

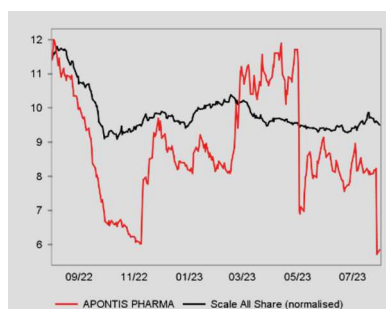
<b>Buy</b> <b>EUR 21.50</b> (EUR 26.00)  Price <b>EUR 5.84</b> Upside <b>268.2 %</b>	<b>Value Indicators:</b> EUR DCF: 21.46	<b>Warburg ESG Risk Score:</b> n.a. ESG Score (MSCI based): n.a. Balance Sheet Score: n.a. Market Liquidity Score: n.a.	<b>Description:</b> Speciality Pharma company and healthcare service provider with strong sales force
	<b>Market Snapshot:</b> EUR m Market cap: 49.6 No. of shares (m): 8.5 EV: 36.5 Freefloat MC: 27.8 Ø Trad. Vol. (30d): 101.35 th	<b>Shareholders:</b> Freefloat: 56.00 % Paragon Partners: 37.00 % Boost Management: 7.00 %	<b>Key Figures (WRE):</b> 2023e Beta: 1.5 Price / Book: 1.6 x Equity Ratio: 71 %

## Additional tailwind for Single Pills but operations remain challenging

Following its recent profit warning, Apontis has decided to strategically reorient its business and perform an efficiency overhaul:

- Apontis plans a strategic shift in its business operations and will therefore implement efficiency measures. Currently Apontis' sales team services 24.5k doctors in Germany. The management has stated that it plans to focus its efforts on value and on targets that allow for efficient interaction between the sales rep and the doctor. We estimate that Apontis will cut its salesforce by 30%. As this cut will be associated with layoffs, we chose to estimate the cost impact of the respective severance packages. We estimate that Apontis will have to pay EUR 3.4m in severance to the employees to be laid off. While this will lead to sustainable costs savings of EUR 3.5m per year, the one-off item has a negative impact on FY 2023 earnings and leads to an adjustment of our forecasts. We do not expect an update regarding the full scope of the strategic orientation and the associated layoff costs with the release of the 6M 2023 figures but the company will keep investors informed.
- This reorientation was necessary after Apontis' market surveillance revealed a differential performance of some Single Pill products over others. Those that combine APIs for a single indication (i.e. lower blood pressure only) generally fare better than those that combine cross-indication APIs.
- Apontis has also announced, that the co-promotion agreement for Trixeo with AstraZeneca will not be prolonged in 2024, which will negatively impact the 2024 top line. As we already incorporated a slowdown of co-promotion revenue in 2024 in our model, we currently see no need for additional adjustments.
- On the bright side, circumstances for Single Pills have improved further. Single Pill therapy will be regarded as a preferable treatment option in the future, both in the joint National Health Care Guideline (NVL) of the German Medical Association (BÄK), the National Association of Statutory Health Insurance Physicians (KBV) as well as the Association of Scientific Medical Societies (AWMF) and in the guideline of the European Society of Hypertension (ESH). Two large German health insurers have opted to recommend Single Pill products from Apontis to patients/doctors. The new digital tool "Single Pill Finder" allows for easier adoption of Single Pill drugs.
- Following the second profit warning this year, the stock has taken a beating. Given the advantages of Single Pills, the case remains fundamentally sound and, at some point, could even attract strategic partners. As of yesterday's close, Apontis is trading at a market capitalization of EUR 49.6m with EUR 27.4m in net cash. We adjusted our short-term and long-term expectations and we expect the company to return to EBITDA profitability next year. We reduce our price target and confirm our Buy rating.

Changes in Estimates:				Comment on Changes:			
FY End: 31.12. in EUR m	2023e (old)	+ / -	2024e (old)	+ / -	2025e (old)	+ / -	
Sales	42.2	-9.2 %	60.5	-25.2 %	75.4	-25.2 %	<ul style="list-style-type: none"> <li>We have updated our estimates based on recent Single Pill product performance</li> <li>We estimate the impact of Apontis' strategic reorientation on cost structure and product roll-out in FY '24 and '25</li> </ul>
EBITDA adj.	-3.3	n.m.	2.6	-33.3 %	14.8	-26.6 %	
EBITDA	-3.3	n.m.	2.6	-33.3 %	14.8	-26.6 %	
EBIT	-5.6	n.m.	-0.2	n.m.	10.9	-36.0 %	

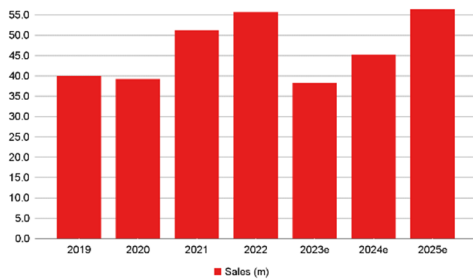


Rel. Performance vs Scale All	
1 month:	-31.4 %
6 months:	-24.0 %
Year to date:	-29.3 %
Trailing 12 months:	-33.8 %

Company events:	
10.08.23	Q2
09.11.23	Q3

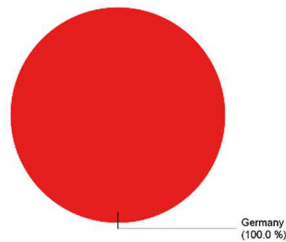
FY End: 31.12. in EUR m	CAGR (22-25e)	2019	2020	2021	2022	2023e	2024e	2025e
Sales	0.4 %	40.0	39.2	51.2	55.7	38.3	45.3	56.4
Change Sales yoy		241.3 %	-2.0 %	30.5 %	8.8 %	-31.2 %	18.2 %	24.7 %
Gross profit margin		72.4 %	63.8 %	66.0 %	62.8 %	64.7 %	67.6 %	73.5 %
EBITDA	24.8 %	-1.7	1.0	2.4	5.6	-8.5	1.7	10.8
Margin		-4.2 %	2.7 %	4.7 %	10.0 %	-22.3 %	3.9 %	19.2 %
EBIT	22.7 %	-2.2	-0.6	0.7	3.8	-10.9	-1.1	7.0
Margin		-5.6 %	-1.6 %	1.3 %	6.8 %	-28.3 %	-2.4 %	12.4 %
Net income	22.8 %	-2.4	-1.2	-0.7	2.7	-11.4	-1.6	4.9
EPS	23.2 %	-2.39	-1.20	-0.09	0.31	-1.34	-0.19	0.58
EPS adj.	23.2 %	-2.14	-1.20	-0.09	0.31	-1.34	-0.19	0.58
DPS	-	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dividend Yield		n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
FCFPS		-1.28	0.80	0.21	0.91	-2.50	-0.60	0.90
FCF / Market cap		n.a.	n.a.	1.0 %	7.8 %	-42.8 %	-10.2 %	15.8 %
EV / Sales		n.a.	n.a.	2.9 x	1.2 x	1.0 x	0.9 x	0.6 x
EV / EBITDA		n.a.	n.a.	62.4 x	11.6 x	n.a.	24.0 x	3.1 x
EV / EBIT		n.a.	n.a.	225.5 x	17.1 x	n.a.	n.a.	4.8 x
P / E		n.a.	n.a.	n.a.	37.4 x	n.a.	n.a.	9.9 x
P / E adj.		n.a.	n.a.	n.a.	37.4 x	n.a.	n.a.	9.9 x
FCF Potential Yield		n.a.	n.a.	0.9 %	6.8 %	-23.4 %	4.2 %	27.6 %
Net Debt		7.9	8.2	-27.4	-33.7	-13.2	-7.8	-15.0
ROCE (NOPAT)		n.a.	n.a.	n.a.	23.5 %	n.a.	n.a.	26.1 %
Guidance:		none available						

