

EQUITY RESEARCH

PHAXIAM THERAPEUTICS

RESULTS REVIEW

BUY

TP 4.90 

Up/Downside: 188%

New data for 88 compassionate-use patients

Thanks to compassionate-use treatments, more than 120 patients have benefited from phage therapy. Among the first 88 patients, the management reports a very high success rate, with an infection control rate of 75% at 3 months.

Due to the areas addressed (severe pathologies and patients with no therapeutic options) and the established track record of phage use in human health (established non-toxicity and tolerance criteria), the phages selected by the group have been used since 2017 to treat patients in France and internationally under compassionate-use programs, even before obtaining market authorization.

Building on the initial results shared, and with the support of authorities and practitioners (who initiated treatment requests for patients outside the AAC framework), the group has announced that, to date, over 120 patients have been treated. Among the first 88 patients, 75% demonstrated infection control at 3 months, consistent with results from earlier patient series and an excellent score in a challenging-to-treat population, which bodes well for future clinical developments.

Among the 88 patients analyzed, 52 were suffering from prosthetic joint infections (40 caused by *Staphylococcus aureus* and 12 by *Pseudomonas aeruginosa*), for which infection control at 3 months reached 79%. This confirms the results from the pilot study PhagoDAIR, which achieved an 80% success rate (20 patients included in the study). These new data are expected, in our view, to support the European authorities' approval of the Phase II Gloria study, which already received FDA approval late last year (targeting 100 patients) and is scheduled to launch in Q1 2025.

Beyond prosthetic joint infections, the group has tested its phages for six other indications: osteomyelitis, vascular infections (infectious endocarditis, cardiac implants, and bacteremia), and pulmonary infections (cystic fibrosis and ventilator-associated pneumonia). These treatments employed several administration routes—local, intravenous, and nebulization (inhalation)—all of which were well tolerated.

The ability to treat patients under compassionate-use programs allows the group to prioritize target indications and significantly de-risk clinical studies. The group plans to continue this strategy and intends to submit a new AAC (Autorisation d'Acc s Compassionnel) request in early 2025 (building on the authorization obtained in 2022 for phages targeting *Staphylococcus aureus*) to treat patients infected with *Pseudomonas aeruginosa*.

The news flow remains positive and should support the stock's recovery. Buy rating maintained, with an unchanged price target of  4.9.

Research partially paid by the Issuer

Key data

Price (�)	1.7
Industry	Healthcare
Ticker	PHXM-FR
Shares Out (m)	9.981
Market Cap (m �)	17.0
Next event	CA 2025

Source: FactSet

Ownership (%)

EPIC Bpifrance	25.1
Auriga	11.6
Pool Guy Rigaud	2.7
Tikehau	4.7
Free float	51.5

Source: TPICAP Midcap estimates

EPS (�)	12/24e	12/25e	12/26e
Estimates	-1.98	-0.75	-0.39
Change vs previous estimates (%)	na	na	na

Source: TPICAP Midcap estimates

Performance (%)	1D	1M	YTD
Price Perf	-0.4	-2.9	0.6
Rel CAC Mid&Small	-0.1	-4.2	-0.3



Source: FactSet

TP ICAP Midcap Estimates	12/23	12/24e	12/25e	12/26e	Valuation Ratio	12/24e	12/25e	12/26e
Sales (m �)	0.0	0.0	0.0	2.0	EV/Sales	na	na	9.5
Current Op Inc (m �)	-24.4	-19.7	-17.6	-13.6	Source: TPICAP Midcap			
Current op. Margin (%)	na	na	na	na				
EPS (�)	-3.99	-1.98	-0.75	-0.39				
DPS (�)	0.00	0.00	0.00	0.00				
Yield (%)	0.0	0.0	0.0	0.0				
FCF (m �)	-24.6	-16.6	-18.0	-14.5				

