered; **(4)** Should the FDA reject Scenesse as an EPP treatment in the US, Clinuvel would miss approximately two thirds of its revenue and profit potential, which would imply a substantial downside to our price target; **(5)** Any safety concerns about the use of Scenesse to treat EPP could delay extension of the product to other applications, or might in a worst case scenario even lead to a distribution halt; **(6)** Turning Clinuvel from a research driven company into a commercial global entity entails certain organizational risks, which could endanger the profitability of the company and therefore our price target; **(7)** Growth from Vitiligo might not materialize as expected, because injections may not respond properly to the local spots of non-pigmented skin properly; **(8)** Clinuvel might not be able to handle the complexity of organizational growth and could fail to manage the high-resource R&D and study work necessary for future applications.

### Company overview

Clinuvel's lead compound, afamelanotide (distributed under the brand "Scenesse") is a proprietary first-in-class photoprotective drug and the only viable treatment option for EPP (erythropoietic protoporphyria), an inherited disorder of the haem metabolic pathway characterised by accumulation of protoporphyrin in blood, erythrocytes, and tissues. Patients with EPP experience severe anaphylactoid reactions and burns (phototoxicity) following even brief exposure to visible light, both of artificial and natural sources, which can incapacitate patients for days or weeks. Since the photosensitivity results from light in the visual spectrum (400 to 700 nm) as well as UV, window glass does not offer protection from wavelengths. Even hypersensitivity to artificial light is common.

Scenesse is delivered via a subcutaneous dissolving implant in the iliac crest of the hip, approximately the size of a grain of rice. Patients need to be periodically treated for their entire life.

In 2014, Clinuvel has obtained EMA (European Medicines Agency) authorisation under exceptional circumstances for the marketing of Scenesse in the EU. A gradual roll-out per country is being pursued. In Germany, therapy costs between

EUR 56,000 and EUR 84,600 per EPP patient were negotiated with the German government reimbursement body. Since Clinuvel has adopted a uniform global pricing policy, similar pricing should be negotiated in other countries.

Following a successful launch of the EPP treatment, Clinuvel will focus on introducing a Scenesse variant for children, as well as expanding its activities to the treatment of Vitiligo, a pigmentation disorder, to some also known as Michael Jackson disease.

## EXHIBIT 7: CHRONIC SKIN LESIONS OF EPP PATIENTS FOLLOWING SUN EXPOSURE



SOURCE: FITZPATRICK'S COLOR ATLAS AND SYNOPSIS OF CLINICAL DERMATOLOGY, DERMOCARE LABORATORIES



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## Profit and loss statement, 2006-13

		2006	2007	2008	2009	2010	2011	2012	2013
<b>Gross sales</b>	<b>AUD Mio.</b>	<b>1.2</b>	<b>2.6</b>	<b>4.3</b>	<b>2.9</b>	<b>1.8</b>	<b>2.3</b>	<b>1.3</b>	<b>2.0</b>
YoY	%	100%	113%	68%	-32%	-36%	23%	-43%	52%
Material expenses	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
in % of total net sales	%	0%	0%	0%	0%	0%	0%	0%	0%
<b>Gross profit</b>	<b>AUD Mio.</b>	<b>1.2</b>	<b>2.6</b>	<b>4.3</b>	<b>2.9</b>	<b>1.8</b>	<b>2.3</b>	<b>1.3</b>	<b>2.0</b>
in % of total net sales	%	100%	100%	100%	100%	100%	100%	100%	100%
<b>Expenses</b>	<b>AUD Mio.</b>	<b>-9.8</b>	<b>-10.7</b>	<b>-18.1</b>	<b>-17.4</b>	<b>-12.7</b>	<b>-13.6</b>	<b>-11.0</b>	<b>-9.6</b>
in % of total net sales	%	-818%	-419%	-421%	-600%	-685%	-597%	-850%	-491%
Clinical development	AUD Mio.	-1.1	-1.0	-1.5	-2.3	-2.6	-2.6	-1.8	-1.4
Drug formulating R&D	AUD Mio.	-2.7	-2.3	-5.0	-6.2	-3.0	-2.5	-1.0	-0.9
Regulatory and non-clinical	AUD Mio.	-1.6	-0.5	-0.8	-0.3	-1.0	-0.8	-0.5	-0.5
Clinical, regulatory and commercial	AUD Mio.	0.0	-0.8	-1.1	-1.5	-1.9	-2.1	-2.1	-1.7
Business marketing and listing	AUD Mio.	-1.1	-1.7	-1.4	-0.8	-0.7	-0.6	-0.8	-0.6
Licenses patents and trademarks	AUD Mio.	-1.0	-1.0	-0.9	-0.9	-0.7	-0.1	-0.1	-0.2
General operations	AUD Mio.	-2.4	-3.6	-7.3	-5.4	-2.8	-4.8	-4.7	-4.4
Other operating income	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.9
in % of total net sales	%	0%	0%	0%	0%	0%	0%	0%	48%
Other expenses	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBITDA</b>	<b>AUD Mio.</b>	<b>-8.6</b>	<b>-8.2</b>	<b>-13.8</b>	<b>-14.5</b>	<b>-10.8</b>	<b>-11.3</b>	<b>-9.7</b>	<b>-6.7</b>
in % of total net sales	%	-718%	-319%	-321%	-500%	-585%	-497%	-750%	-344%
YoY	%	-23%	-6%	69%	5%	-26%	5%	-14%	-30%
Depreciation and amortisation	AUD Mio.	-2.1	-1.0	-0.8	-0.9	-0.7	-0.1	-0.1	-0.1
in % of total net sales	%	-178%	-40%	-20%	-29%	-39%	-4%	-5%	-3%
<b>EBIT</b>	<b>AUD Mio.</b>	<b>-10.8</b>	<b>-9.2</b>	<b>-14.7</b>	<b>-15.4</b>	<b>-11.5</b>	<b>-11.4</b>	<b>-9.8</b>	<b>-6.8</b>
in % of total net sales	%	-896%	-359%	-341%	-529%	-624%	-501%	-755%	-
YoY	%	-10%	-15%	60%	5%	-25%	-1%	-14%	-30%
Interest income	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest costs	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBT</b>	<b>AUD Mio.</b>	<b>-10.8</b>	<b>-9.2</b>	<b>-14.7</b>	<b>-15.4</b>	<b>-11.5</b>	<b>-11.4</b>	<b>-9.8</b>	<b>-6.8</b>
in % of total net sales	%	-896%	-359%	-341%	-529%	-624%	-501%	-755%	-346%
Income taxes	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other taxes	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
in % of EBT	%	0%	0%	0%	0%	0%	0%	0%	0%
Tax loss carry forward	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net income after taxes</b>	<b>AUD Mio.</b>	<b>-10.8</b>	<b>-9.2</b>	<b>-14.7</b>	<b>-15.4</b>	<b>-11.5</b>	<b>-11.4</b>	<b>-9.8</b>	<b>-6.8</b>
in % of total net sales	%	-896%	-359%	-341%	-529%	-624%	-501%	-755%	-346%
YoY	%	-10%	-15%	60%	5%	-25%	-1%	-14%	-30%
Minorities	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income after minorities	USD Mio.	-10.8	-9.2	-14.7	-15.4	-11.5	-11.4	-9.8	-6.8
Number of shares	1.000	160.5	248.2	302.4	303.2	303.2	30.4	30.8	35.3
<b>Earnings per share (basic)</b>	<b>AUD</b>	<b>-0.07</b>	<b>-0.04</b>	<b>-0.05</b>	<b>-0.05</b>	<b>-0.04</b>	<b>-0.38</b>	<b>-0.32</b>	<b>-0.19</b>

