

EQUITY RESEARCH

ABIONYX PHARMA NEWS

BUY, TP 8.1€
Up/Downside: 389%

Inclusion of Patients in Racers Study Completed, Results Expected by Late-Autumn

Management reports on the finalisation of patient enrolment in the ongoing study in Italy in the field of septic shock. The preliminary results published in April bode well for the final results expected before the end of the year.

The group announced that it has reached the target of 20 patients in the Phase 2a RACERS study in Italy. The patients involved are sepsis patients with a high risk of developing acute kidney injury. They were treated with CER-001 (8 doses or a placebo over 6 days). Although the inclusion of the first patients had started in June 2021, the recruitment of these patients was disrupted by the different waves of Covid, whose most severe patients are also treated in the intensive care unit. Just over a year later, the 20th patient has benefited from the HDL biomolecule CER-001 developed by the group. The study focuses on 28-day survival, and the main final results should be known soon (before the end of the autumn).

For the record, last April, the group published initial results. Of the first ten patients included in the study; demonstrated was: i) a rapid reversal of the cytokine cascade, ii) rapid improvement of inflammation biomarkers, and iii) no severe side effects (doses of 5, 10 and 20 mg/kg, twice a day), preventing the decline of septic patients towards acute kidney injury (clinical benefit demonstrated from the third day).

These results are very promising, and if confirmed with the other 10 patients treated, they would suggest that CER-001 could provide a solution for the treatment of sepsis (more than 250,000 deaths per year in Europe and the United States according to Loreto Gesualdo, the professor in charge of the study), but also for other serious and acute inflammatory diseases (ATU in progress on Covid).

The completion of phase IIa should allow us to move on to the next steps in research. In our model, we have included the launch of the Phase IIb study before the end of 2022 (possible new external funding such as the consortium that funded Phase IIa), Phase III in 2023 and a market launch in 2024.

As the group continues to invest in R&D, the newsflow should continue to be sustained in the coming months: results of the RACERS study, progress on the Covid ATU, the ophta strategic plan, new patients for LCAT, etc., which confirms our Buy rating and TP of €8.1.

Key data

Price (€)	1.7
Industry	Healthcare
Ticker	ABNX-FR
Shares Out (m)	30.926
Market Cap (m €)	51.3
Next event	RN 2021 : 28/04/2022

Ownership (%)

Domundi (E. Huynh)	11.8
Cyrille Tupin	3.3
Luc Demarre	4.5
Sadok Belmokhtar	6.8
Free float	63.2

EPS (€)	12/22e	12/23e	12/24e
Estimates	-0.17	-0.37	-0.32
Change vs previous estimates (%)	na	na	na

Performance (%)	1D	1M	YTD
Price Perf	2.3	-17.1	-32.2
Rel CAC Mid&Small	-0.9	-11.5	-14.4



TP ICAP Midcap Estimates	12/21	12/22e	12/23e	12/24e	Valuation Ratio	12/22e	12/23e	12/24e
Sales (m €)	0.7	6.7	7.8	11.3	EV/Sales	7.4	6.4	4.4
Current Op Inc (m €)	-6.0	-5.0	-12.6	-12.1				
Current op. Margin (%)	na	na	na	na				
EPS (€)	-0.21	-0.17	-0.37	-0.32				
DPS (€)	0.00	0.00	0.00	0.00				
Yield (%)	0.0	0.0	0.0	0.0				
FCF (m €)	-6.9	-6.0	-12.8	-12.1				

Consensus FactSet - Analysts:1	12/22e	12/23e	12/24e
Sales	8.2	9.4	na
EBIT	-4.4	-6.8	na
Net income	-4.7	-7.2	na