Analyst

Claire Deray - Sponsor Finance for TPICAP Midcap



FINANCIAL DATA

Income Statement	12/21	12/22	12/23	12/24e	12/25e	12/26e
Sales	na	0.0	0.0	0.0	0.0	2.0
Gross profit	na	0.0	0.0	0.0	0.0	2.0
% of Sales	na	na	na	na	na	100.0
EBITDA	na	1.8	-23.8	-17.7	-17.0	-13.0
% of Sales	na	na	na	na	na	-650.0
Current operating profit	na	-2.8	-24.4	-19.7	-17.6	-13.6
% of Sales	na	na	na	na	na	-681.0
Non-recurring items	na	0.0	0.0	0.0	0.0	0.0
EBIT	na	-2.8	-24.4	-19.7	-17.6	-13.6
Net financial result	na	3.1	-0.0	-0.0	-0.0	-0.0
Income Tax	na	-0.5	0.2	0.0	0.0	0.0
Tax rate (%)	na	177.8	0.9	0.0	0.0	0.0
Net profit, group share	na	-0.2	-24.2	-19.7	-17.7	-13.7
Financial Statement	12/21	12/22	12/23	12/24e	12/25e	12/26e
Goodwill	na	0.0	9.6	9.6	9.6	9.6
Tangible and intangible assets	na	0.4	22.4	20.9	20.7	20.6
Right of Use	na	0.0	0.0	0.0	0.0	0.0
Financial assets	na	2.6	2.9	2.9	2.9	2.9
Working capital	na	-4.0	-5.3	-7.0	-6.5	-5.5
Other Assets	na	46.8	21.8	14.0	16.5	18.9
Assets	na	45.8	51.3	40.4	43.2	46.6
Shareholders equity group	na	23.5	25.6	12.8	18.1	24.5
Minorities	na	0.0	0.0	0.0	0.0	0.0
LT & ST provisions and others	na	0.7	1.1	1.1	1.1	1.1
Net debt	na	-25.2	2.8	12.5	7.5	2.0
Other liabilities	na	0.0	0.0	0.0	0.0	0.0
Liabilities	na	45.8	51.3	40.4	43.2	46.6
Net debt excl. IFRS 16	na	-25.2	2.8	12.5	7.5	2.0
Gearing net	na	-1.1	0.1	1.0	0.4	0.1
Leverage	na	-13.8	-0.1	-0.7	-0.4	-0.2
Cash flow statement	12/21	12/22	12/23	12/24e	12/25e	12/26e
CF after elimination of net borrowing costs and taxes	na	-21.1	-22.2	-17.8	-17.1	-13.1
Δ WCR	na	-8.1	-2.1	1.7	-0.5	-1.0
Operating cash flow	na	-29.2	-24.3	-16.1	-17.6	-14.1
Net capex	na	-0.1	-0.2	-0.5	-0.5	-0.5
FCF	na	-31.8	-24.6	-16.6	-18.0	-14.5
Acquisitions/Disposals of subsidiaries	na	-0.0	0.0	0.0	0.0	0.0
Other investments	na	-0.0	0.0	0.0	0.0	0.0
Change in borrowings	na	-1.8	-3.7	-0.8	-3.0	-3.0
Dividends paid	na	0.0	0.0	0.0	0.0	0.0
Repayment of leasing debt	na	0.0	0.0	0.0	0.0	0.0
Equity Transaction	na	0.0	0.0	6.9	23.0	20.0
Others	na	0.0	0.0	0.0	0.0	0.0
Change in net cash over the year	na	5.1	-28.3	-10.5	2.0	2.5

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Analyst certifications

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Methodology

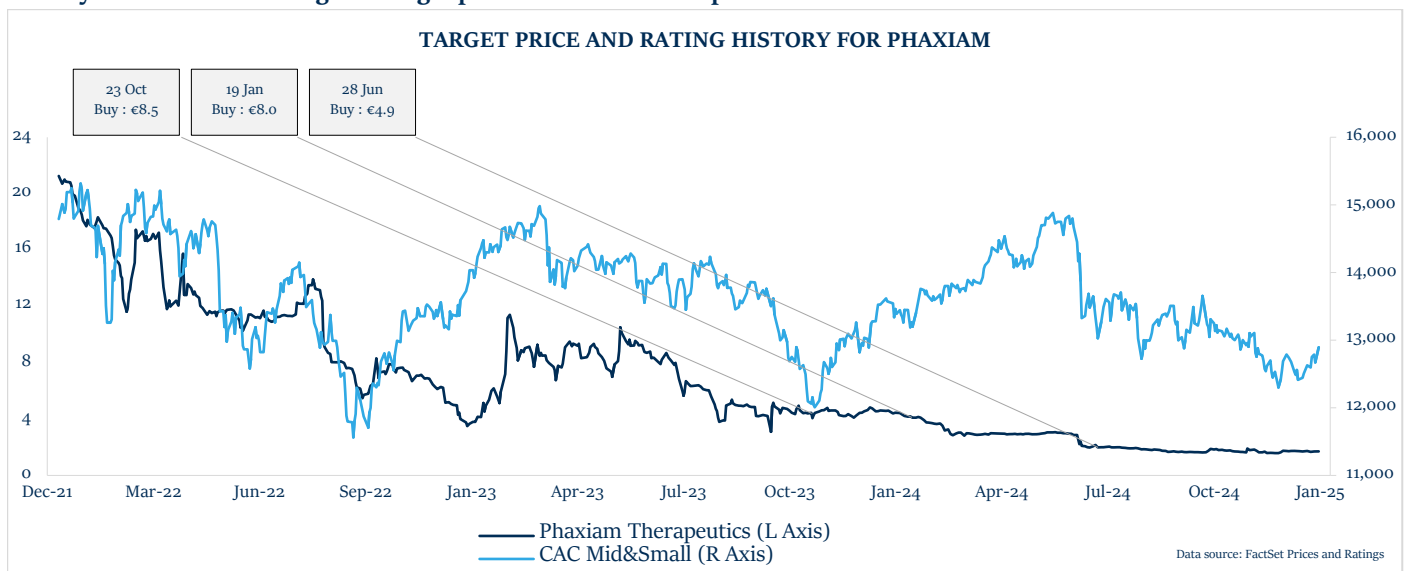
This Report may mention evaluation methods defined as follows:

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.

Conflict of Interests between TP ICAP Midcap and the Issuer

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: Phaxiam Therapeutics

History of investment rating and target price – Phaxiam Therapeutics



Distribution of Investment Ratings

Rating	Recommendation Universe*	Portion of these provided with investment banking services**
Buy	81%	63%
Hold	13%	73%
Sell	4%	33%
Under review	2%	100%

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.

The history of ratings and target prices for the Issuers covered in this report are available on request at <https://researchtpicap.midcapp.com/en/disclaimer>.

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