SOURCE: COMPANY DATA, SPHENE CAPITAL

## Profit and loss statement, 2014-21e

		2014	2015	2016	2017	2018	2019e	2020e	2021e
<b>Revenues</b>	<b>AUD Mio.</b>	<b>2.5</b>	<b>3.3</b>	<b>6.4</b>	<b>17.0</b>	<b>25.8</b>	<b>63.4</b>	<b>118.4</b>	<b>174.1</b>
YoY	%	29%	29%	97%	165%	52%	146%	87%	47%
Material expenses	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
in % of total net sales	%	0%	0%	0%	0%	0%	0%	0%	0%
<b>Gross profit</b>	<b>AUD Mio.</b>	<b>2.5</b>	<b>3.3</b>	<b>6.4</b>	<b>17.0</b>	<b>25.8</b>	<b>63.4</b>	<b>118.4</b>	<b>174.1</b>
in % of total net sales	%	100%	100%	100%	100%	100%	100%	100%	100%
<b>Expenses</b>	<b>AUD Mio.</b>	<b>-8.5</b>	<b>-14.1</b>	<b>-10.3</b>	<b>-10.0</b>	<b>-13.3</b>	<b>-28.6</b>	<b>-49.9</b>	<b>-68.6</b>
in % of total net sales	%	-336%	-433%	-161%	-59%	-52%	-45%	-42%	-39%
Clinical development	AUD Mio.	-0.7	-0.2	-0.1	-0.1	-0.1	-0.2	-0.1	-0.2
Drug formulating R&D	AUD Mio.	-0.6	-0.5	-1.0	-0.9	-1.7	-4.3	-8.1	-12.1
Regulatory and non-clinical	AUD Mio.	-0.3	-0.7	-1.0	-1.0	-1.6	-1.4	-2.1	-1.8
Clinical, regulatory and commercial	AUD Mio.	-1.7	-1.3	-1.6	-2.1	-2.6	-6.2	-11.1	-15.9
Business marketing and listing	AUD Mio.	-0.5	-0.8	-0.8	-0.8	-1.1	-2.6	-4.7	-6.9
Licenses patents and trademarks	AUD Mio.	-0.2	-0.2	-0.3	-0.2	-0.5	-1.3	-2.4	-3.4
General operations	AUD Mio.	-4.5	-10.5	-5.6	-4.9	-5.7	-12.7	-21.4	-28.3
Other operating income	AUD Mio.	0.5	0.5	0.8	0.2	0.5	1.2	2.3	3.4
in % of total net sales	%	18%	14%	12%	1%	2%	2%	2%	2%
Other expenses	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBITDA</b>	<b>AUD Mio.</b>	<b>-5.5</b>	<b>-10.4</b>	<b>-3.1</b>	<b>7.2</b>	<b>12.9</b>	<b>36.1</b>	<b>70.8</b>	<b>108.9</b>
in % of total net sales	%	-217%	-319%	-49%	42%	50%	57%	60%	63%
YoY	%	-19%	89%	-70%	-329%	81%	179%	96%	54%
Depreciation and amortisation	AUD Mio.	0.0	0.0	0.0	-0.1	0.0	0.0	0.0	0.0
in % of total net sales	%	-1%	-1%	0%	0%	0%	0%	0%	0%
<b>EBIT</b>	<b>AUD Mio.</b>	<b>-5.5</b>	<b>-10.4</b>	<b>-3.2</b>	<b>7.1</b>	<b>12.9</b>	<b>36.1</b>	<b>70.8</b>	<b>108.9</b>
in % of total net sales	%	-219%	-319%	-49%	42%	50%	57%	60%	63%
YoY	%	-19%	88%	-70%	-326%	82%	179%	96%	54%
Interest income	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.4	0.7	1.4
Interest costs	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBT</b>	<b>AUD Mio.</b>	<b>-5.5</b>	<b>-10.4</b>	<b>-3.2</b>	<b>7.1</b>	<b>12.9</b>	<b>36.5</b>	<b>71.5</b>	<b>110.3</b>
in % of total net sales	%	-219%	-319%	-49%	42%	50%	57%	60%	63%
Income taxes	AUD Mio.	0.0	0.0	0.0	0.0	0.3	0.0	0.0	-33.0
Other taxes	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
in % of EBT	%	0%	0%	0%	0%	2%	0%	0%	-30%
Tax loss carry forward	AUD Mio.	0.0	0.0	129.2	121.1	108.1	71.7	0.2	0.0
<b>Net income after taxes</b>	<b>AUD Mio.</b>	<b>-5.5</b>	<b>-10.4</b>	<b>-3.2</b>	<b>7.1</b>	<b>13.2</b>	<b>36.5</b>	<b>71.5</b>	<b>77.3</b>
in % of total net sales	%	-219%	-319%	-49%	42%	51%	57%	60%	44%
YoY	%	-19%	88%	-70%	-326%	86%	176%	96%	8%
Minorities	AUD Mio.	0.0	0.0	0.0	-0.1	0.0	0.0	0.0	0.0
Net income after minorities	USD Mio.	-5.5	-10.4	-3.1	7.0	13.2	36.5	71.5	77.3
Number of shares	1.000	38.7	43.4	45.3	47.7	47.7	47.7	47.7	47.7
<b>Earnings per share (basic)</b>	<b>AUD</b>	<b>-0.14</b>	<b>-0.24</b>	<b>-0.07</b>	<b>0.15</b>	<b>0.28</b>	<b>0.76</b>	<b>1.50</b>	<b>1.62</b>

SOURCE: COMPANY DATA, SPHENE CAPITAL FORECASTS

## Balance sheet, 2006-13

		2006	2007	2008	2009	2010	2011	2012	2013
<b>ASSETS</b>									
<b>Long-term assets</b>	<b>AUD Mio.</b>	<b>5.2</b>	<b>31.0</b>	<b>26.9</b>	<b>17.1</b>	<b>7.9</b>	<b>5.6</b>	<b>0.6</b>	<b>0.1</b>
Intangible assets	AUD Mio.	2.9	2.2	1.4	0.7	0.0	0.0	0.0	0.0
Property, plant and equipment	AUD Mio.	0.2	0.3	0.4	0.4	0.3	0.2	0.2	0.1
Participations	AUD Mio.	2.0	28.5	25.0	0.0	0.0	5.3	0.5	0.0
Deferred taxes	AUD Mio.	0.0	0.0	0.0	16.0	7.6	0.0	0.0	0.0
Other non-financial assets	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Receivables to participations	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Pre-paid accounts	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Short-term assets</b>	<b>AUD Mio.</b>	<b>11.9</b>	<b>36.8</b>	<b>28.1</b>	<b>24.6</b>	<b>21.6</b>	<b>14.6</b>	<b>15.4</b>	<b>15.7</b>
Inventories	AUD Mio.	0.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0
DIO	d	173.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Receivables and other assets	AUD Mio.	0.2	0.2	0.6	0.2	0.4	1.0	1.0	1.7
DSO	d	69.9	34.0	51.6	26.2	70.8	154.0	280.2	319.6
Receivables from participations	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Receivables from not paid in capital	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other short-term assets	AUD Mio.	2.5	2.7	1.7	2.6	1.8	1.5	1.6	1.4
Cash	AUD Mio.	8.6	33.8	25.8	21.7	19.4	12.2	12.7	12.6
thereof collateralized	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accrued income	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Equity not covered by assets	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total assets</b>	<b>AUD Mio.</b>	<b>17.1</b>	<b>67.8</b>	<b>55.0</b>	<b>41.6</b>	<b>29.5</b>	<b>20.2</b>	<b>16.0</b>	<b>15.8</b>
<b>LIABILITIES</b>									
<b>Equity</b>	<b>AUD Mio.</b>	<b>14.0</b>	<b>65.4</b>	<b>51.8</b>	<b>37.1</b>	<b>26.4</b>	<b>16.4</b>	<b>13.6</b>	<b>13.8</b>
Equity ratio	%	82%	96%	94%	89%	90%	81%	85%	88%
Subscribed capital	AUD Mio.	52.7	112.8	113.2	113.2	113.2	113.3	119.3	126.7
Capital reserve	AUD Mio.	1.2	1.6	1.8	2.2	2.2	3.2	1.8	1.3
Retained earnings	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Profit/Loss	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Minorities	AUD Mio.	-39.9	-49.1	-63.2	-78.3	-89.0	-100.1	-107.5	-
Not paid in capital	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Minorities	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Special item	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Pension reserves	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other reserves	AUD Mio.	0.1	0.1	0.2	0.2	0.3	0.3	0.3	0.5
<b>Total liabilities</b>	<b>AUD Mio.</b>	<b>3.0</b>	<b>2.3</b>	<b>3.0</b>	<b>4.4</b>	<b>2.8</b>	<b>3.4</b>	<b>2.1</b>	<b>1.5</b>
Bonds	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial liabilities	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Trade payables	AUD Mio.	3.0	2.3	3.0	4.4	2.8	3.4	2.1	1.5
Days	d	897	326	249	541	547	543	579	266
Other liabilities	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Liabilities to minorities	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accrued expenses	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total liabilities</b>	<b>AUD Mio.</b>	<b>17.1</b>	<b>67.8</b>	<b>55.0</b>	<b>41.6</b>	<b>29.5</b>	<b>20.2</b>	<b>16.0</b>	<b>15.8</b>