**Sales development**  
in EUR m



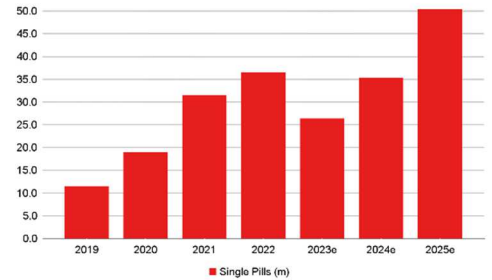
Source: Company data, Warburg Research

**Sales by regions**  
2022; in %



Source: Company data, Warburg Research

**Single Pill revenue development**  
in EUR m



Source: Company data, Warburg Research

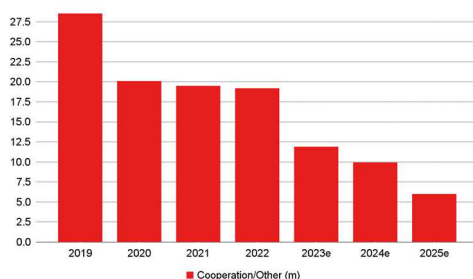
**Company Background**

- APONTIS Pharma is a specialty pharma company offering services to healthcare providers. It became independent from the UCB Group in 2018, is headquartered in Monheim am Rhein, Germany, and had 1755 employees in 2022.
- APONTIS is focused on developing and marketing “Single Pills” which are innovative combination products to treat cardiovascular diseases.
- The company has a highly motivated sales force (some 120 of 175 employees), that thoroughly engages with medical practitioners and offers them a wide variety of support.
- Co-Marketing: APONTIS engages in the joint marketing of medications from partners to expand its product portfolio thereby fully leveraging its sales force.

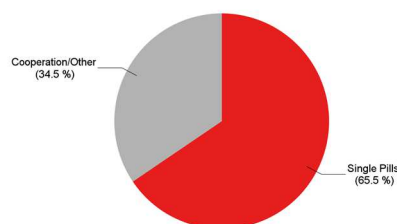
**Competitive Quality**

- APONTIS has a first-mover advantage and is engaged in the growing Single-Pill market segment for cardiovascular diseases, mainly hypertension. In Germany alone this product category has est. revenues of EUR 3.3bn p.a.
- Single Pills represent an innovation in a market stifled by lack of novel therapies. With a potential for better health outcomes, these products will allow APONTIS to achieve premium prices and attractive market shares.
- APONTIS employs a well-connected, motivated and effective sales force (Top 5 in GER) which fosters strong relationships with doctors and cardiologists to bring their products into the field and improve patient health.
- The company has a lean business model focusing on the marketing and sales with a low R&D and production footprint. This will allow APONTIS to scale their business with highly attractive unit economics.

**Co-Marketing/Other revenue development**  
in EUR m

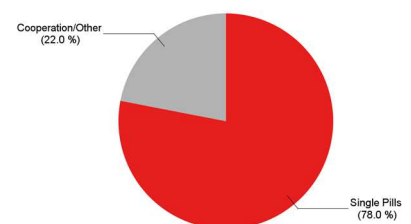


**Sales by segments**  
2022; in %



Source: Company data, Warburg Research

**Sales by segments**  
2024e; in %



Source: Company data, Warburg Research

DCF model

Figures in EUR m	Detailed forecast period			Transitional period										Term. Value
	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	
Sales	38.3	45.3	56.4	69.1	90.5	107.2	116.1	119.7	121.8	124.2	126.7	129.2	131.8	
Sales change	-31.2 %	18.2 %	24.7 %	22.5 %	30.9 %	18.5 %	8.3 %	3.1 %	1.8 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %
EBIT	-10.9	-1.1	7.0	14.0	26.8	36.5	26.7	27.5	28.0	28.6	29.1	29.7	27.7	
EBIT-margin	-28.3 %	-2.4 %	12.4 %	20.3 %	29.6 %	34.0 %	23.0 %	23.0 %	23.0 %	23.0 %	23.0 %	23.0 %	21.0 %	
Tax rate (EBT)	24.0 %	24.0 %	24.0 %	24.0 %	24.0 %	24.0 %	24.0 %	24.0 %	24.0 %	24.0 %	24.0 %	24.0 %	24.0 %	
NOPAT	-8.3	-0.8	5.3	10.7	20.3	27.7	20.3	20.9	21.3	21.7	22.1	22.6	21.0	
Depreciation	2.3	2.8	3.9	5.4	4.8	4.4	4.6	4.8	4.9	5.0	5.1	3.9	4.0	
in % of Sales	6.1 %	6.3 %	6.8 %	7.8 %	5.3 %	4.1 %	4.0 %	4.0 %	4.0 %	4.0 %	4.0 %	3.0 %	3.0 %	
Changes in provisions	-0.8	0.3	0.5	0.6	1.0	0.8	0.4	0.2	0.1	0.1	0.1	0.1	0.1	
Change in Liquidity from														
- Working Capital	-0.1	0.0	0.1	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Capex	9.1	7.6	3.1	2.8	3.6	4.3	4.6	4.8	4.9	5.0	5.1	3.9	4.0	
Capex in % of Sales	23.7 %	16.8 %	5.5 %	4.0 %	4.0 %	4.0 %	4.0 %	4.0 %	4.0 %	4.0 %	4.0 %	3.0 %	3.0 %	
- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Free Cash Flow (WACC Model)	-15.8	-5.2	6.5	13.9	22.5	28.6	20.7	21.1	21.4	21.8	22.3	22.7	21.2	22
PV of FCF	-15.1	-4.5	5.1	9.7	14.2	16.3	10.6	9.7	8.9	8.2	7.5	6.9	5.8	66
share of PVs	-9.80 %			65.68 %										44.12 %

