Key Remains ATIR101 EU Approval; Cash to Support Launch and Pipeline Progress

31 May 2019

Key Takeaway

The c.€28m gross cash raised extends Kiadis' runway to around YE20E, supporting EU ATIR101 launch, the ongoing Phase III trial, and start of clinical development with new asset CSDT002-NK next year. The most important derisking event remains EU approval for ATIR101 as an add-on to improve the safety and efficacy of "half-matched" haplo-ID bone marrow transplants with an initial CHMP opinion due mid-19E. PT increased to €17 with near-term funding needs reduced.

ATIR101 on track for YE19 EU launch following recent EMA response submission

Responses were recently submitted to the second set of "Day 180 List of Outstanding Issues" as part of the ongoing European marketing authorisation application (MAA) for ATIR101. The timing should allow for an initial CHMP opinion around mid-19E, with the next CHMP meeting scheduled 24-27 June, although we believe an opinion is more likely at the 22-25 July meeting, ahead of the typical break in August. Following the CHMP opinion, a formal EMA decision usually takes 67 days, allowing for initial launch in Europe by YE19E. Our ATIR101 launch forecasts assume that only a few patients receive commercial ATIR101 treatment by YE19 and we expect fairly moderate sales in initial launch years.

Phase III trial ongoing towards US approval with interim data 2021E

The international Phase III HATCY trial is ongoing, with an interim analysis anticipated 2021E. If the interim is positive, this could be sufficient to file in the US. Our forecasts conservatively assume that the trial runs to full completion before US filing, with US launch from 2023E. If the interim is positive, we estimate launch and sales could come around one year sooner. Kiadis will work with Be The Match BioTherapies to facilitate cell therapy delivery and processing as part of the clinical trial.

CSDT002-NK to start clinical trials in 2020E

The CytoSen acquisition is due to close imminently following recent shareholder approval. This brings an NK cell technology that could complement Kiadis' T-cells. Lead product CSDT002-NK has completed a 25 patient academic study in haplo-ID HSCT, with an 8% relapse rate and 66% progression-free survival (PFS), not dissimilar to the 9% relapse rate reported with ATIR101 in Phase II trials. A Phase II study in haplo-ID HSCT AML patients is due to start 2020E, supported by the Blood and Marrow Transplant Clinical Trials Network (BMT CTN) in the US. We do not yet ascribe an NPV to CSDT002-NK given its early stage of development and pending further details on the clinical plan.

PT hiked to €17; cash runway extended to YE20E

Our updated model suggests end March 2019 cash of c.€49m, together with c. €5m from CytoSen and c.€26m net proceeds from the fundraise should now be sufficient to YE20E (from 1Q20E). Our Price Target is increased to €17/share owing to the reduced near-term funding needs; our underlying ATIR101 assumptions are unchanged with $220m/$260m EU/US peak sales at 80%/50% probability.

Target | Estimate Change	
RATING	BUY
PRICE	€9.50^
MARKET CAP	€267.0M / $297.4M
PRICE TARGET (PT)	€17.00 (FROM €16.00)
UPSIDE SCENARIO PT	€42.00
DOWNSIDE SCENARIO PT	€0.00

^Prior trading day's closing price unless otherwise noted.

FY Dec	2018A	2019E	2020E	2021E
EPS (€)	(1.46)	↑ (2.13)	↑ (1.20)	↑ (0.92)
Previous		*(2.35)*	*(1.40)*	*(1.13)*
FY P/E	NM	NM	NM	NM

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The Long View

Scenarios

Base Case

- Novel protocols such as ATIR101 drive ongoing growth of haploidentical HSCT given "half matched" donors are readily available and GvHD risks can be mitigated
- We forecast $480m peak ATIR101 sales in US+EU assuming 20% penetration of haplo-ID HSCT procedures, with Kiadis commercialising the product itself in these regions for a highly profitable opportunity
- Price Target €17/share comprising NPVs for ATIR101 in the US and Europe plus Net Cash, less potential dilution to ensure sufficient funds for three years

Upside Scenario

- EU regulatory approval of ATIR101 could add c.€3/share
- Positive Phase III interim HATCY results for ATIR101, allowing for earlier US launch, could boost our sum-of-the-parts by at least €5/share
- US regulatory approval of ATIR101 could add c.€1/share
- If ATIR101 is successfully approved in the US and EU and reaches a higher peak 30% penetration in both regions, this could add c.€16/share to our NPVs
- These potential catalysts could boost our NPV derived Price Target to €42/share, still including the potential dilution to ensure sufficient funds for three years