Analyst

Claire Deray - Sponsor Finance for TPICAP Midcap

FINANCIAL DATA

Income Statement	12/19	12/20	12/21	12/22e	12/23e	12/24e
Sales	0.0	0.0	0.7	6.7	7.8	11.3
Changes (%)	-100.0	na	na	890.7	16.9	44.9
Gross profit	0.0	0.0	0.3	0.7	1.4	3.9
% of Sales	na	na	38.4	9.9	18.5	34.7
EBITDA	-2.5	-2.9	-5.8	-4.4	-12.0	-11.5
% of Sales	na	na	-864.1	-66.4	-152.9	-101.2
Current operating profit	-2.5	-3.0	-6.0	-5.0	-12.6	-12.1
% of Sales	na	na	-881.8	-75.4	-160.6	-106.5
Non-recurring items	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	-2.5	-3.0	-6.0	-5.0	-12.6	-12.1
Net financial result	4.4	1.2	0.1	-0.0	-0.0	-0.0
Income Tax	-0.0	-0.1	0.0	-0.3	-0.2	-0.3
Tax rate (%)	2.0	-6.4	0.0	-5.7	-1.9	-2.1
Net profit, group share	1.8	-1.9	-5.8	-5.4	-12.8	-12.4
EPS	0.08	na	na	na	na	na
Financial Statement	12/19	12/20	12/21	12/22e	12/23e	12/24e
Goodwill	0.0	0.0	5.4	5.4	5.4	5.4
Tangible and intangible assets	0.0	0.1	0.4	0.3	0.1	-0.0
Right of Use	0.0	0.0	0.0	0.0	0.0	0.0
Financial assets	0.1	0.1	3.0	2.7	2.3	1.9
Working capital	0.5	-1.8	0.3	1.5	2.0	2.2
Other Assets	0.0	0.0	0.0	0.0	0.0	0.0
Assets	0.5	-1.5	9.1	9.8	9.8	9.5
Shareholders equity group	6.7	6.6	10.7	10.3	9.5	9.1
Minorities	0.0	0.0	0.0	0.0	0.0	0.0
LT & ST provisions and others	1.0	1.0	1.4	1.4	1.4	1.4
Net debt	-7.1	-9.1	-3.0	-1.9	-1.1	-1.0
Other liabilities	0.0	0.0	0.0	0.0	0.0	0.0
Liabilities	0.5	-1.5	9.1	9.8	9.8	9.5
Net debt excl. IFRS 16	-7.1	-9.1	-3.0	-1.9	-1.1	-1.0
Gearing net	-1.1	-1.4	-0.3	-0.2	-0.1	-0.1
Leverage	2.8	3.1	0.5	0.4	0.1	0.1
Cash flow statement	12/19	12/20	12/21	12/22e	12/23e	12/24e
CF after elimination of net borrowing costs and taxes	1.7	-1.6	-4.8	-5.1	-12.5	-12.1
Δ WCR	-1.3	2.1	-1.7	-1.2	-0.5	-0.2
Operating cash flow	0.4	0.5	-6.6	-6.3	-13.0	-12.3
Net capex	0.0	-0.1	-0.2	-0.1	-0.1	-0.1
FCF	-4.0	-0.7	-6.9	-6.0	-12.8	-12.1
Acquisitions/Disposals of subsidiaries	0.0	-0.1	-0.2	-0.1	-0.1	-0.1
Other investments	0.0	0.0	1.5	0.0	0.0	0.0
Change in borrowings	-0.2	-0.2	-0.0	0.0	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0
Repayment of leasing debt	0.0	0.0	0.0	0.0	0.0	0.0
Others	1.0	1.8	4.0	5.0	12.0	12.0
Changes in exchange rates	0.0	0.0	0.0	0.0	0.0	0.0
Change in net cash over the year	-3.1	0.8	-1.4	-1.0	-0.8	-0.1
ROE (%)	27.7%	na	na	na	na	na
ROCE (%)	na	209.2%	na	na	na	na

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This Report may mention evaluation methods defined as follows:

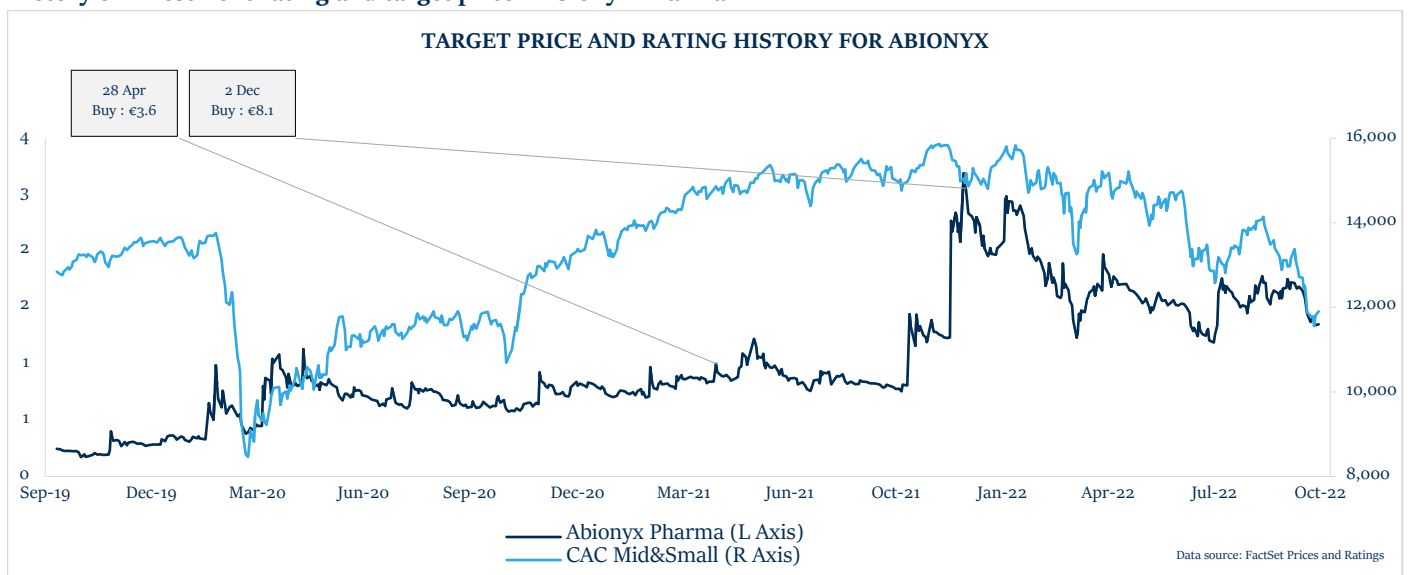
1. DCF method: discounting of future cash flows generated by the company's operations. Cash flows are determined by the analyst's financial forecasts and models. The discount rate used corresponds to the weighted average cost of capital, which is defined as the weighted average cost of the company's debt and the theoretical cost of its equity as estimated by the analyst.
2. Comparable method: application of market valuation multiples or those observed in recent transactions. These multiples can be used as references and applied to the company's financial aggregates to deduce its valuation. The sample is selected by the analyst based on the characteristics of the company (size, growth, profitability, etc.). The analyst may also apply a premium/discount depending on his perception of the company's characteristics.
3. Assets and liabilities method: estimate of the value of equity capital based on revalued assets adjusted for the value of the debt.
4. Discounted dividend method: discounting of estimated future dividend flows. The discount rate used is generally the cost of capital.
5. Sum of the parts: this method consists of estimating the various activities of a company using the most appropriate valuation method for each of them, then realizing the sum of the parts.

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G. Midcap and the Issuer have agreed to the provision by the former to the latter of a service for the production and distribution of the investment recommendation on the said Issuer: Abionyx Pharma

History of investment rating and target price - Abionyx Pharma



Distribution of Investment Ratings

Rating	Recommendation Universe*	Portion of these provided with investment banking services**
Buy	86%	64%
Hold	13%	39%
Sell	1%	0%
Under review	0%	

Midcap employs a rating system based on the following:

Buy: Expected to outperform the markets by 10% or more over a 6 to 12 months horizon.

Hold: expected performance between -10% and +10% compared to the market over a 6 to 12 months horizon.

Sell: Stock is expected underperform the markets by 10% or more over a 6 to 12 months horizon.

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