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	0.00 %	Financial Strength	1.30
Cost of debt (after tax)	4.6 %	Liquidity (share)	2.00
Market return	8.25 %	Cyclicality	1.20
Risk free rate	2.75 %	Transparency	1.50
		Others	1.50
<b>WACC</b>	<b>11.00 %</b>	<b>Beta</b>	<b>1.50</b>

Valuation (m)

Present values 2035e	83		
Terminal Value	66		
Financial liabilities	0		
Pension liabilities	3		
Hybrid capital	0		
Minority interest	0		
Market val. of investments	0		
Liquidity	36	No. of shares (m)	8.5
<b>Equity Value</b>	<b>182</b>	<b>Value per share (EUR)</b>	<b>21.46</b>

Sensitivity Value per Share (EUR)

Beta	WACC	Terminal Growth							Beta	WACC	Delta EBIT-margin						
		1.25 %	1.50 %	1.75 %	2.00 %	2.25 %	2.50 %	2.75 %			-1.5 pp	-1.0 pp	-0.5 pp	+0.0 pp	+0.5 pp	+1.0 pp	+1.5 pp
1.68	12.0 %	18.80	18.94	19.09	19.24	19.40	19.56	19.74	1.68	12.0 %	18.02	18.42	18.83	19.24	19.65	20.05	20.46
1.59	11.5 %	19.78	19.94	20.11	20.29	20.48	20.67	20.88	1.59	11.5 %	19.00	19.43	19.86	20.29	20.72	21.15	21.58
1.55	11.3 %	20.31	20.48	20.67	20.86	21.06	21.28	21.50	1.55	11.3 %	19.52	19.97	20.41	20.86	21.30	21.75	22.19
1.50	11.0 %	20.86	21.05	21.25	21.46	21.68	21.91	22.16	1.50	11.0 %	20.08	20.54	21.00	21.46	21.92	22.37	22.83
1.45	10.8 %	21.45	21.65	21.87	22.09	22.33	22.59	22.86	1.45	10.8 %	20.67	21.15	21.62	22.09	22.56	23.04	23.51
1.41	10.5 %	22.06	22.28	22.52	22.76	23.03	23.30	23.60	1.41	10.5 %	21.30	21.79	22.28	22.76	23.25	23.74	24.23
1.32	10.0 %	23.40	23.66	23.94	24.23	24.55	24.88	25.24	1.32	10.0 %	22.67	23.19	23.71	24.23	24.76	25.28	25.80

Valuation	2019	2020	2021	2022	2023e	2024e	2025e
Price / Book	n.a.	n.a.	4.3 x	2.3 x	1.6 x	1.7 x	1.4 x
Book value per share ex intangibles	-11.01	-11.29	3.16	3.05	0.94	0.21	0.89
EV / Sales	n.a.	n.a.	2.9 x	1.2 x	1.0 x	0.9 x	0.6 x
EV / EBITDA	n.a.	n.a.	62.4 x	11.6 x	n.a.	24.0 x	3.1 x
EV / EBIT	n.a.	n.a.	225.5 x	17.1 x	n.a.	n.a.	4.8 x
EV / EBIT adj.*	n.a.	n.a.	225.5 x	17.1 x	n.a.	n.a.	4.8 x
P / FCF	n.a.	n.a.	100.0 x	12.8 x	n.a.	n.a.	6.3 x
P / E	n.a.	n.a.	n.a.	37.4 x	n.a.	n.a.	9.9 x
P / E adj.*	n.a.	n.a.	n.a.	37.4 x	n.a.	n.a.	9.9 x
Dividend Yield	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
FCF Potential Yield (on market EV)	n.a.	n.a.	0.9 %	6.8 %	-23.4 %	4.2 %	27.6 %

\*Adjustments made for: -

Consolidated profit & loss

In EUR m	2019	2020	2021	2022	2023e	2024e	2025e
<b>Sales</b>	<b>40.0</b>	<b>39.2</b>	<b>51.2</b>	<b>55.7</b>	<b>38.3</b>	<b>45.3</b>	<b>56.4</b>
Change Sales yoy	241.3 %	-2.0 %	30.5 %	8.8 %	-31.2 %	18.2 %	24.7 %
Increase / decrease in inventory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Own work capitalised	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Sales</b>	<b>40.0</b>	<b>39.2</b>	<b>51.2</b>	<b>55.7</b>	<b>38.3</b>	<b>45.3</b>	<b>56.4</b>
Material expenses	11.1	14.2	17.4	20.7	13.5	14.7	14.9
<b>Gross profit</b>	<b>29.0</b>	<b>25.0</b>	<b>33.8</b>	<b>35.0</b>	<b>24.8</b>	<b>30.6</b>	<b>41.5</b>
<i>Gross profit margin</i>	<i>72.4 %</i>	<i>63.8 %</i>	<i>66.0 %</i>	<i>62.8 %</i>	<i>64.7 %</i>	<i>67.6 %</i>	<i>73.5 %</i>
Personnel expenses	18.6	16.5	19.7	17.7	22.2	19.3	19.9
Other operating income	1.3	2.6	3.6	2.6	1.8	0.9	1.1
Other operating expenses	13.3	10.1	15.3	14.4	13.0	10.4	11.8
Unfrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBITDA</b>	<b>-1.7</b>	<b>1.0</b>	<b>2.4</b>	<b>5.6</b>	<b>-8.5</b>	<b>1.7</b>	<b>10.8</b>
<i>Margin</i>	<i>-4.2 %</i>	<i>2.7 %</i>	<i>4.7 %</i>	<i>10.0 %</i>	<i>-22.3 %</i>	<i>3.9 %</i>	<i>19.2 %</i>
Depreciation of fixed assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBITA</b>	<b>-1.7</b>	<b>1.0</b>	<b>2.4</b>	<b>5.6</b>	<b>-8.5</b>	<b>1.7</b>	<b>10.8</b>
Amortisation of intangible assets	0.6	1.7	1.7	1.8	2.3	2.8	3.9
Goodwill amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBIT</b>	<b>-2.2</b>	<b>-0.6</b>	<b>0.7</b>	<b>3.8</b>	<b>-10.9</b>	<b>-1.1</b>	<b>7.0</b>
<i>Margin</i>	<i>-5.6 %</i>	<i>-1.6 %</i>	<i>1.3 %</i>	<i>6.8 %</i>	<i>-28.3 %</i>	<i>-2.4 %</i>	<i>12.4 %</i>
<b>EBIT adj.</b>	<b>-2.2</b>	<b>-0.6</b>	<b>0.7</b>	<b>3.8</b>	<b>-10.9</b>	<b>-1.1</b>	<b>7.0</b>
Interest income	0.0	0.0	0.0	0.1	0.0	0.0	0.0
Interest expenses	0.8	0.9	0.4	0.0	0.5	0.5	0.5
Other financial income (loss)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBT</b>	<b>-3.1</b>	<b>-1.5</b>	<b>0.3</b>	<b>3.8</b>	<b>-11.4</b>	<b>-1.6</b>	<b>6.5</b>
<i>Margin</i>	<i>-7.7 %</i>	<i>-3.8 %</i>	<i>0.5 %</i>	<i>6.8 %</i>	<i>-29.7 %</i>	<i>-3.5 %</i>	<i>11.5 %</i>
Total taxes	-0.7	-0.3	1.0	1.1	0.0	0.0	1.6
<b>Net income from continuing operations</b>	<b>-2.4</b>	<b>-1.2</b>	<b>-0.7</b>	<b>2.7</b>	<b>-11.4</b>	<b>-1.6</b>	<b>4.9</b>
Income from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net income before minorities</b>	<b>-2.4</b>	<b>-1.2</b>	<b>-0.7</b>	<b>2.7</b>	<b>-11.4</b>	<b>-1.6</b>	<b>4.9</b>
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net income</b>	<b>-2.4</b>	<b>-1.2</b>	<b>-0.7</b>	<b>2.7</b>	<b>-11.4</b>	<b>-1.6</b>	<b>4.9</b>
<i>Margin</i>	<i>-6.0 %</i>	<i>-3.1 %</i>	<i>-1.4 %</i>	<i>4.8 %</i>	<i>-29.7 %</i>	<i>-3.5 %</i>	<i>8.7 %</i>
Number of shares, average	1.0	1.0	8.5	8.5	8.5	8.5	8.5
<b>EPS</b>	<b>-2.39</b>	<b>-1.20</b>	<b>-0.09</b>	<b>0.31</b>	<b>-1.34</b>	<b>-0.19</b>	<b>0.58</b>
EPS adj.	-2.14	-1.20	-0.09	0.31	-1.34	-0.19	0.58