Downside Scenario

- EU significantly delayed opinion of ATIR101 could remove at least €9/share, with an outright rejection removing the entire EU potential, worth c.€12/share
- If the Phase III HATCY study for ATIR101 fails this could lower our sum-of-the-parts by c.€6/share
- These potential setbacks could reduce our NPV derived Price Target to a negligible value, still including the potential dilution to ensure sufficient funds for three years

Investment Thesis / Where We Differ

- Our financial model suggests the €49m cash at end March 2019 together with the c.€5m of cash from CytoSen and estimated c.€26m net proceeds from the fundraise should be sufficient to fund cash burn to YE20E. Importantly this is beyond the likely CHMP opinion and initial European launch of ATIR101.

Catalysts

- EU CHMP opinion on ATIR101 for haploidentical HSCT mid-19E
- EU conditional approval of ATIR101 during 2H19E
- EU initial launch of ATIR101 by YE19E
- Updates on patient enrolment in the ATIR101 Phase III study
- Start of the Phase II CSDT002-NK trial during 2020E
- Interim analysis of the Phase III HATCY trial during 2021E, with final results 2022E

Long Term Analysis

2018-23E Revenue CAGR	**n/m**
2018 Net Cash (€m)	26.9
2019E Net Cash (€m)	(5.0)
2020E Net Cash (€m)	(41.5)

Financial Summary and Market Data

Financial Summary	
Long-Term Debt (MM)	€27.1
Cash & ST Invest. (MM)	€60.3

Market Data	
52-Week Range:	€15.66 - €7.00
Total Entprs. Value	€240.1M
Avg. Daily Value MM ($)	1.83
Float (%)	59.1%

Estimates and Valuation

Estimates								
€	Prev.	2018A	Prev.	2019E	Prev.	2020E	Prev.	2021E
Rev. (MM)		0.0		0.3		2.7		6.8
EBIT (MM)		(25.2)		(44.6)		(35.3)		(26.3)
Cash Position		60.3	9.7	↑ 35.7		3.0		2.6
EPS		(1.46)	(2.35)	↑ (2.13)	(1.40)	↑ (1.20)	(1.13)	↑ (0.92)
Valuation								
		2018A		2019E		2020E		2021E
P/Rev				NM		98.9x		39.3x
EV/Rev				NM		88.9x		35.3x
EV/EBIT		NM		NM		NM		NM
FY P/E		NM		NM		NM		NM

Reiterate Buy with increased €17 Price Target

Kiadis develops innovative cell therapies for safer and more effective bone marrow transplants. Its sole clinical product ATIR101 improves haploidentical "half-matched" stem cell transplants and may expand their use, providing an important anti-cancer effect and ability to fight infections, while also reducing the life-threatening risk of graft versus host disease (GvHD). We anticipate an EU CHMP opinion around mid-2019E based on Phase II data, for conditional approval during 2H19E. The Phase III HATCY study is expected to have an interim analysis during 2021E, with final results potentially 2022E, for potential US launch in 2023E. We forecast $480m peak sales in US+EU assuming 20% penetration, with Kiadis commercialising ATIR101 itself for a highly profitable opportunity. Kiadis recently acquired privately held CytoSen in an all-share transaction, bringing a complementary NK-cell technology platform. Lead product CSDT002-NK is due to start a Phase II trial in haplo-ID HSCT in 2020E and could theoretically be combined with ATIR101 to improve HSCT outcomes. Current cash should be sufficient through 2020E, in our view, by which time ATIR101 should be launched in Europe. Reiterate Buy rating with an increased NPV-based Price Target of €17 per share suggesting substantial potential upside.

ATIR101 addresses an unmet need

Haematopoietic stem cell transplants (HSCT) can offer a cure for some serious disorders but it can be challenging to find matched donors, whereas haploidentical are widely available. Current protocols mitigate the life-threatening risk of graft versus host disease (GvHD), but typically also subdue graft versus leukaemia (GvL) antitumour and anti-infective benefits. ATIR101 aims to minimize GvHD while retaining the benefits, lowering the risk of relapse and complications. Phase II confirmed this potential, comparing very favourably for GvHD and relapse risks relative to literature reports for current standard-of-care PTCy, in our view.

ATIR101 could boost HSCT

We forecast half-matched haplo-ID HSCT to more than double by 2026E, driven by protocols such as PTCy and potentially ATIR101, which we expect to launch from 2H19E EU and 2023E US. Assuming 20% peak ATIR101 penetration with €150k/ $250k average Revenue/patient we derive $220m/$260m EU/US peak sales for c.€12/€6 per share NPV at 80%/50% probability. Best case we believe ATIR101 peak sales could near-$2bn.