SOURCE: COMPANY DATA, SPHENE CAPITAL

## Balance sheet, 2014-21e

		2014	2015	2016	2017	2018	2019e	2020e	2021e
<b>ASSETS</b>									
<b>Long-term assets</b>	<b>AUD Mio.</b>	<b>0.1</b>	<b>0.1</b>	<b>0.2</b>	<b>0.1</b>	<b>0.6</b>	<b>0.4</b>	<b>0.8</b>	<b>1.1</b>
Intangible assets	AUD Mio.	0.0	0.0	0.0	0.0	0.2	0.0	0.0	0.0
Property, plant and equipment	AUD Mio.	0.1	0.1	0.2	0.1	0.2	0.4	0.8	1.1
Participations	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Deferred taxes	AUD Mio.	0.0	0.0	0.0	0.0	0.3	0.0	0.0	0.0
Other non-financial assets	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Receivables to participations	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Pre-paid accounts	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Short-term assets</b>	<b>AUD Mio.</b>	<b>17.0</b>	<b>13.6</b>	<b>20.0</b>	<b>28.5</b>	<b>42.3</b>	<b>84.0</b>	<b>162.5</b>	<b>247.0</b>
Inventories	AUD Mio.	0.0	0.8	1.1	1.2	0.6	1.6	2.9	4.3
DIO	d	0.0	92.4	60.7	26.3	9.0	9.0	9.0	9.0
Receivables and other assets	AUD Mio.	1.6	2.0	4.8	3.2	5.1	12.5	23.4	34.4
DSO	d	225.9	216.5	270.5	68.7	71.2	71.2	71.2	71.2
Receivables from participations	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Receivables from not paid in capital	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other short-term assets	AUD Mio.	0.8	0.2	0.2	0.2	0.3	0.0	0.0	0.0
Cash	AUD Mio.	14.6	10.6	13.8	23.8	36.2	69.9	136.2	208.2
thereof collateralized	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accrued income	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Equity not covered by assets	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total assets</b>	<b>AUD Mio.</b>	<b>17.2</b>	<b>13.6</b>	<b>20.1</b>	<b>28.6</b>	<b>42.9</b>	<b>84.4</b>	<b>163.3</b>	<b>248.1</b>
<b>LIABILITIES</b>									
<b>Equity</b>	<b>AUD Mio.</b>	<b>15.4</b>	<b>11.2</b>	<b>17.8</b>	<b>25.4</b>	<b>39.4</b>	<b>75.9</b>	<b>147.4</b>	<b>224.6</b>
Equity ratio	%	90%	82%	89%	89%	92%	90%	90%	91%
Subscribed capital	AUD Mio.	133.6	138.5	146.8	148.4	148.6	148.6	148.6	148.6
Capital reserve	AUD Mio.	1.4	2.7	4.1	2.8	3.5	3.5	3.5	3.5
Retained earnings	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Profit/Loss	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Minorities	AUD Mio.	-119.6	-129.9	-133.1	-125.8	-112.7	-76.2	-4.7	72.5
Not paid in capital	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Minorities	AUD Mio.	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0
Special item	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Pension reserves	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other reserves	AUD Mio.	0.6	0.6	0.7	0.9	1.0	2.4	4.5	6.6
<b>Total liabilities</b>	<b>AUD Mio.</b>	<b>1.1</b>	<b>1.9</b>	<b>1.6</b>	<b>2.3</b>	<b>2.5</b>	<b>6.2</b>	<b>11.5</b>	<b>16.9</b>
Bonds	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial liabilities	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Trade payables	AUD Mio.	1.1	1.9	1.6	2.3	2.5	6.2	11.5	16.9
Days	d	157	205	88	49	35	35	35	35
Other liabilities	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Liabilities to minorities	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accrued expenses	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total liabilities</b>	<b>AUD Mio.</b>	<b>17.2</b>	<b>13.6</b>	<b>20.1</b>	<b>28.6</b>	<b>42.9</b>	<b>84.4</b>	<b>163.3</b>	<b>248.1</b>

SOURCE: COMPANY DATA, SPHENE CAPITAL FORECASTS

## Balance sheet (normalized version), 2006-13

		2006	2007	2008	2009	2010	2011	2012	2013
<b>ASSETS</b>									
<b>Long-term assets</b>	%	<b>30%</b>	<b>46%</b>	<b>49%</b>	<b>41%</b>	<b>27%</b>	<b>28%</b>	<b>4%</b>	<b>1%</b>
Intangible assets	%	17%	3%	3%	2%	0%	0%	0%	0%
Property, plant and equipment	%	1%	0%	1%	1%	1%	1%	1%	1%
Participations	%	12%	42%	46%	0%	0%	26%	3%	0%
Deferred taxes	%	0%	0%	0%	39%	26%	0%	0%	0%
Other non-financial assets	%	0%	0%	0%	0%	0%	0%	0%	0%
Receivables to participations	%	0%	0%	0%	0%	0%	0%	0%	0%
Pre-paid accounts	%	0%	0%	0%	0%	0%	0%	0%	0%
<b>Short-term assets</b>	%	<b>70%</b>	<b>54%</b>	<b>51%</b>	<b>59%</b>	<b>73%</b>	<b>72%</b>	<b>96%</b>	<b>99%</b>
Inventories	%	3%	0%	0%	0%	0%	0%	0%	0%
Receivables and other assets	%	1%	0%	1%	1%	1%	5%	6%	11%
Receivables from participations	%	0%	0%	0%	0%	0%	0%	0%	0%
Receivables from not paid in capital	%	0%	0%	0%	0%	0%	0%	0%	0%
Other short-term assets	%	14%	4%	3%	6%	6%	7%	10%	9%
Cash	%	50%	50%	47%	52%	66%	60%	80%	79%
thereof collateralized	%	0%	0%	0%	0%	0%	0%	0%	0%
Accrued income	%	0%	0%	0%	0%	0%	0%	0%	0%
Equity not covered by assets	%	0%	0%	0%	0%	0%	0%	0%	0%
<b>Total assets</b>	%	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>LIABILITIES</b>									
<b>Equity</b>	%	<b>82%</b>	<b>96%</b>	<b>94%</b>	<b>89%</b>	<b>90%</b>	<b>81%</b>	<b>85%</b>	<b>88%</b>
Subscribed capital	%	309%	166%	206%	272%	384%	562%	746%	801%
Capital reserve	%	7%	2%	3%	5%	7%	16%	11%	8%
Retained earnings	%	0%	0%	0%	0%	0%	0%	0%	0%
Profit/Loss	%	0%	0%	0%	0%	0%	0%	0%	0%
Minorities	%	-234%	-72%	-115%	-188%	-302%	-497%	-672%	-722%
Not paid in capital	%	0%	0%	0%	0%	0%	0%	0%	0%
Minorities	%	0%	0%	0%	0%	0%	0%	0%	0%
Special item	%	0%	0%	0%	0%	0%	0%	0%	0%
Pension reserves	%	0%	0%	0%	0%	0%	0%	0%	0%
Other reserves	%	1%	0%	0%	0%	1%	2%	2%	3%
<b>Total liabilities</b>	%	<b>18%</b>	<b>3%</b>	<b>5%</b>	<b>10%</b>	<b>9%</b>	<b>17%</b>	<b>13%</b>	<b>9%</b>
Bonds	%	0%	0%	0%	0%	0%	0%	0%	0%
Financial liabilities	%	0%	0%	0%	0%	0%	0%	0%	0%
Trade payables	%	18%	3%	5%	10%	9%	17%	13%	9%
Other liabilities	%	0%	0%	0%	0%	0%	0%	0%	0%
Liabilities to minorities	%	0%	0%	0%	0%	0%	0%	0%	0%
Accrued expenses	%	0%	0%	0%	0%	0%	0%	0%	0%
<b>Total liabilities</b>	%	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