\*Adjustments made for:

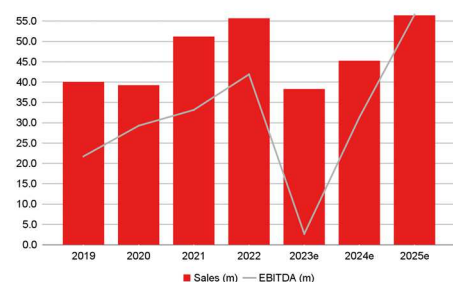
Guidance: none available

Financial Ratios

	2019	2020	2021	2022	2023e	2024e	2025e
Total Operating Costs / Sales	104.2 %	97.3 %	95.3 %	90.0 %	122.3 %	96.1 %	80.8 %
Operating Leverage	n.a.	36.6 x	n.a.	53.1 x	n.a.	-5.0 x	n.a.
EBITDA / Interest expenses	n.m.	1.2 x	6.0 x	116.3 x	n.m.	3.5 x	21.7 x
Tax rate (EBT)	22.1 %	19.0 %	377.2 %	29.9 %	0.0 %	0.0 %	24.0 %
Dividend Payout Ratio	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Sales per Employee	n.a.	201,231	259,898	320,115	213,942	245,927	301,649

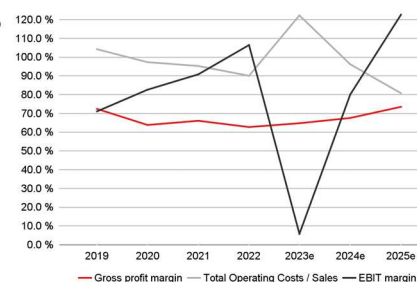
Sales, EBITDA

in EUR m

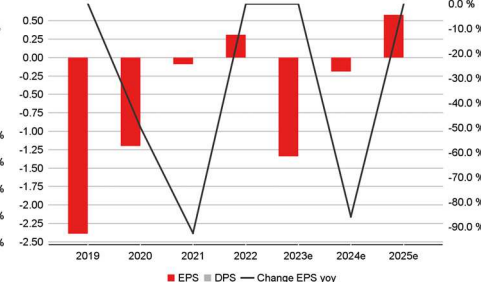


Operating Performance

in %



Performance per Share



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

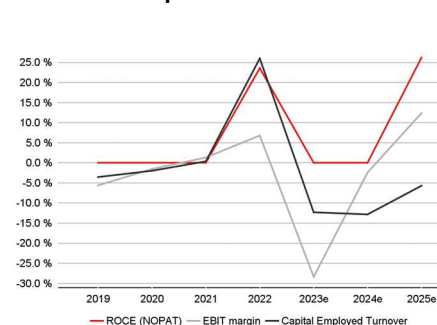
**Consolidated balance sheet**

In EUR m	2019	2020	2021	2022	2023e	2024e	2025e
<b>Assets</b>							
Goodwill and other intangible assets	15.7	14.8	14.7	16.1	22.8	27.5	26.6
thereof other intangible assets	6.9	5.4	3.9	5.5	5.6	4.9	3.4
thereof Goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Property, plant and equipment	0.1	0.0	0.1	0.0	0.1	0.2	0.3
Financial assets	0.6	0.7	0.8	0.8	0.8	0.8	0.8
Other long-term assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Fixed assets</b>	<b>16.3</b>	<b>15.5</b>	<b>15.5</b>	<b>17.0</b>	<b>23.7</b>	<b>28.5</b>	<b>27.7</b>
Inventories	4.2	2.9	4.6	3.2	2.2	2.6	3.2
Accounts receivable	1.1	1.2	2.9	2.4	1.6	1.9	2.4
Liquid assets	7.4	8.1	29.8	36.3	15.0	10.0	17.7
Other short-term assets	1.6	2.0	1.3	1.0	0.8	0.9	1.0
<b>Current assets</b>	<b>14.2</b>	<b>14.2</b>	<b>38.6</b>	<b>42.9</b>	<b>19.7</b>	<b>15.4</b>	<b>24.3</b>
<b>Total Assets</b>	<b>30.6</b>	<b>29.7</b>	<b>54.2</b>	<b>59.8</b>	<b>43.4</b>	<b>43.9</b>	<b>52.0</b>
<b>Liabilities and shareholders' equity</b>							
Subscribed capital	0.0	0.0	8.5	8.5	8.5	8.5	8.5
Capital reserve	6.8	6.8	36.3	34.6	34.6	34.6	34.6
Retained earnings	-2.4	-3.3	-4.1	-1.4	-12.7	-14.3	-9.4
Other equity components	0.3	0.0	0.8	0.4	0.5	0.5	0.5
Shareholders' equity	4.6	3.5	41.5	42.1	30.8	29.2	34.2
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total equity</b>	<b>4.6</b>	<b>3.5</b>	<b>41.5</b>	<b>42.1</b>	<b>30.8</b>	<b>29.2</b>	<b>34.2</b>
Provisions	8.1	7.1	9.0	11.5	8.3	9.6	11.6
thereof provisions for pensions and similar obligations	2.1	2.3	2.4	2.7	1.8	2.2	2.7
Financial liabilities (total)	13.2	14.0	0.0	0.0	0.0	0.0	0.0
Short-term financial liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts payable	3.1	3.3	3.0	5.4	3.7	4.4	5.4
Other liabilities	1.5	1.9	0.7	0.8	0.6	0.7	0.8
<b>Liabilities</b>	<b>25.9</b>	<b>26.3</b>	<b>12.7</b>	<b>17.7</b>	<b>12.6</b>	<b>14.6</b>	<b>17.8</b>
<b>Total liabilities and shareholders' equity</b>	<b>30.6</b>	<b>29.7</b>	<b>54.2</b>	<b>59.8</b>	<b>43.4</b>	<b>43.9</b>	<b>52.0</b>