CytoSen acquisition brings NK cell technology to complement Kiadis' T-cells

Kiadis recently announced plans to acquire CytoSen in an all-share transaction, issuing 1.94m shares on completion, with a further 5.82m additional shares based on achieving six specific future clinical and regulatory milestones.

CytoSen's technology platform is based around natural killer cells (NK cells) a type of lymphocyte (white blood cell) that is part of the innate immune system. NK cells can potentially play a role in lowering the risk of relapse in the first few months after a haematopoietic stem cell transplant (HSCT) as they are the first white blood cells to reconstitute, in addition to preventing infections and improving mortality. Given innate NK and adaptive T-cells form the basis of the immune system, synergistic therapeutic approaches could improve patient outcomes. Hence, the combination with T-cell based ATIR101, which aims to minimise the life threatening risk of graft versus host disease (GvHD) in half-matched haploidentical (haplo-ID) transplants, presents an intriguing

cell therapy combination, assuming tolerability is manageable. Data will be needed to confirm this hypothesis.

Exhibit 1 - Forecasts updated to include c.€26m net proceeds and enlarged share count

(EUR millions Dec YE)	2019 Old	2019 New	% Chg	2020 Old	2020 New	% Chg	2021 Old	2021 New	% Chg
Sales	0.3	0.3	*+0%*	2.7	2.7	*+0%*	6.8	6.8	*+0%*
Gross Profit	(2.5)	(2.5)	*+1%*	1.5	1.5	*+0%*	4.1	4.1	*+0%*
R&D Expenses	(29.0)	(29.0)	*+0%*	(21.8)	(21.8)	*+0%*	(13.6)	(13.6)	*+0%*
General & Admin. Expenses	(10.2)	(10.2)	*+0%*	(11.0)	(11.0)	*+0%*	(11.8)	(11.8)	*+0%*
Sales & Marketing Expenses	(2.9)	(2.9)	*+0%*	(4.0)	(4.0)	*+0%*	(5.0)	(5.0)	*+0%*
Operating Income	**(44.6)**	**(44.6)**	*+0%*	**(35.3)**	**(35.3)**	*+0%*	**(26.3)**	**(26.3)**	*+0%*
Pre-tax Profit	(60.1)	(60.2)	*+0%*	(38.1)	(37.1)	*-3%*	(31.7)	(29.2)	*-8%*
Net Income	(60.1)	(60.2)	*+0%*	(38.1)	(37.1)	*-3%*	(31.7)	(29.2)	*-8%*
Adjusted Net Income	**(60.1)**	**(60.2)**	*+0%*	**(38.1)**	**(37.1)**	*-3%*	**(31.7)**	**(29.2)**	*-8%*
EPS (EUR)	(2.4)	(2.1)	*-10%*	(1.4)	(1.2)	*-14%*	(1.1)	(0.9)	*-19%*
Adjusted EPS (EUR)	**(2.4)**	**(2.1)**	*-10%*	**(1.4)**	**(1.2)**	*-14%*	**(1.1)**	**(0.9)**	*-19%*
Net Cash/(Debt)	(30.8)	(5.0)	*-84%*	(68.3)	(41.5)	*-39%*	(97.8)	(68.5)	*-30%*

Source: Jefferies estimates

€17 Price Target using NPV sum-of-the-parts

Similar to other biotech stocks in our coverage universe, we believe the most appropriate valuation methodology for Kiadis is a fundamental NPV sum-of-the-parts. Hence, our Price Target comprises NPVs for ATIR101 in both the US and Europe, in addition to Net Cash. We then adjust our valuation to reflect the potential dilution from a capital increase to ensure sufficient funds for at least three years. We do not yet include any contribution for recently acquired NK-cell product CSDT002-NK. Data and/or potential out-licensing deals could crystallise significant value, and provide upside to our valuation.