SOURCE: COMPANY DATA, SPHENE CAPITAL



## Balance sheet (normalized version), 2014-21e

		2014	2015	2016	2017	2018	2019e	2020e	2021e
<b>ASSETS</b>									
<b>Long-term assets</b>	%	<b>1%</b>	<b>1%</b>	<b>1%</b>	<b>0%</b>	<b>1%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>
Intangible assets	%	0%	0%	0%	0%	0%	0%	0%	0%
Property, plant and equipment	%	1%	1%	1%	0%	0%	0%	0%	0%
Participations	%	0%	0%	0%	0%	0%	0%	0%	0%
Deferred taxes	%	0%	0%	0%	0%	1%	0%	0%	0%
Other non-financial assets	%	0%	0%	0%	0%	0%	0%	0%	0%
Receivables to participations	%	0%	0%	0%	0%	0%	0%	0%	0%
Pre-paid accounts	%	0%	0%	0%	0%	0%	0%	0%	0%
<b>Short-term assets</b>	%	<b>99%</b>	<b>99%</b>	<b>99%</b>	<b>100%</b>	<b>99%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
Inventories	%	0%	6%	5%	4%	1%	2%	2%	2%
Receivables and other assets	%	9%	14%	24%	11%	12%	15%	14%	14%
Receivables from participations	%	0%	0%	0%	0%	0%	0%	0%	0%
Receivables from not paid in capital	%	0%	0%	0%	0%	0%	0%	0%	0%
Other short-term assets	%	5%	1%	1%	1%	1%	0%	0%	0%
Cash	%	85%	77%	69%	83%	84%	83%	83%	84%
thereof collateralized	%	0%	0%	0%	0%	0%	0%	0%	0%
Accrued income	%	0%	0%	0%	0%	0%	0%	0%	0%
Equity not covered by assets	%	0%	0%	0%	0%	0%	0%	0%	0%
<b>Total assets</b>	%	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>LIABILITIES</b>									
<b>Equity</b>	%	<b>90%</b>	<b>82%</b>	<b>89%</b>	<b>89%</b>	<b>92%</b>	<b>90%</b>	<b>90%</b>	<b>91%</b>
Subscribed capital	%	779%	1015%	729%	519%	346%	176%	91%	60%
Capital reserve	%	8%	20%	20%	10%	8%	4%	2%	1%
Retained earnings	%	0%	0%	0%	0%	0%	0%	0%	0%
Profit/Loss	%	0%	0%	0%	0%	0%	0%	0%	0%
Minorities	%	-697%	-952%	-661%	-440%	-263%	-90%	-3%	29%
Not paid in capital	%	0%	0%	0%	0%	0%	0%	0%	0%
Minorities	%	0%	0%	0%	0%	0%	0%	0%	0%
Special item	%	0%	0%	0%	0%	0%	0%	0%	0%
Pension reserves	%	0%	0%	0%	0%	0%	0%	0%	0%
Other reserves	%	4%	4%	4%	3%	2%	3%	3%	3%
<b>Total liabilities</b>	%	<b>6%</b>	<b>14%</b>	<b>8%</b>	<b>8%</b>	<b>6%</b>	<b>7%</b>	<b>7%</b>	<b>7%</b>
Bonds	%	0%	0%	0%	0%	0%	0%	0%	0%
Financial liabilities	%	0%	0%	0%	0%	0%	0%	0%	0%
Trade payables	%	6%	14%	8%	8%	6%	7%	7%	7%
Other liabilities	%	0%	0%	0%	0%	0%	0%	0%	0%
Liabilities to minorities	%	0%	0%	0%	0%	0%	0%	0%	0%
Accrued expenses	%	0%	0%	0%	0%	0%	0%	0%	0%
<b>Total liabilities</b>	%	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

SOURCE: COMPANY DATA, SPHENE CAPITAL FORECASTS

## Cash flow statement, 2006-13

		2006	2007	2008	2009	2010	2011	2012	2013
Net income	AUD Mio.	-10.8	-9.2	-14.7	-15.4	-11.5	-11.4	-9.8	-6.8
Depreciations	AUD Mio.	2.1	1.0	0.8	0.9	0.7	0.1	0.1	0.1
Write-ups on fixed assets	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Δ Inventory	AUD Mio.	-0.5	0.6	0.0	0.0	0.0	0.0	0.0	0.0
Δ Trade receivables	AUD Mio.	-0.1	0.0	-0.4	0.4	-0.2	-0.6	0.0	-0.7
Δ Other receivables	AUD Mio.	-2.2	-0.2	1.0	-0.9	0.8	0.3	-0.2	0.3
Δ Deferred taxes (assets)	AUD Mio.	0.0	0.0	0.0	-16.0	8.5	7.6	0.0	0.0
Δ Provisions	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Δ Other provisions	AUD Mio.	0.0	0.0	0.1	0.0	0.1	0.0	0.0	0.2
Δ Short term provisions	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Δ Payables	AUD Mio.	0.5	-0.7	0.7	1.4	-1.6	0.6	-1.4	-0.6
Δ Other debt	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Δ Special item	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Δ Deferred taxes (liabilities)	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Currency adjustments	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other adjustments	AUD Mio.	-0.5	0.3	5.3	18.7	-8.6	-6.2	1.3	0.7
<b>Operating cash flow</b>	<b>%</b>	<b>-11.4</b>	<b>-8.2</b>	<b>-7.2</b>	<b>-11.0</b>	<b>-11.8</b>	<b>-9.5</b>	<b>-10.0</b>	<b>-6.9</b>
YoY	%	23%	-28%	-12%	53%	7%	-19%	6%	-31%
Disbursements for purchases of fixed assets	AUD Mio.	-2.0	-26.5	3.5	25.0	0.0	-5.3	4.9	0.5
Payments for investments in intangibles	AUD Mio.	1.6	0.8	0.8	0.8	0.6	0.0	0.0	0.0
Payments for investments in tangibles	AUD Mio.	-2.1	-1.1	-0.9	-0.8	-0.7	0.0	0.0	0.0
Other adjustments	AUD Mio.	0.2	0.4	-4.0	-18.5	9.7	7.8	-0.1	0.0
<b>Investing cash flow</b>	<b>AUD Mio.</b>	<b>-2.4</b>	<b>-26.5</b>	<b>-0.7</b>	<b>6.5</b>	<b>9.6</b>	<b>2.5</b>	<b>4.8</b>	<b>0.4</b>
YoY	%	114%	1023%	-97%	-980%	48%	-74%	88%	-91%
<b>Free cash flow</b>	<b>AUD Mio.</b>	<b>-13.8</b>	<b>-34.7</b>	<b>-7.9</b>	<b>-4.5</b>	<b>-2.1</b>	<b>-6.9</b>	<b>-5.2</b>	<b>-6.5</b>
YoY	%	33%	152%	-77%	-44%	-52%	224%	-25%	23%
Δ Share capital	AUD Mio.	17.6	60.1	0.4	0.0	0.0	0.1	6.0	7.4
Δ Capital reserves	AUD Mio.	-0.3	0.5	0.1	0.4	0.0	1.0	-1.4	-0.6
Δ Bank debt	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Δ Bonds	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Δ Other financial debt	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Outflow for dividends	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other adjustments	AUD Mio.	0.3	-0.6	-0.5	-0.3	0.0	-1.2	1.2	-0.5
<b>Financing cash flow</b>	<b>AUD Mio.</b>	<b>17.6</b>	<b>60.0</b>	<b>0.0</b>	<b>0.1</b>	<b>0.0</b>	<b>0.0</b>	<b>5.8</b>	<b>6.3</b>
<b>Change in cash</b>	<b>AUD Mio.</b>	<b>3.8</b>	<b>25.4</b>	<b>-7.9</b>	<b>-4.3</b>	<b>-2.1</b>	<b>-6.9</b>	<b>0.5</b>	<b>-0.2</b>
Currency adjustments	AUD Mio.	0.0	-0.1	-0.2	0.3	-0.2	-0.3	0.0	0.0
Cash at beginning of period	AUD Mio.	4.8	8.6	33.8	25.8	21.7	19.4	12.2	12.7
<b>Cash at end of period</b>	<b>AUD Mio.</b>	<b>8.6</b>	<b>33.8</b>	<b>25.8</b>	<b>21.7</b>	<b>19.4</b>	<b>12.2</b>	<b>12.7</b>	<b>12.6</b>