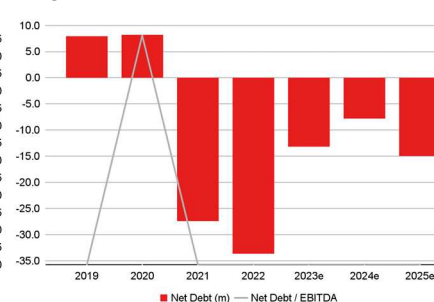
**Financial Ratios**

	2019	2020	2021	2022	2023e	2024e	2025e
<b>Efficiency of Capital Employment</b>							
Operating Assets Turnover	18.1 x	42.1 x	11.2 x	277.7 x	167.6 x	144.8 x	113.6 x
Capital Employed Turnover	3.2 x	3.4 x	3.6 x	6.6 x	2.2 x	2.1 x	2.9 x
ROA	-14.6 %	-7.7 %	-4.7 %	15.7 %	-47.8 %	-5.6 %	17.8 %
<b>Return on Capital</b>							
ROCE (NOPAT)	n.a.	n.a.	n.a.	23.5 %	n.a.	n.a.	26.1 %
ROE	-41.0 %	-29.6 %	-3.2 %	6.4 %	-31.1 %	-5.3 %	15.6 %
Adj. ROE	-36.6 %	-29.6 %	-3.2 %	6.4 %	-31.1 %	-5.3 %	15.6 %
<b>Balance sheet quality</b>							
Net Debt	7.9	8.2	-27.4	-33.7	-13.2	-7.8	-15.0
Net Financial Debt	5.8	6.0	-29.8	-36.3	-15.0	-10.0	-17.7
Net Gearing	171.2 %	237.5 %	-66.0 %	-80.0 %	-42.7 %	-26.7 %	-43.8 %
Net Fin. Debt / EBITDA	n.a.	572.3 %	n.a.	n.a.	n.a.	n.a.	n.a.
Book Value / Share	4.6	3.5	4.9	5.0	3.6	3.4	4.0
Book value per share ex intangibles	-11.0	-11.3	3.2	3.1	0.9	0.2	0.9

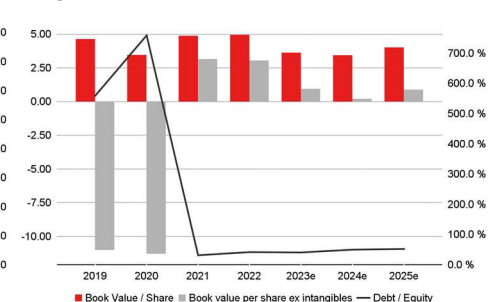
**ROCE Development**



**Net debt in EUR m**



**Book Value per Share in EUR**



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

Consolidated cash flow statement

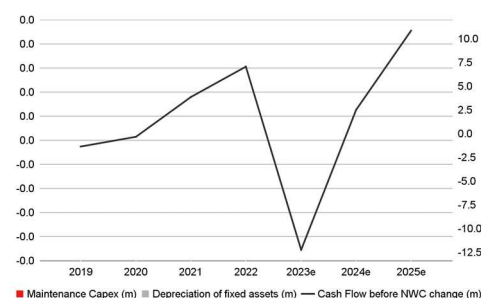
In EUR m	2019	2020	2021	2022	2023e	2024e	2025e
Net income	-2.4	-1.2	-0.7	2.7	-11.4	-1.6	4.9
Depreciation of fixed assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.6	1.7	1.7	1.8	2.3	2.8	3.9
Increase/decrease in long-term provisions	0.4	-1.1	1.4	1.6	-0.8	0.3	0.5
Other non-cash income and expenses	0.1	0.3	1.4	1.0	-2.4	0.9	1.5
<b>Cash Flow before NWC change</b>	<b>-1.3</b>	<b>-0.3</b>	<b>3.9</b>	<b>7.1</b>	<b>-12.2</b>	<b>2.5</b>	<b>10.8</b>
Increase / decrease in inventory	3.6	1.2	-3.3	2.1	1.0	-0.4	-0.6
Increase / decrease in accounts receivable	0.0	0.0	0.0	0.6	0.8	-0.3	-0.5
Increase / decrease in accounts payable	-2.5	0.6	-0.6	2.4	-1.7	0.7	1.0
Increase / decrease in other working capital positions	0.0	0.1	3.5	-1.1	0.0	0.0	0.0
Increase / decrease in working capital (total)	1.1	1.9	-0.4	3.9	0.1	0.0	-0.1
<b>Net cash provided by operating activities [1]</b>	<b>-0.2</b>	<b>1.5</b>	<b>3.4</b>	<b>11.0</b>	<b>-12.2</b>	<b>2.5</b>	<b>10.7</b>
Investments in intangible assets	-1.0	-0.7	-1.7	-3.2	-9.0	-7.5	-3.0
Investments in property, plant and equipment	0.0	0.0	0.0	-0.1	-0.1	-0.1	-0.1
Payments for acquisitions	-0.3	0.0	0.0	0.0	0.0	0.0	0.0
Financial investments	0.1	0.0	0.1	0.0	0.0	0.0	0.0
Income from asset disposals	0.0	0.0	0.0	0.6	0.0	0.0	0.0
<b>Net cash provided by investing activities [2]</b>	<b>-1.4</b>	<b>-0.8</b>	<b>-1.8</b>	<b>-2.7</b>	<b>-9.1</b>	<b>-7.6</b>	<b>-3.1</b>
Change in financial liabilities	0.0	0.0	-12.3	0.0	0.0	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Purchase of own shares	0.0	0.0	0.0	-1.8	0.0	0.0	0.0
Capital measures	0.0	0.0	38.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	-5.6	0.1	-0.1	0.0	0.0
<b>Net cash provided by financing activities [3]</b>	<b>0.0</b>	<b>0.0</b>	<b>20.1</b>	<b>-1.7</b>	<b>-0.1</b>	<b>0.0</b>	<b>0.0</b>
<b>Change in liquid funds [1]+[2]+[3]</b>	<b>-1.6</b>	<b>0.7</b>	<b>21.8</b>	<b>6.6</b>	<b>-21.3</b>	<b>-5.0</b>	<b>7.7</b>
Effects of exchange-rate changes on cash	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cash and cash equivalent at end of period	7.4	8.1	29.8	36.3	15.0	10.0	17.7