Exhibit 2 - Kiadis sum-of-the-parts valuation

	Indication	Peak Sales ($mn)	Value (EURmn)	Prob.	Adj. Value (EURmn)	EUR per share
ATIR101	Haploidentical HSCT (Europe)	220	457	80%	366	12.0
	Haploidentical HSCT (US)	260	337	50%	168	5.5
	Haploidentical HSCT (RoW)	85	47	0%	0	0.0
Net Cash/(Debt)			67	100%	67	2.2
Valuation			**909**		**602**	**19.7**
Potential Dilution for Funding					(40)	(2.8)
Potential Diluted Valuation						**17.0**

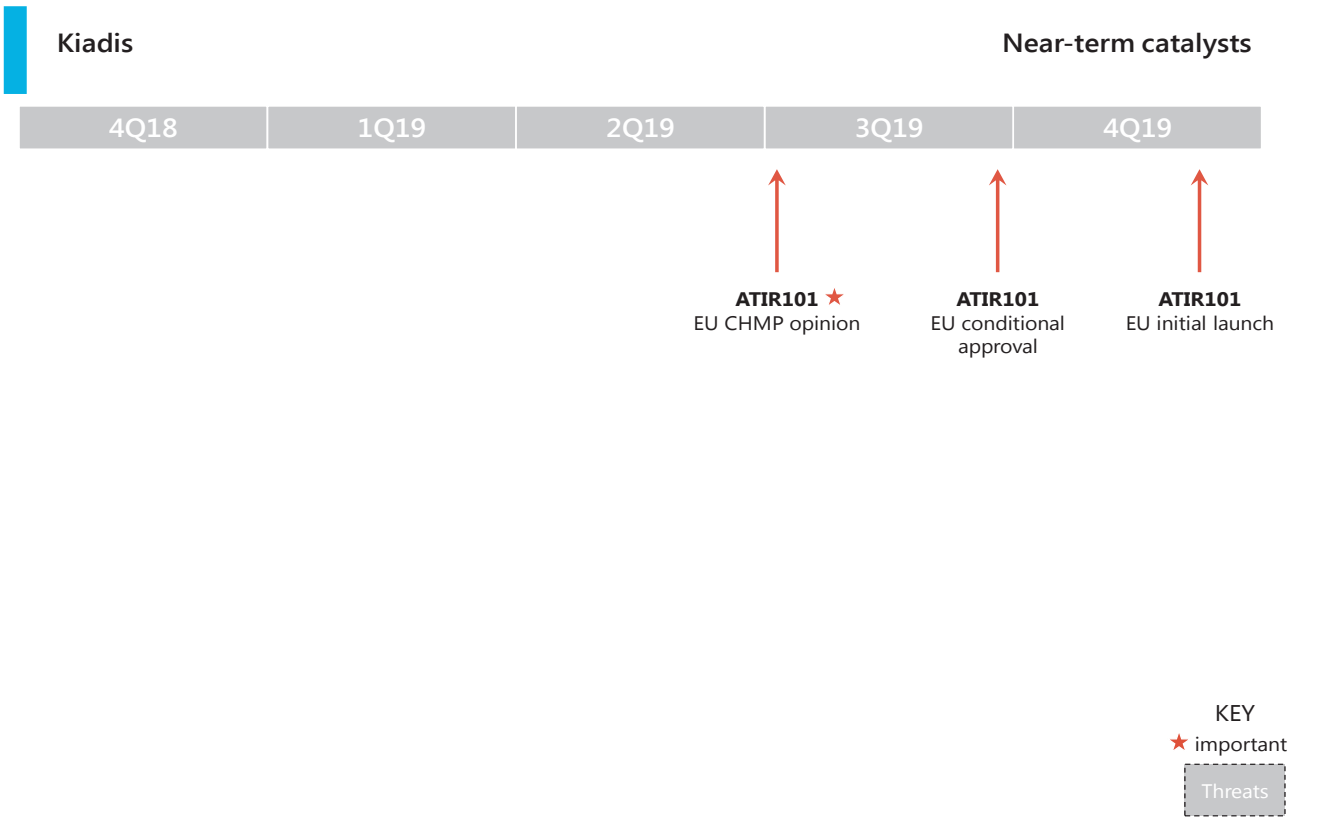
Source: Jefferies estimates

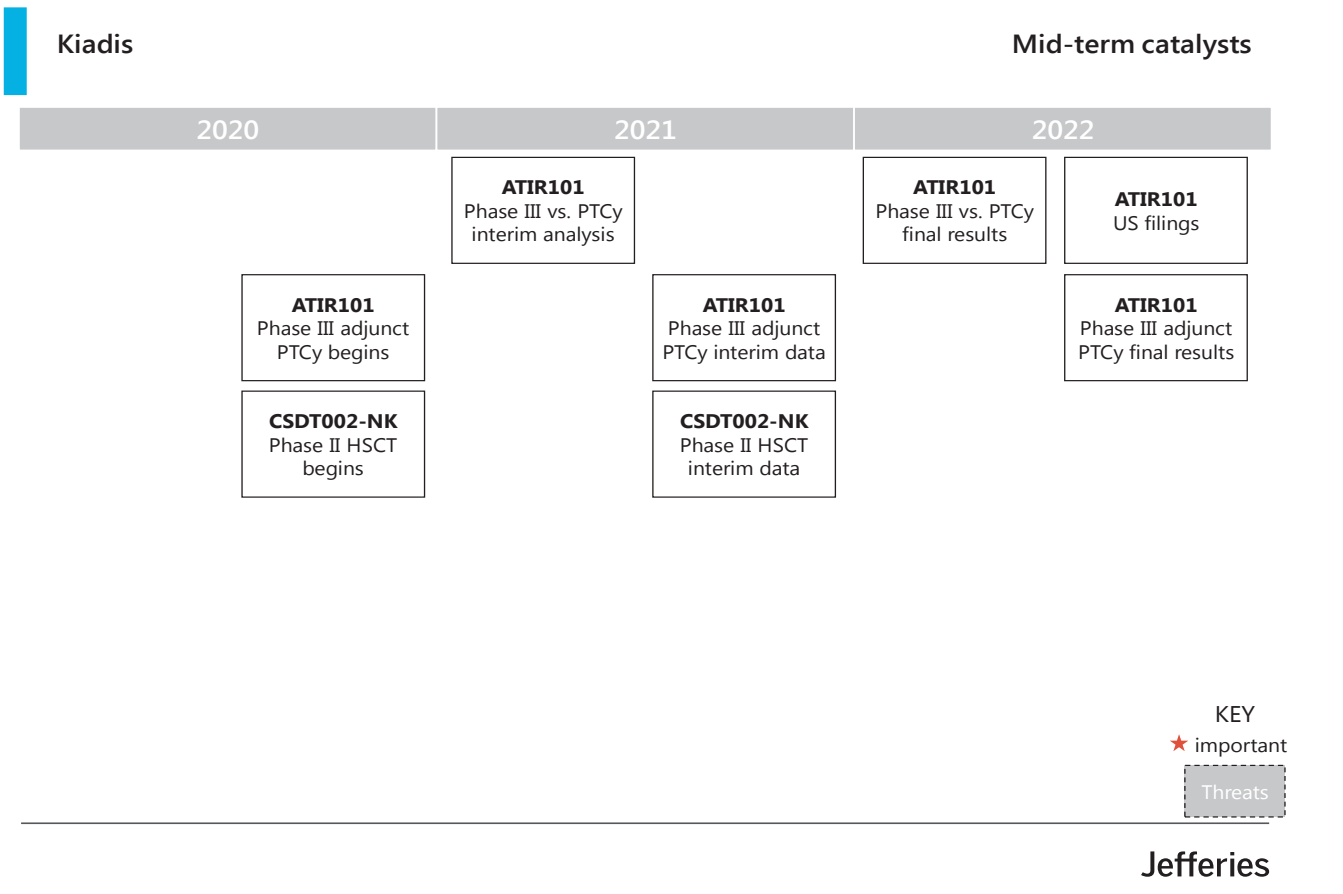
Exhibit 3 - Source of upside potential and downside risk

Upside		EUR per share	Downside	EUR per share
ATIR EU regulatory decision	Approved	3.0	Rejected or delayed	(12.0)
ATIR Phase III HATCY interim results	Positive, for earlier US launch	5.0	Trial continues to full data	0.0
ATIR US approval and launch	Approved	0.5	Rejected or delayed	(5.5)
ATIR peak penetration	Higher 30% peak in US & EU	16.5	Lower 10% peak in US & EU	(8.5)
Potential Upside/(Downside)		**25.0**		**(17.5)**
Potential Valuation		**44.7**		**2.2**