SOURCE: COMPANY DATA, SPHENE CAPITAL

## Cash flow statement, 2014-21e

		2014	2015	2016	2017	2018	2019e	2020e	2021e
Net income	AUD Mio.	-5.5	-10.4	-3.2	7.1	13.2	36.5	71.5	77.3
Depreciations	AUD Mio.	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0
Write-ups on fixed assets	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Δ Inventory	AUD Mio.	0.0	-0.8	-0.2	-0.2	0.6	-0.9	-1.4	-1.4
Δ Trade receivables	AUD Mio.	0.2	-0.4	-2.9	1.6	-1.9	-7.5	-10.9	-11.0
Δ Other receivables	AUD Mio.	0.5	0.6	0.0	0.0	-0.1	0.3	0.0	0.0
Δ Deferred taxes (assets)	AUD Mio.	0.0	0.0	0.0	0.0	-0.3	0.3	0.0	0.0
Δ Provisions	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Δ Other provisions	AUD Mio.	0.1	0.0	0.2	0.1	0.1	1.4	2.1	2.1
Δ Short term provisions	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Δ Payables	AUD Mio.	-0.3	0.8	-0.3	0.7	0.2	3.7	5.3	5.4
Δ Other debt	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Δ Special item	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Δ Deferred taxes (liabilities)	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Currency adjustments	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other adjustments	AUD Mio.	0.2	5.7	1.4	0.5	-0.2	0.0	0.0	0.0
<b>Operating cash flow</b>	<b>%</b>	<b>-4.8</b>	<b>-4.5</b>	<b>-5.0</b>	<b>9.9</b>	<b>11.7</b>	<b>33.8</b>	<b>66.7</b>	<b>72.4</b>
YoY	%	-30%	-6%	11%	-297%	18%	189%	98%	9%
Disbursements for purchases of fixed assets	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Payments for investments in intangibles	AUD Mio.	0.0	0.0	0.0	0.0	-0.2	0.2	0.0	0.0
Payments for investments in tangibles	AUD Mio.	0.0	0.0	-0.1	0.0	0.0	-0.2	-0.4	-0.4
Other adjustments	AUD Mio.	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0
<b>Investing cash flow</b>	<b>AUD Mio.</b>	<b>0.0</b>	<b>0.0</b>	<b>-0.1</b>	<b>-0.1</b>	<b>-0.1</b>	<b>-0.1</b>	<b>-0.4</b>	<b>-0.4</b>
YoY	%	-101%	208%	817%	-31%	12%	-18%	481%	1%
<b>Free cash flow</b>	<b>AUD Mio.</b>	<b>-4.8</b>	<b>-4.5</b>	<b>-5.1</b>	<b>9.8</b>	<b>11.6</b>	<b>33.7</b>	<b>66.3</b>	<b>72.0</b>
YoY	%	-25%	-6%	13%	-292%	18%	190%	97%	9%
Δ Share capital	AUD Mio.	6.9	4.9	8.3	1.6	0.2	0.0	0.0	0.0
Δ Capital reserves	AUD Mio.	0.2	1.3	1.4	-1.3	0.7	0.0	0.0	0.0
Δ Bank debt	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Δ Bonds	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Δ Other financial debt	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Outflow for dividends	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other adjustments	AUD Mio.	-0.2	-5.9	-1.3	-0.3	0.0	0.0	0.0	0.0
<b>Financing cash flow</b>	<b>AUD Mio.</b>	<b>6.9</b>	<b>0.2</b>	<b>8.4</b>	<b>0.1</b>	<b>0.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Change in cash</b>	<b>AUD Mio.</b>	<b>2.1</b>	<b>-4.3</b>	<b>3.3</b>	<b>9.9</b>	<b>12.5</b>	<b>33.7</b>	<b>66.3</b>	<b>72.0</b>
Currency adjustments	AUD Mio.	0.0	0.3	0.0	0.0	0.0	0.0	0.0	0.0
Cash at beginning of period	AUD Mio.	12.6	14.6	10.6	13.8	23.8	36.2	69.9	136.2
<b>Cash at end of period</b>	<b>AUD Mio.</b>	<b>14.6</b>	<b>10.6</b>	<b>13.8</b>	<b>23.8</b>	<b>36.2</b>	<b>69.9</b>	<b>136.2</b>	<b>208.2</b>

SOURCE: COMPANY DATA, SPHENE CAPITAL FORECASTS

## Segments, 2006-13

		2006	2007	2008	2009	2010	2011	2012	2013
<b>Revenues by region</b>	<b>AUD Mio.</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>1.3</b>	<b>2.0</b>
Europe	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	1.3	2.0
America	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Asia and Australia	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Africa	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>YoY</b>	<b>%</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>52%</b>
Europe	%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	52%
America	%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Asia and Australia	%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Africa	%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Share</b>	<b>%</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>100%</b>	<b>100%</b>
Europe	%	n/a	n/a	n/a	n/a	n/a	n/a	100%	100%
America	%	n/a	n/a	n/a	n/a	n/a	n/a	0%	0%
Asia and Australia	%	n/a	n/a	n/a	n/a	n/a	n/a	0%	0%
Africa	%	n/a	n/a	n/a	n/a	n/a	n/a	0%	0%

SOURCE: COMPANY DATA, SPHENE CAPITAL

## Segments, 2014-21e

		2014	2015	2016	2017	2018	2019e	2020e	2021e
<b>Revenues by region</b>	<b>AUD Mio.</b>	<b>2.5</b>	<b>3.3</b>	<b>6.4</b>	<b>17.0</b>	<b>25.8</b>	<b>63.4</b>	<b>118.4</b>	<b>174.1</b>
Europe	AUD Mio.	2.5	3.3	6.4	16.7	25.8	52.5	76.7	111.8
America	AUD Mio.	0.0	0.0	0.0	0.3	0.0	10.9	25.7	38.9
Asia and Australia	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	15.0	21.2
Africa	AUD Mio.	0.0	0.0	0.0	0.0	0.0	0.0	1.1	2.3
<b>YoY</b>	<b>%</b>	<b>29%</b>	<b>29%</b>	<b>97%</b>	<b>165%</b>	<b>52%</b>	<b>146%</b>	<b>87%</b>	<b>47%</b>
Europe	%	29%	29%	97%	160%	54%	104%	46%	46%
America	%	n/a	n/a	n/a	n/a	-100%	n/a	135%	52%
Asia and Australia	%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	41%
Africa	%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	104%
<b>Share</b>	<b>%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
Europe	%	100%	100%	100%	98%	100%	83%	65%	64%
America	%	0%	0%	0%	2%	0%	17%	22%	22%
Asia and Australia	%	0%	0%	0%	0%	0%	0%	13%	12%
Africa	%	0%	0%	0%	0%	0%	0%	1%	1%