Financial Ratios

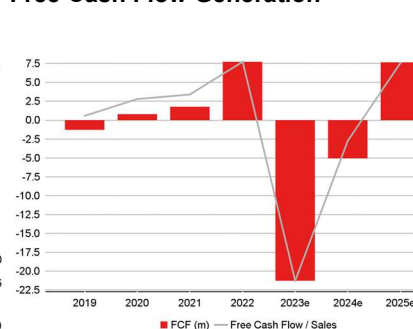
	2019	2020	2021	2022	2023e	2024e	2025e
<b>Cash Flow</b>							
FCF	-1.3	0.8	1.8	7.7	-21.3	-5.1	7.7
Free Cash Flow / Sales	-3.2 %	2.0 %	3.5 %	13.9 %	-55.5 %	-11.2 %	13.6 %
Free Cash Flow Potential	-1.0	1.3	1.4	4.4	-8.5	1.7	9.3
Free Cash Flow / Net Profit	53.4 %	-66.6 %	-244.3 %	290.2 %	187.2 %	317.0 %	155.3 %
Interest Received / Avg. Cash	0.0 %	0.1 %	0.0 %	0.2 %	0.0 %	0.0 %	0.0 %
Interest Paid / Avg. Debt	6.5 %	6.4 %	5.8 %	n.a.	n.a.	n.a.	n.a.
<b>Management of Funds</b>							
Investment ratio	2.6 %	1.9 %	3.3 %	5.9 %	23.7 %	16.8 %	5.5 %
Maint. Capex / Sales	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Capex / Dep	183.1 %	44.6 %	95.4 %	182.5 %	390.8 %	267.1 %	80.0 %
Avg. Working Capital / Sales	7.5 %	3.9 %	5.3 %	4.2 %	0.3 %	0.2 %	0.3 %
Trade Debtors / Trade Creditors	35.0 %	37.7 %	97.4 %	43.9 %	43.2 %	43.2 %	44.4 %
Inventory Turnover	2.6 x	4.9 x	3.8 x	6.6 x	6.1 x	5.6 x	4.7 x
Receivables collection period (days)	10	11	21	15	15	15	16
Payables payment period (days)	103	84	63	94	100	109	132
Cash conversion cycle (Days)	45	3	54	-23	-25	-29	-38

CAPEX and Cash Flow

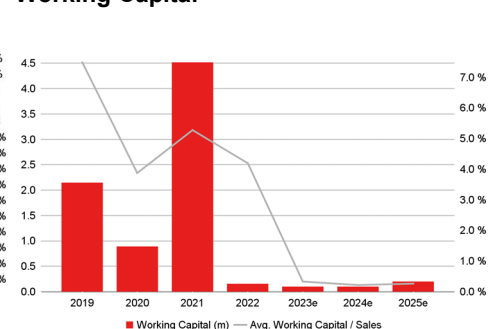
in EUR m



Free Cash Flow Generation



Working Capital



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research



## LEGAL DISCLAIMER

This research report ("investment recommendation") was prepared by the Warburg Research GmbH, a fully owned subsidiary of the M.M.Warburg & CO (AG & Co.) KGaA and is passed on by the M.M.Warburg & CO (AG & Co.) KGaA. It is intended solely for the recipient and may not be passed on to another company without their prior consent, regardless of whether the company is part of the same corporation or not. It contains selected information and does not purport to be complete. The investment recommendation is based on publicly available information and data ("information") believed to be accurate and complete. Warburg Research GmbH neither examines the information for accuracy and completeness, nor guarantees its accuracy and completeness. Possible errors or incompleteness of the information do not constitute grounds for liability of M.M.Warburg & CO (AG & Co.) KGaA or Warburg Research GmbH for damages of any kind whatsoever, and M.M.Warburg & CO (AG & Co.) KGaA and Warburg Research GmbH are not liable for indirect and/or direct and/or consequential damages. In particular, neither M.M.Warburg & CO (AG & Co.) KGaA nor Warburg Research GmbH are liable for the statements, plans or other details contained in these investment recommendations concerning the examined companies, their affiliated companies, strategies, economic situations, market and competitive situations, regulatory environment, etc. Although due care has been taken in compiling this investment recommendation, it cannot be excluded that it is incomplete or contains errors. M.M.Warburg & CO (AG & Co.) KGaA and Warburg Research GmbH, their shareholders and employees are not liable for the accuracy and completeness of the statements, estimations and the conclusions derived from the information contained in this investment recommendation. Provided a investment recommendation is being transmitted in connection with an existing contractual relationship, i.e. financial advisory or similar services, the liability of M.M.Warburg & CO (AG & Co.) KGaA and Warburg Research GmbH shall be restricted to gross negligence and wilful misconduct. In case of failure in essential tasks, M.M.Warburg & CO (AG & Co.) KGaA and Warburg Research GmbH are liable for normal negligence. In any case, the liability of M.M.Warburg & CO (AG & Co.) KGaA and Warburg Research GmbH is limited to typical, expectable damages. This investment recommendation does not constitute an offer or a solicitation of an offer for the purchase or sale of any security. Partners, directors or employees of M.M.Warburg & CO (AG & Co.) KGaA, Warburg Research GmbH or affiliated companies may serve in a position of responsibility, i.e. on the board of directors of companies mentioned in the report. Opinions expressed in this investment recommendation are subject to change without notice. The views expressed in this research report accurately reflect the research analyst's personal views about the subject securities and issuers. Unless otherwise specified in the research report, no part of the research analyst's compensation was, is, or will be directly or indirectly related to the specific recommendations or views contained in the research report. All rights reserved.

## COPYRIGHT NOTICE

This work including all its parts is protected by copyright. Any use beyond the limits provided by copyright law without permission is prohibited and punishable. This applies, in particular, to reproductions, translations, microfilming, and storage and processing on electronic media of the entire content or parts thereof.

## DISCLOSURE ACCORDING TO §85 OF THE GERMAN SECURITIES TRADING ACT (WPHG), MAR AND MIFID II INCL. COMMISSION DELEGATED REGULATION (EU) 2016/958 AND (EU) 2017/565

The valuation underlying the investment recommendation for the company analysed here is based on generally accepted and widely used methods of fundamental analysis, such as e.g. DCF Model, Free Cash Flow Value Potential, NAV, Peer Group Comparison or Sum of the Parts Model (see also <http://www.mmwarburg.de/disclaimer/disclaimer.htm#Valuation>). The result of this fundamental valuation is modified to take into consideration the analyst's assessment as regards the expected development of investor sentiment and its impact on the share price.

Independent of the applied valuation methods, there is the risk that the price target will not be met, for instance because of unforeseen changes in demand for the company's products, changes in management, technology, economic development, interest rate development, operating and/or material costs, competitive pressure, supervisory law, exchange rate, tax rate etc. For investments in foreign markets and instruments there are further risks, generally based on exchange rate changes or changes in political and social conditions.