Source: Jefferies estimates

Exhibit 4 - Kiadis catalysts





Source: Jefferies research

Exhibit 5 - Kiadis Profit and Loss Model

		2019E						
(EUR millions except EPS Dec YE)	2018A	1H19E	2H19E	2019E	2020E	2021E	2022E	2023E
ATIR EU Sales	0.0	0.0	0.3	0.3	2.7	6.8	13.5	47.1
ATIR US Sales	0.0	0.0	0.0	0.0	0.0	0.0	0.0	16.5
License & Other Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Revenue	0.0	0.0	0.3	0.3	2.7	6.8	13.5	63.6
Cost of Sales	0.0	0.0	(2.8)	(2.8)	(1.2)	(2.6)	(4.7)	(19.7)
Gross Profit	**0.0**	**0.0**	**(2.5)**	**(2.5)**	**1.5**	**4.1**	**8.8**	**44.0**
Total Operating Expenses	(25.2)	(18.9)	(23.3)	(42.1)	(36.8)	(30.4)	(38.7)	(47.6)
R&D Expenses	(17.5)	(13.1)	(16.0)	(29.0)	(21.8)	(13.6)	(14.7)	(15.9)
General & Admin. Expenses	(7.7)	(4.9)	(5.3)	(10.2)	(11.0)	(11.8)	(12.5)	(13.2)
Sales & Marketing Expenses	0.0	(0.9)	(2.0)	(2.9)	(4.0)	(5.0)	(11.5)	(18.5)
o/w Acquisition-related Amortisation/Write-dow	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Operating Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Exceptionals	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Income	***(25.2)***	***(18.9)***	***(25.8)***	***(44.6)***	***(35.3)***	***(26.3)***	***(29.9)***	***(3.6)***
Adjusted Operating Income	**(25.2)**	**(18.9)**	**(25.8)**	**(44.6)**	**(35.3)**	**(26.3)**	**(29.9)**	**(3.6)**
Net Financial Income	(4.6)	(0.8)	(14.8)	(15.6)	(1.9)	(2.9)	(4.9)	(5.4)
Exceptionals	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income from Associates & JVs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Pretax Profit	***(29.8)***	***(19.6)***	***(40.6)***	***(60.2)***	***(37.1)***	***(29.2)***	***(34.8)***	***(9.0)***
Adjusted Pretax Profit	**(29.8)**	**(19.6)**	**(40.6)**	**(60.2)**	**(37.1)**	**(29.2)**	**(34.8)**	**(9.0)**
Taxation	(0.0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Minority Interests	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net Income from Continuing Operations	**(29.8)**	**(19.6)**	**(40.6)**	**(60.2)**	**(37.1)**	**(29.2)**	**(34.8)**	**(9.0)**
Net Income from Discontinued Operations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net Income	***(29.8)***	***(19.6)***	***(40.6)***	***(60.2)***	***(37.1)***	***(29.2)***	***(34.8)***	***(9.0)***
Adjusted Net Income	**(29.8)**	**(19.6)**	**(40.6)**	**(60.2)**	**(37.1)**	**(29.2)**	**(34.8)**	**(9.0)**
WA Basic Shares (mn)	20.5	25.0	30.4	28.3	30.9	31.8	33.0	34.4
WA Shares Diluted (mn)	20.5	25.0	30.4	28.3	30.9	31.8	33.0	34.4
EPS (EUR)	***(1.5)***	***(0.8)***	***(1.3)***	***(2.1)***	***(1.2)***	***(0.9)***	***(1.1)***	***(0.3)***
Adjusted EPS (EUR)	**(1.5)**	**(0.8)**	**(1.3)**	**(2.1)**	**(1.2)**	**(0.9)**	**(1.1)**	**(0.3)**
Diluted EPS (EUR)	(1.5)	(0.8)	(1.3)	(2.1)	(1.2)	(0.9)	(1.1)	(0.3)
Diluted Adjusted EPS (EUR)	**(1.5)**	**(0.8)**	**(1.3)**	**(2.1)**	**(1.2)**	**(0.9)**	**(1.1)**	**(0.3)**
% Change Year over Year								
Revenue	n/a	n/a	n/a	n/a	800.0%	150.0%	100.0%	371.5%
Cost of Sales	n/a	n/a	n/a	n/a	(58.1%)	121.0%	77.7%	321.2%
Gross Profit	n/a	n/a	n/a	n/a	159.7%	172.8%	114.2%	398.0%
Total Operating Expenses	56.3%	69.9%	65.0%	67.1%	(12.7%)	(17.3%)	27.3%	22.9%
R&D Expenses	55.8%	69.4%	63.5%	66.1%	(25.0%)	(37.4%)	8.1%	7.7%
General & Admin. Expenses	57.7%	44.4%	22.1%	31.9%	8.0%	7.0%	6.0%	6.0%
Sales & Marketing Expenses	n/a	n/a	n/a	n/a	37.9%	25.0%	130.0%	60.9%
Operating Income	(56.3%)	(69.9%)	(82.9%)	(77.2%)	21.0%	25.4%	(13.7%)	87.9%
Adjusted Operating Income	(56.3%)	(69.9%)	(82.9%)	(77.2%)	21.0%	25.4%	(13.7%)	87.9%
Net Financial Income	(402.7%)	74.7%	(815.3%)	(239.8%)	88.0%	(53.7%)	(69.7%)	(10.2%)
Pretax Profit	(74.9%)	(39.4%)	(158.5%)	(102.2%)	38.4%	21.5%	(19.2%)	74.1%
Adjusted Pretax Profit	(74.9%)	(39.4%)	(158.5%)	(102.2%)	38.4%	21.5%	(19.2%)	74.1%
Net Income	(74.9%)	(39.4%)	(158.3%)	(102.2%)	38.4%	21.5%	(19.2%)	74.1%
Adjusted Net Income	(74.9%)	(39.4%)	(158.3%)	(102.2%)	38.4%	21.5%	(19.2%)	74.1%
EPS (EUR)	(27.9%)	(5.9%)	(86.1%)	(46.0%)	43.4%	23.7%	(15.0%)	75.2%
Adjusted EPS (EUR)	(27.9%)	(5.9%)	(86.1%)	(46.0%)	43.4%	23.7%	(15.0%)	75.2%