SOURCE: COMPANY DATA, SPHENE CAPITAL FORECASTS

## Prevalence, 2018

	<b>2018</b>
<b>Prevalence (EPP), worldwide, reported</b>	<b>6,827</b>
<b>Europe</b>	<b>1,926</b>
GER	400
AUT	40
SUI	65
FRA	300
GBR	389
IRE	12
ITA	120
Benelux	241
DEN	135
SWE	51
NOR	47
ESP	26
POR	100
Other territories in Europe	0
<b>America</b>	<b>4,443</b>
USA	4,300
CDN	125
BRZ	18
Other territories in the Americas	0
<b>Asia and Australia</b>	<b>500</b>
JPN	136
AUS	364
Other territories in Australasia	0
<b>Africa</b>	<b>33</b>
RZA	33
Other territories in Africa	0
SOURCE: SPHENE CAPITAL	



## Clinuvel’s number of EPP patients, 2017-21e

	2014	2015	2016	2017	2018	2019e	2020e	2021e
<b>Number of patients, worldwide</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>265</b>	<b>224</b>	<b>578</b>	<b>1,038</b>	<b>1,497</b>
<b>Europe</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>260</b>	<b>224</b>	<b>478</b>	<b>671</b>	<b>960</b>
GER	0	0	0	45	75	100	140	200
AUT	0	0	0	10	4	10	14	20
SUI	0	0	0	60	6	16	22	32
FRA	0	0	0	0	30	75	105	150
GBR	0	0	0	0	38	97	136	194
IRE	0	0	0	0	1	3	4	6
ITA	0	0	0	25	12	30	42	60
Benelux	0	0	0	120	24	60	84	120
DEN	0	0	0	0	13	33	47	67
SWE	0	0	0	0	5	12	17	25
NOR	0	0	0	0	4	11	16	23
ESP	0	0	0	0	2	6	9	13
POR	0	0	0	0	10	25	35	50
Other territories in Europe	0	0	0	0	0	0	0	0
<b>America</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>100</b>	<b>225</b>	<b>335</b>
USA	0	0	0	5	0	100	200	300
CDN	0	0	0	0	0	0	20	25
BRZ	0	0	0	0	0	0	5	10
Other territories in the Americas	0	0	0	0	0	0	0	0
<b>Asia and Australia</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>131</b>	<b>182</b>
JPN	0	0	0	0	0	0	81	122
AUS	0	0	0	0	0	0	50	60
Other territories in Australasia	0	0	0	0	0	0	0	0
<b>Africa</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10</b>	<b>20</b>
RZA	0	0	0	0	0	0	10	20
Other territories in Africa	0	0	0	0	0	0	0	0

SOURCE: SPHENE CAPITAL FORECASTS

## One view I, 2008-14

		2008	2009	2010	2011	2012	2013	2014
<b>Key data</b>								
Revenues	AUD mn	4.3	2.9	1.8	2.3	1.3	2.0	2.5
Gross profit	AUD mn	4.3	2.9	1.8	2.3	1.3	2.0	2.5
EBITDA	AUD mn	-13.8	-14.5	-10.8	-11.3	-9.7	-6.7	-5.5
EBIT	AUD mn	-14.7	-15.4	-11.5	-11.4	-9.8	-6.8	-5.5
EBT	AUD mn	-14.7	-15.4	-11.5	-11.4	-9.8	-6.8	-5.5
Net income	AUD mn	-14.7	-15.4	-11.5	-11.4	-9.8	-6.8	-5.5
Nr. of employees		n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Per share data</b>								
Price high	AUD	9.00	4.00	3.65	2.55	2.30	2.73	2.10
Price low	AUD	3.00	1.85	2.15	1.63	1.41	1.50	0.92
Price average	AUD	4.72	2.68	2.80	2.03	1.68	1.92	1.57
Price average/last	AUD	3.10	2.80	2.25	1.66	1.59	1.97	1.70
EPS	AUD	-0.05	-0.05	-0.04	-0.38	-0.32	-0.19	-0.14
BVPS	AUD	0.17	0.12	0.09	0.54	0.44	0.39	0.40
CFPS	AUD	-0.02	-0.04	-0.04	-0.31	-0.33	-0.20	-0.12
Dividend	AUD	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Profitability ratios (based on revenues)</b>								
EBITDA margin	%	-321%	-500%	-585%	-497%	-750%	-344%	-217%
EBIT margin	%	-341%	-529%	-624%	-501%	-755%	-346%	-219%
Pre-tax margin	%	-341%	-529%	-624%	-501%	-755%	-346%	-219%
Net margin	%	-341%	-529%	-624%	-501%	-755%	-346%	-219%
FCF margin	%	0%	0%	0%	0%	0%	0%	0%
ROE	%	-28%	-41%	-44%	-70%	-72%	-49%	-36%
NWC/Sales	%	-55%	-143%	-132%	-108%	-83%	15%	19%
Revenues per head	AUD	n/a	n/a	n/a	n/a	n/a	n/a	n/a
EBIT per head	AUD	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Capex/Sales	%	-22%	-27%	-37%	1%	-2%	-1%	0%
<b>Growth ratios</b>								
Revenues	%	68%	-32%	-36%	23%	-43%	52%	29%
Gross profit	%	68%	-32%	-36%	23%	-43%	52%	29%
EBITDA	%	69%	5%	-26%	5%	-14%	-30%	-19%
EBIT	%	60%	5%	-25%	-1%	-14%	-30%	-19%
EBT	%	60%	5%	-25%	-1%	-14%	-30%	-19%
Net income	%	60%	5%	-25%	-1%	-14%	-30%	-19%
EPS	%	31%	5%	-25%	889%	-15%	-39%	-26%
CFPS	%	-28%	53%	7%	704%	4%	-40%	-36%
SOURCE: COMPANY DATA, SPHENE CAPITAL								

## One view I, 2015-21e

		2015	2016	2017	2018	2019e	2020e	2021e
<b>Key data</b>								
Revenues	AUD mn	3.3	6.4	17.0	25.8	63.4	118.4	174.1
Gross profit	AUD mn	3.3	6.4	17.0	25.8	63.4	118.4	174.1
EBITDA	AUD mn	-10.4	-3.1	7.2	12.9	36.1	70.8	108.9
EBIT	AUD mn	-10.4	-3.2	7.1	12.9	36.1	70.8	108.9
EBT	AUD mn	-10.4	-3.2	7.1	12.9	36.5	71.5	110.3
Net income	AUD mn	-10.4	-3.2	7.1	13.2	36.5	71.5	77.3
Nr. of employees		n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Per share data</b>								
Price high	AUD	5.10	5.00	9.19	13.00	15.02		
Price low	AUD	1.30	2.50	4.10	6.13	9.82		
Price average	AUD	3.27	3.30	6.65	8.75	12.02		
Price last	AUD	2.84	4.32	6.98	11.01	14.56	14.56	14.56
EPS	AUD	-0.24	-0.07	0.15	0.28	0.76	1.50	1.62
BVPS	AUD	0.26	0.39	0.53	0.83	1.59	3.09	4.71
CFPS	AUD	-0.10	-0.11	0.21	0.24	0.71	1.40	1.52
Dividend	AUD	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Price target	AUD							32.70
Performance to price target	%							124.6%
<b>Profitability ratios (based on revenues)</b>								
EBITDA margin	%	-319%	-49%	42%	50%	57%	60%	63%
EBIT margin	%	-319%	-49%	42%	50%	57%	60%	63%
Pre-tax margin	%	-319%	-49%	42%	50%	57%	60%	63%
Net margin	%	-319%	-49%	42%	51%	57%	60%	44%
FCF margin	%	-139%	-80%	58%	45%	53%	56%	41%
ROE	%	-93%	-18%	28%	34%	48%	49%	34%
NWC/Sales	%	29%	67%	13%	13%	13%	13%	13%
Revenues per head	AUD	n/a	n/a	n/a	n/a	n/a	n/a	n/a
EBIT per head	AUD	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Capex/Sales	%	1%	-2%	0%	0%	0%	0%	0%
<b>Growth ratios</b>								
Revenues	%	29%	97%	165%	52%	146%	87%	47%
Gross profit	%	29%	97%	165%	52%	146%	87%	47%
EBITDA	%	89%	-70%	-329%	81%	179%	96%	54%
EBIT	%	88%	-70%	-326%	82%	179%	96%	54%
EBT	%	88%	-70%	-326%	82%	182%	96%	54%
Net income	%	88%	-70%	-326%	86%	176%	96%	8%
EPS	%	68%	-71%	-315%	87%	176%	96%	8%
CFPS	%	-16%	6%	-287%	18%	189%	98%	9%