This commentary reflects the opinion of the relevant author at the point in time of its compilation. A change in the fundamental factors underlying the valuation can mean that the valuation is subsequently no longer accurate. Whether, or in what time frame, an update of this commentary follows is not determined in advance.

Additional internal and organisational arrangements to prevent or to deal with conflicts of interest have been implemented. Among these are the spatial separation of Warburg Research GmbH from M.M.Warburg & CO (AG & Co.) KGaA and the creation of areas of confidentiality. This prevents the exchange of information, which could form the basis of conflicts of interest for Warburg Research GmbH in terms of the analysed issuers or their financial instruments.

The analysts of Warburg Research GmbH do not receive a gratuity – directly or indirectly – from the investment banking activities of M.M.Warburg & CO (AG & Co.) KGaA or of any company within the Warburg-Group.

All prices of financial instruments given in this investment recommendation are the closing prices on the last stock-market trading day before the publication date stated, unless another point in time is explicitly stated.

M.M.Warburg & CO (AG & Co.) KGaA and Warburg Research GmbH are subject to the supervision of the Federal Financial Supervisory Authority, BaFin. M.M.Warburg & CO (AG & Co.) KGaA is additionally subject to the supervision of the European Central Bank (ECB).

## SOURCES

All **data and consensus estimates** have been obtained from FactSet except where stated otherwise.

The **Warburg ESG Risk Score** is based on information © 2020 MSCI ESG Research LLC. Reproduced by permission. Although Warburg Research's information providers, including without limitation, MSCI ESG Research LLC and its affiliates (the "ESG Parties"), obtain information (the "Information") from sources they consider reliable, none of the ESG Parties warrants or guarantees the originality, accuracy and/or completeness, of any data herein and expressly disclaim all express or implied warranties, including those of merchantability and fitness for a particular purpose. The Information may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used as a basis for, or a component, of any financial instruments or products indices. Further, none of the Information can in and of itself be used to determine which securities to buy or sell or when to buy or sell them. None of the ESG Parties shall have any liability for any errors or omissions in connection with any data herein, or any liability for any direct, indirect, special, punitive, consequential or any other damage (including lost profits) even if notified of the possibility.



**Additional information for clients in the United States**

1. This research report (the "Report") is a product of Warburg Research GmbH, Germany, a fully owned subsidiary of M.M.Warburg & CO (AG & Co.) KGaA, Germany (in the following collectively "Warburg"). Warburg is the employer of the research analyst(s), who have prepared the Report. The research analyst(s) reside outside the United States and are not associated persons of any U.S. regulated broker-dealer and therefore are not subject to the supervision of any U.S. regulated broker-dealer.
2. The Report is provided in the United States for distribution solely to "major U.S. institutional investors" under Rule 15a-6 of the U.S. Securities Exchange Act of 1934 by CIC.
3. CIC (Crédit Industriel et Commercial) and M.M. Warburg & CO have concluded a Research Distribution Agreement that gives CIC Market Solutions exclusive distribution in France, the US and Canada of the Warburg Research GmbH research product.
4. The research reports are distributed in the United States of America by CIC ("CIC") pursuant to a SEC Rule 15a-6 agreement with CIC Market Solutions Inc ("CICI"), a U.S. registered broker-dealer and a related company of CIC, and are distributed solely to persons who qualify as "Major U.S. Institutional Investors" as defined in SEC Rule 15a-6 under the Securities Exchange Act of 1934.
5. Any person who is not a Major U.S. Institutional Investor must not rely on this communication. The delivery of this research report to any person in the United States of America is not a recommendation to effect any transactions in the securities discussed herein, or an endorsement of any opinion expressed herein.

**Reference in accordance with section 85 of the German Securities Trading Act (WpHG) and Art. 20 MAR regarding possible conflicts of interest with companies analysed:**

- 1- Warburg Research, or an affiliated company, or an employee of one of these companies responsible for the compilation of the research, hold a **share of more than 5%** of the equity capital of the analysed company.
- 2- Warburg Research, or an affiliated company, within the last twelve months participated in the **management of a consortium** for an issue in the course of a public offering of such financial instruments, which are, or the issuer of which is, the subject of the investment recommendation.
- 3- Companies affiliated with Warburg Research **manage financial instruments**, which are, or the issuers of which are, subject of the investment recommendation, in a market based on the provision of buy or sell contracts.
- 4- MMWB, Warburg Research, or an affiliated company, reached an agreement with the issuer to provide **investment banking and/or investment services** and the relevant agreement was in force in the last 12 months or there arose for this period, based on the relevant agreement, the obligation to provide or to receive a service or compensation - provided that this disclosure does not result in the disclosure of confidential business information.
- 5- The company compiling the analysis or an affiliated company had reached an **agreement on the compilation of the investment recommendation** with the analysed company.
- 6a- Warburg Research, or an affiliated company, holds a **net long position of more than 0.5%** of the total issued share capital of the analysed company.
- 6b- Warburg Research, or an affiliated company, holds a **net short position of more than 0.5%** of the total issued share capital of the analysed company.
- 6c- The issuer holds shares of more than 5% of the total issued capital of Warburg Research or an affiliated company.
- 7- The company preparing the analysis as well as its affiliated companies and employees have **other important interests** in relation to the analysed company, such as, for example, the exercising of mandates at analysed companies.

Company	Disclosure	Link to the historical price targets and rating changes (last 12 months)
APONTIS PHARMA	5	<a href="https://www.mmwarburg.com/disclaimer/disclaimer_en/DE000A3CMGM5.htm">https://www.mmwarburg.com/disclaimer/disclaimer_en/DE000A3CMGM5.htm</a>

## INVESTMENT RECOMMENDATION

Investment recommendation: expected direction of the share price development of the financial instrument up to the given price target in the opinion of the analyst who covers this financial instrument.

-B-	<b>Buy:</b>	The price of the analysed financial instrument is expected to rise over the next 12 months.
-H-	<b>Hold:</b>	The price of the analysed financial instrument is expected to remain mostly flat over the next 12 months.
-S-	<b>Sell:</b>	The price of the analysed financial instrument is expected to fall over the next 12 months.
“-“	<b>Rating suspended:</b>	The available information currently does not permit an evaluation of the company.