Source: Jefferies estimates; company data

Exhibit 6 - Kiadis Cash Flow Model

(EUR millions Dec YE)	2018A	2019E	2020E	2021E	2022E	2023E
Operating Income	(25.2)	(44.6)	(35.3)	(26.3)	(29.9)	(3.6)
Depreciation and Amortisation	1.0	1.1	1.3	1.4	1.4	1.6
EBITDA	**(24.2)**	**(43.5)**	**(34.0)**	**(24.9)**	**(28.5)**	**(2.1)**
Other Adjustments and Exceptionals	1.6	1.8	1.9	2.0	2.1	2.3
Decrease/(Increase) in Inventories	0.0	(0.2)	0.1	(0.1)	(0.2)	(1.2)
Decrease/(Increase) in Receivables	(0.8)	(5.0)	(1.0)	(1.0)	(1.0)	(2.5)
Increase/(Decrease) in Payables	1.3	0.7	(0.2)	0.3	2.0	10.2
Increase/(Decrease) in Deferred Income	0.0	0.0	0.0	0.0	0.0	0.0
Change in WC	0.5	(4.5)	(1.1)	(0.9)	0.8	6.5
Taxation Paid	(0.0)	(0.0)	0.0	0.0	0.0	0.0
Interest Paid	(2.1)	(1.5)	(1.5)	(2.5)	(4.5)	(5.0)
Net Cash Flow from Operating Activities	**(24.2)**	**(47.7)**	**(34.6)**	**(26.3)**	**(30.0)**	**1.7**
Purchase of Tangible Fixed Assets	(1.1)	(1.0)	(1.5)	(0.3)	(0.5)	(1.9)
Proceeds from Sale of PP&E	0.0	0.0	0.0	0.0	0.0	0.0
Purchase of Intangible Assets	0.0	0.0	0.0	0.0	0.0	0.0
(Purchase)/Sale of Investments	0.0	0.0	0.0	0.0	0.0	0.0
(Acquisitions)/Disposals of Subsidiaries	0.0	5.0	0.0	0.0	0.0	0.0
Dividends Received from Associates	0.0	0.0	0.0	0.0	0.0	0.0
Interest Received	0.0	0.0	0.0	0.0	0.0	0.0
Net Cash Flow from Investing Activities	**(1.1)**	**4.0**	**(1.5)**	**(0.3)**	**(0.5)**	**(1.9)**
Management of Liquid Resources	0.0	0.0	0.0	0.0	0.0	0.0
Capital Changes	53.9	26.0	(0.0)	0.0	0.0	(0.0)
Debt Changes	2.4	(6.8)	3.5	26.2	31.4	2.2
Equity Dividends Paid	0.0	0.0	0.0	0.0	0.0	0.0
Other Financing Cash Flows	(0.6)	0.0	0.0	0.0	0.0	0.0
Net Cash Flow from Financing Activities	**55.7**	**19.1**	**3.5**	**26.2**	**31.4**	**2.2**
Effect of FX on Cash and Cash Equivalents	0.0	0.0	0.0	0.0	0.0	0.0
Increase in Cash	**30.4**	**(24.6)**	**(32.7)**	**(0.4)**	**0.8**	**2.0**
Change in Net Debt	**(28.6)**	**17.8**	**36.1**	**26.6**	**30.6**	**0.2**
(Cash Burn)	**(25.3)**	**(43.7)**	**(36.1)**	**(26.6)**	**(30.6)**	**(0.2)**