SOURCE: COMPANY DATA, SPHENE CAPITAL FORECASTS

## One view II, 2008-14

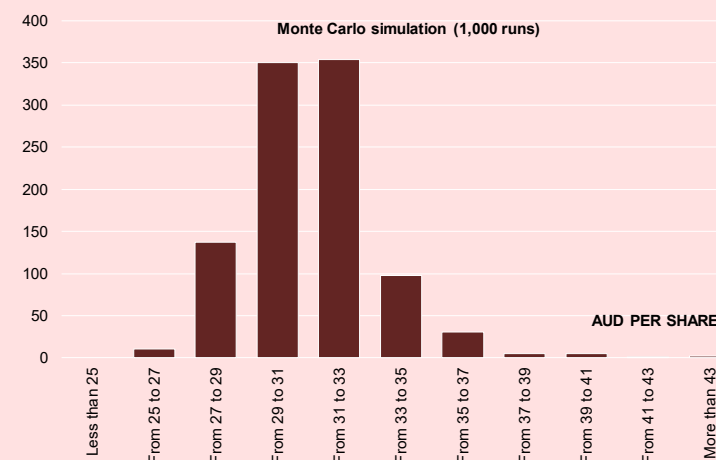
		2008	2009	2010	2011	2012	2013	2014
<b>Balance sheet ratios</b>								
Fixed assets	AUD mn	26.9	17.1	7.9	5.6	0.6	0.1	0.1
Financial assets	AUD mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current assets	AUD mn	28.1	24.6	21.6	14.6	15.4	15.7	17.0
Equity	AUD mn	51.8	37.1	26.4	16.4	13.6	13.8	15.4
Liabilities	AUD mn	3.0	4.4	2.8	3.4	2.1	1.5	1.1
Equity ratio	%	94.3%	89.0%	89.6%	81.4%	85.3%	87.5%	89.9%
Gearing	%	-49.7%	-58.6%	-73.5%	-74.2%	-93.3%	-90.8%	-94.8%
Working Capital	AUD mn	-2.4	-4.2	-2.4	-2.5	-1.1	0.3	0.5
Asset Turnover	x	0.1	0.1	0.1	0.1	0.1	0.1	0.1
EBITDA-ICR	x	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Enterprise Value</b>								
Nr. of shares	1,000	302.4	303.2	303.2	30.4	30.8	35.3	38.7
Market cap. high	AUD mn	2,721.4	1,212.7	1,106.5	77.4	70.7	96.4	81.3
Market cap. low	AUD mn	907.1	560.9	651.8	49.5	43.4	52.9	35.6
Market cap. average	AUD mn	1,427.2	812.5	848.9	61.6	51.7	67.8	60.8
Market cap. last	AUD mn	937.4	848.9	682.1	50.4	48.9	69.5	65.8
Net debt	AUD mn	-25.8	-21.7	-19.4	-12.2	-12.7	-12.6	-14.6
Pension reserves	AUD mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Minorities	AUD mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-operating financial assets	AUD mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Enterprise Value high	AUD mn	2,695.7	1,190.9	1,087.1	65.2	58.0	83.8	66.6
Enterprise Value low	AUD mn	881.4	539.1	632.4	37.3	30.7	40.4	21.0
Enterprise Value average	AUD mn	1,401.5	790.8	829.4	49.5	39.0	55.2	46.1
Enterprise Value last	AUD mn	911.6	827.1	662.7	38.2	36.2	57.0	51.2
<b>Valuation ratios</b>								
EV/sales high	x	627.32	409.98	589.00	28.67	44.84	42.67	26.38
EV/sales low	x	205.11	185.60	342.62	16.39	23.69	20.56	8.30
EV/sales average	x	326.15	272.22	449.39	21.73	30.11	28.11	18.26
EV/sales last	x	212.15	284.74	359.05	16.79	27.97	29.01	20.25
EV/EBITDA high	x	n/a	n/a	n/a	n/a	n/a	n/a	n/a
EV/EBITDA low	x	n/a	n/a	n/a	n/a	n/a	n/a	n/a
EV/EBITDA average	x	n/a	n/a	n/a	n/a	n/a	n/a	n/a
EV/EBITDA last	x	n/a	n/a	n/a	n/a	n/a	n/a	n/a
EV/EBIT high	x	n/a	n/a	n/a	n/a	n/a	n/a	n/a
EV/EBIT low	x	n/a	n/a	n/a	n/a	n/a	n/a	n/a
EV/EBIT average	x	n/a	n/a	n/a	n/a	n/a	n/a	n/a
EV/EBIT last	x	n/a	n/a	n/a	n/a	n/a	n/a	n/a
P/E high	x	n/a	n/a	n/a	n/a	n/a	n/a	n/a
P/E low	x	n/a	n/a	n/a	n/a	n/a	n/a	n/a
P/E average	x	n/a	n/a	n/a	n/a	n/a	n/a	n/a
P/E last	x	n/a	n/a	n/a	n/a	n/a	n/a	n/a
P/BV last	x	18.1	22.9	25.8	3.1	3.6	5.0	4.3
FCF yield	%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Dividend-yield	%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Cash flow</b>								
Cash flow from Operations	AUD mn	-7.2	-11.0	-11.8	-9.5	-10.0	-6.9	-4.8
Cash flow from Investments	AUD mn	-0.7	6.5	9.6	2.5	4.8	0.4	0.0
Free Cash flow	AUD mn	-7.9	-4.5	-2.1	-6.9	-5.2	-6.5	-4.8
Cash flow from Financing	AUD mn	0.0	0.1	0.0	0.0	5.8	6.3	6.9
SOURCE: COMPANY DATA, SPHENE CAPITAL								