## WARBURG RESEARCH GMBH – ANALYSED RESEARCH UNIVERSE BY RATING

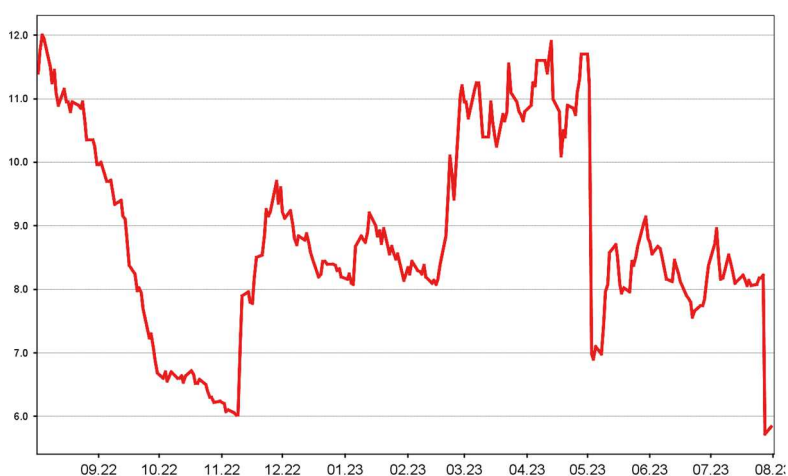
Rating	Number of stocks	% of Universe
Buy	152	73
Hold	44	21
Sell	7	3
Rating suspended	4	2
<b>Total</b>	<b>207</b>	<b>100</b>

## WARBURG RESEARCH GMBH – ANALYSED RESEARCH UNIVERSE BY RATING ...

... taking into account only those companies which were provided with major investment services in the last twelve months.

Rating	Number of stocks	% of Universe
Buy	43	88
Hold	4	8
Sell	0	0
Rating suspended	2	4
<b>Total</b>	<b>49</b>	<b>100</b>

## PRICE AND RATING HISTORY APONTIS PHARMA AS OF 01.08.2023



Markings in the chart show rating changes by Warburg Research GmbH in the last 12 months. Every marking details the date and closing price on the day of the rating change.

**EQUITIES**

**Matthias Rode** +49 40 3282-2678  
Head of Equities mrode@mmwarburg.com

**RESEARCH**

**Michael Heider** +49 40 309537-280  
Head of Research mheider@warburg-research.com

**Henner Rüschemeyer** +49 40 309537-270  
Head of Research hrueschmeier@warburg-research.com

**Stefan Augustin** +49 40 309537-168  
Cap. Goods, Engineering saugustin@warburg-research.com

**Jan Bauer** +49 40 309537-155  
Renewables jbauer@warburg-research.com

**Christian Cohrs** +49 40 309537-175  
Industrials & Transportation ccohrs@warburg-research.com

**Dr. Christian Ehmann** +49 40 309537-167  
BioTech, Life Science cehmann@warburg-research.com

**Felix Ellmann** +49 40 309537-120  
Software, IT fellmann@warburg-research.com

**Jörg Philipp Frey** +49 40 309537-258  
Retail, Consumer Goods jfrey@warburg-research.com

**Marius Fuhrberg** +49 40 309537-185  
Financial Services mfuhrberg@warburg-research.com

**Fabio Hölscher** +49 40 309537-240  
Automobiles, Car Suppliers fhoelscher@warburg-research.com

**Philipp Kaiser** +49 40 309537-260  
Real Estate, Construction pkaiser@warburg-research.com

**Thilo Kleibauer** +49 40 309537-257  
Retail, Consumer Goods tkleibauer@warburg-research.com

**Hannes Müller** +49 40 309537-255  
Software, IT hmueller@warburg-research.com

**Andreas Pläsier** +49 40 309537-246  
Banks, Financial Services aplaesier@warburg-research.com

**Malte Schaumann** +49 40 309537-170  
Technology mschaumann@warburg-research.com

**Oliver Schwarz** +49 40 309537-250  
Chemicals, Agriculture oschwarz@warburg-research.com

**Simon Stippig** +49 40 309537-265  
Real Estate, Telco sstippig@warburg-research.com

**Cansu Tatar** +49 40 309537-248  
Cap. Goods, Engineering ctatar@warburg-research.com

**Marc-René Tonn** +49 40 309537-259  
Automobiles, Car Suppliers mtonn@warburg-research.com

**Robert-Jan van der Horst** +49 40 309537-290  
Technology rvanderhorst@warburg-research.com

**Andreas Wolf** +49 40 309537-140  
Software, IT awolf@warburg-research.com

**INSTITUTIONAL EQUITY SALES**

**Marc Niemann** +49 40 3282-2660  
Head of Equity Sales, Germany mniemann@mmwarburg.com

**Klaus Schilling** +49 69 5050-7400  
Head of Equity Sales, Germany kschilling@mmwarburg.com

**Tim Beckmann** +49 40 3282-2665  
United Kingdom tbeckmann@mmwarburg.com

**Lea Bogdanova** +49 69 5050-7411  
United Kingdom, Ireland lbogdanova@mmwarburg.com

**Jens Buchmüller** +49 69 5050-7415  
Scandinavia, Austria jbuchmueller@mmwarburg.com

**Matthias Fritsch** +49 40 3282-2696  
United Kingdom mfritsch@mmwarburg.com

**Maximilian Martin** +49 69 5050-7413  
Austria, Poland mmartin@mmwarburg.com

**Rudolf Alexander Michaelis** +49 40 3282-2649  
Germany rmichaelis@mmwarburg.com

**Roman Alexander Niklas** +49 69 5050-7412  
Switzerland rniklas@mmwarburg.com

**Charlotte Wernicke** +49 40 3282-2669  
Roadshow/Marketing cwernicke@mmwarburg.com

**Juliane Niemann** +49 40 3282-2694  
Roadshow/Marketing jniemann@mmwarburg.com

**SALES TRADING**

**Oliver Merkel** +49 40 3282-2634  
Head of Sales Trading omerckel@mmwarburg.com

**Rico Müller** +49 40 3282-2685  
Sales Trading rmueller@mmwarburg.com

**Bastian Quast** +49 40 3282-2701  
Sales Trading bquast@mmwarburg.com

**DESIGNATED SPONSORING**

**Marcel Magiera** +49 40 3282-2662  
Designated Sponsoring mmagiera@mmwarburg.com

**Sebastian Schulz** +49 40 3282-2631  
Designated Sponsoring sschulz@mmwarburg.com

**Jörg Treptow** +49 40 3282-2658  
Designated Sponsoring jtreptow@mmwarburg.com

**MACRO RESEARCH**

**Carsten Klude** +49 40 3282-2572  
Macro Research cklude@mmwarburg.com

**Dr. Christian Jasperneite** +49 40 3282-2439  
Investment Strategy cjasperneite@mmwarburg.com

**Our research can be found under:**

Warburg Research [research.mmwarburg.com/en/index.html](https://research.mmwarburg.com/en/index.html)  
Bloomberg RESP MMWA GO  
FactSet [www.factset.com](https://www.factset.com)

Refinitiv [www.refinitiv.com](https://www.refinitiv.com)  
Capital IQ [www.capitaliq.com](https://www.capitaliq.com)

**For access please contact:**

**Andrea Schaper** +49 40 3282-2632  
Sales Assistance aschaper@mmwarburg.com

**Kerstin Muthig** +49 40 3282-2703  
Sales Assistance kmuthig@mmwarburg.com