Source: Jefferies estimates; company data

Exhibit 7 - Kiadis Balance Sheet Model

(EUR millions Dec YE)	2018A	2019E	2020E	2021E	2022E	2023E
Non-current Assets	**20.1**	**33.9**	**34.2**	**33.1**	**32.2**	**32.6**
Intangible Assets	12.4	26.4	26.4	26.4	26.4	26.4
Property, Plant and Equipment	7.7	7.6	7.8	6.7	5.9	6.2
Investments	0.0	0.0	0.0	0.0	0.0	0.0
Other Long-term Assets	0.0	0.0	0.0	0.0	0.0	0.0
Current Assets	**62.5**	**43.1**	**11.3**	**12.0**	**14.0**	**19.6**
Inventories	0.0	0.2	0.1	0.2	0.4	1.6
Trade Accounts Receivable	0.0	5.0	6.0	7.0	8.0	10.5
Other Current Assets	2.1	2.1	2.1	2.1	2.1	2.1
Cash and Cash Equivalents	60.3	35.7	3.0	2.6	3.4	5.4
Total Assets	**82.5**	**77.0**	**45.4**	**45.1**	**46.2**	**52.2**
Current Liabilities	**11.3**	**6.6**	**17.3**	**48.9**	**83.9**	**100.5**
Trade Accounts Payable	1.8	3.6	3.0	2.6	3.4	5.4
Other Current Liabilities	2.0	2.0	2.0	2.0	2.0	2.0
Accrued Expenses	1.1	0.0	0.4	1.1	2.2	10.5
Deferred Income	0.0	0.0	0.0	0.0	0.0	0.0
Short-term Debt	5.3	0.0	10.9	42.3	75.3	81.8
Leasing Obligations	1.0	0.9	0.9	0.9	0.9	0.8
Dividends	0.0	0.0	0.0	0.0	0.0	0.0
Non-current Liabilities	**27.1**	**39.8**	**32.7**	**27.9**	**26.7**	**22.8**
Long-term Debt	21.8	35.4	29.3	25.4	25.1	22.1
Leasing Obligations	5.3	4.3	3.4	2.5	1.6	0.8
Deferred Tax Liabilities	0.0	0.0	0.0	0.0	0.0	0.0
Deferred Income	0.0	0.0	0.0	0.0	0.0	0.0
Long-term Provisions	0.0	0.0	0.0	0.0	0.0	0.0
Total Shareholders' Equity	**44.1**	**30.6**	**(4.6)**	**(31.8)**	**(64.4)**	**(71.1)**
Share Capital	2.4	2.4	2.4	2.4	2.4	2.4
Share Premium Account	180.6	192.4	192.1	191.7	191.3	190.9
Other Reserves and Adjustments	0.7	19.7	19.7	19.7	19.7	19.7
Retained Earnings	(139.5)	(183.9)	(218.8)	(245.6)	(277.8)	(284.2)
Minority Interests	0.0	0.0	0.0	0.0	0.0	0.0
Total Liabilities and Shareholders' Equity	**82.5**	**77.0**	**45.4**	**45.1**	**46.2**	**52.2**

Source: Jefferies estimates; company data

Exhibit 8 - Summary estimates changes for Kiadis

Forecasts (EURm)	2019E New	2019E Old	% Chg	2020E New	2020E Old	% Chg
Sales	0.3	0.3	+0%	2.7	2.7	+0%
Adj. EBIT	(44.6)	(44.6)	+0%	(35.3)	(35.3)	+0%
Adj. EPS	(2.13)	(2.35)	-10%	(1.20)	(1.40)	-14%
Net Cash/(Debt)	(5.0)	(30.8)	-84%	(41.5)	(68.3)	-39%
Drivers of Change	Model updated to incorporate the EUR27.6m gross proceeds (JEFe EUR26m net) and enlarged share count. No changes to underlying forecasts.					

Source: Jefferies estimates

Company Description

Kiadis

Kiadis develops innovative cell therapies for safer and more effective bone marrow transplants. Its Allodepleted T-cell ImmunotheRapeutics (ATIR) are based on the Theralux platform. Lead programme ATIR101 is filed in Europe for haploidentical haematopoietic stem cell transplants (HSCT) in patients with blood cancers. Kiadis is based in The Netherlands and listed on the Euronext Amsterdam in July 2015.

Company Valuation/Risks

Kiadis

Our Price Target is based on a sum-of-the-parts valuation comprising probability-adjusted NPVs for ATIR101 in the US and EU, together with Net Cash, less potential dilution to ensure sufficient funds until YE2020E. Risks include: (1) clinical or regulatory setbacks; (2) commercial execution risks; and (3) securing adequate funds to maximise value.

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(Article 3(1)e and Article 7 of MAR)

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Distribution of Ratings						
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