## One view II, 2015-21e

		2015	2016	2017	2018	2019e	2020e	2021e
<b>Balance sheet ratios</b>								
Fixed assets	AUD mn	0.1	0.2	0.1	0.6	0.4	0.8	1.1
Financial assets	AUD mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current assets	AUD mn	13.6	20.0	28.5	42.3	84.0	162.5	247.0
Equity	AUD mn	11.2	17.8	25.4	39.4	75.9	147.4	224.6
Liabilities	AUD mn	1.9	1.6	2.3	2.5	6.2	11.5	16.9
Equity ratio	%	82.1%	88.6%	88.9%	91.9%	89.9%	90.2%	90.5%
Gearing	%	-94.4%	-77.6%	-93.4%	-91.8%	-92.1%	-92.4%	-92.7%
Working Capital	AUD mn	0.9	4.3	2.2	3.2	8.0	14.9	21.9
Asset Turnover	x	0.2	0.3	0.6	0.6	0.8	0.7	0.7
EBITDA-ICR	x	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Enterprise Value</b>								
Nr. of shares	1,000	43.4	45.3	47.7	47.7	47.7	47.7	47.7
Market cap. high	AUD mn	221.2	226.4	438.1	620.6	717.0		
Market cap. low	AUD mn	56.4	113.2	195.4	292.6	468.8		
Market cap. average	AUD mn	141.8	149.4	317.0	417.7	573.8		
Market cap. last	AUD mn	123.2	195.6	332.7	525.6	695.0	695.0	695.0
Net debt	AUD mn	-10.6	-13.8	-23.8	-36.2	-69.9	-136.2	-208.2
Pension reserves	AUD mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Minorities	AUD mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-operating financial assets	AUD mn	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Enterprise Value high	AUD mn	210.6	212.6	414.3	584.4	647.1		
Enterprise Value low	AUD mn	45.8	99.4	171.7	256.4	398.9		
Enterprise Value average	AUD mn	131.3	135.6	293.3	381.5	503.9		
Enterprise Value last	AUD mn	112.6	181.8	309.0	489.4	625.1	558.8	486.8
<b>Valuation ratios</b>								
EV/sales high	x	64.61	33.11	24.39	22.69	10.20		
EV/sales low	x	14.05	15.48	10.11	9.96	6.29		
EV/sales average	x	40.26	21.12	17.27	14.81	7.94		
EV/sales last	x	34.54	28.32	18.19	19.00	9.85	4.72	2.80
EV/EBITDA high	x	n/a	n/a	57.8	45.2	17.9		
EV/EBITDA low	x	n/a	n/a	24.0	19.8	11.1		
EV/EBITDA average	x	n/a	n/a	40.9	29.5	14.0		
EV/EBITDA last	x	n/a	n/a	43.1	37.8	17.3	7.9	4.5
EV/EBIT high	x	n/a	n/a	58.2	45.2	17.9		
EV/EBIT low	x	n/a	n/a	24.1	19.8	11.1		
EV/EBIT average	x	n/a	n/a	41.2	29.5	14.0		
EV/EBIT last	x	n/a	n/a	43.4	37.8	17.3	7.9	4.5
P/E high	x	n/a	n/a	62.2	46.9	19.7		
P/E low	x	n/a	n/a	27.7	22.1	12.9		
P/E average	x	n/a	n/a	45.0	31.6	15.7		
P/E last	x	n/a	n/a	47.2	39.7	19.1	9.7	9.0
P/BV last	x	11.0	11.0	13.1	13.3	9.2	4.7	3.1
FCF yield	%	-3.7%	-2.6%	3.0%	2.2%	4.8%	9.5%	10.4%
Dividend-yield	%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Cash flow</b>								
Cash flow from Operations	AUD mn	-4.5	-5.0	9.9	11.7	33.8	66.7	72.4
Cash flow from Investments	AUD mn	0.0	-0.1	-0.1	-0.1	-0.1	-0.4	-0.4
Free Cash flow	AUD mn	-4.5	-5.1	9.8	11.6	33.7	66.3	72.0
Cash flow from Financing	AUD mn	0.2	8.4	0.1	0.9	0.0	0.0	0.0
SOURCE: COMPANY DATA, SPHENE CAPITAL FORECASTS								

## DCF model

		2019e	2020e	2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	TY
<b>Revenues</b>	<b>AUD mn</b>	<b>63.4</b>	<b>118.4</b>	<b>174.1</b>	<b>304.7</b>	<b>277.4</b>	<b>364.7</b>	<b>416.3</b>	<b>443.0</b>	<b>458.8</b>	<b>471.5</b>	<b>483.6</b>	<b>496.0</b>	<b>508.6</b>	<b>521.6</b>	<b>534.9</b>
YoY	%	146.4%	86.7%	47.0%	75.0%	-9.0%	31.5%	14.1%	6.4%	3.6%	2.8%	2.6%	2.6%	2.6%	2.6%	2.6%
<b>EBIT</b>	<b>AUD mn</b>	<b>36.1</b>	<b>70.8</b>	<b>108.9</b>	<b>197.2</b>	<b>180.3</b>	<b>238.0</b>	<b>263.7</b>	<b>272.2</b>	<b>273.3</b>	<b>271.8</b>	<b>269.7</b>	<b>267.1</b>	<b>264.3</b>	<b>261.1</b>	<b>267.4</b>
EBIT margin	%	56.9%	59.8%	62.6%	64.7%	65.0%	65.3%	63.4%	61.5%	59.6%	57.7%	55.8%	53.9%	52.0%	50.1%	50.0%
Taxes	AUD mn	0.0	0.0	-32.7	-59.2	-54.1	-71.4	79.1	81.7	82.0	81.6	80.9	80.1	79.3	78.3	80.2
Tax rate (τ)	%	0.0%	0.0%	-30.0%	-30.0%	-30.0%	-30.0%	-30.0%	-30.0%	-30.0%	-30.0%	-30.0%	-30.0%	-30.0%	-30.0%	-30.0%
<b>EBIT(1-τ)</b>	<b>AUD mn</b>	<b>36.1</b>	<b>70.8</b>	<b>76.3</b>	<b>138.1</b>	<b>126.2</b>	<b>166.6</b>	<b>342.9</b>	<b>353.9</b>	<b>355.2</b>	<b>353.4</b>	<b>350.5</b>	<b>347.2</b>	<b>343.5</b>	<b>339.4</b>	<b>347.7</b>
Investments (Capex, M&A, WC)	AUD mn	-4.8	-7.3	-7.4	-20.0	4.7	-16.2	-10.0	-5.3	-3.2	-2.5	-2.4	-2.5	-2.5	-2.6	-4.0
<b>FCFF</b>	<b>AUD mn</b>	<b>31.3</b>	<b>63.5</b>	<b>68.9</b>	<b>118.1</b>	<b>130.9</b>	<b>150.4</b>	<b>332.9</b>	<b>348.6</b>	<b>352.1</b>	<b>350.9</b>	<b>348.1</b>	<b>344.8</b>	<b>341.0</b>	<b>336.8</b>	<b>343.7</b>
WACC	%	13.5%	13.5%	13.8%	13.8%	13.8%	13.8%	13.0%	12.2%	11.5%	10.7%	9.9%	9.1%	8.3%	7.6%	
Discount rate	%	88.1%	77.6%	68.2%	59.9%	52.6%	46.2%	40.9%	36.4%	32.7%	29.5%	26.9%	24.6%	22.7%	21.1%	
<b>PV(FCFF)</b>	<b>AUD mn</b>	<b>27.6</b>	<b>49.3</b>	<b>47.0</b>	<b>70.8</b>	<b>68.9</b>	<b>69.5</b>	<b>136.2</b>	<b>127.1</b>	<b>115.1</b>	<b>103.7</b>	<b>93.6</b>	<b>84.9</b>	<b>77.5</b>	<b>71.2</b>	
Terminal cash flow	AUD mn															343.7
Terminal Cost of capital	%															7.6%
Terminal value	AUD mn															1,870.3
Present value of Terminal value	AUD mn															395.5
in % of Enterprise Value	%															25.7%
PV FCFF during detailed planning phase	AUD mn															123.9
in % of Enterprise Value	%															8.1%
PV FCFF during rough planning phase	AUD mn															1,018.5
in % of Enterprise Value	%															66.2%
<b>Enterprise Value</b>	<b>AUD mn</b>															<b>1,537.9</b>
Financial debt	AUD mn															0.0
Excess cash	AUD mn															23.8
<b>Value of equity</b>	<b>AUD mn</b>															<b>1,561.6</b>
Number of shares	mn															47.7
<b>Estimated value per share</b>	<b>AUD</b>															<b>32.70</b>



SOURCE: SPHENE CAPITAL FORECASTS



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High	50-80%
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Low	<20%

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<b>Date/Time of publication:</b>	<b>Price target/Current share price:</b>	<b>Rating/Validity:</b>	<b>Conflict of Interest (key)</b>
07 09 2018/15:00 h	AUD 32.70/AUD 15.38	Buy, 24 months	-
25 06 2018/18:05 h	AUD 31.70/AUD 11.97	Buy, 24 months	-
30 01 2018/09:30 h	AUD 31.70/AUD 8.65	Buy, 12 months	-

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