

Relief Therapeutics Holding AG

Switzerland | Biotechnology

News Update

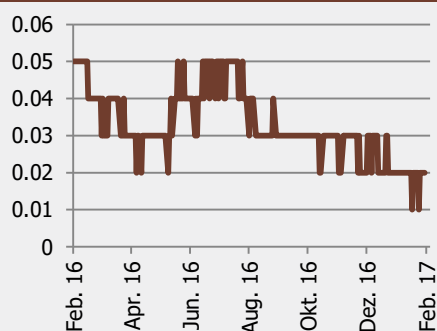
22 February 2017

Company Data

Price:	CHF 0.02
Market Cap:	CHF19.5m
Free Float (%):	12.8%
Nr. of shares:	1'946'627'375
Avg. traded vol. (1 year):	551'706
Bloomberg:	RLF SW
Reuters:	RLFB.S
ISIN:	CH0100191136

Source: SIX Swiss Exchange and Bloomberg

Share Price Development (in CHF)



Source: FactSet

Analysts

Alexandre Müller
amu@researchdynamics.ch
 Doris Rudischhauser
dru@researchdynamics.ch
 Tel: +41 43 268 3232

Key changes in Group Dynamics

Changes in the leadership team

Relief Therapeutics ('Relief') announced the resignation of two of its top-level executives; Mr. Raffaele Petrone and Mr. Antonino Amato, from the Board of Directors. In addition, Mr. Raffaele Petrone will also step down from his position as the CEO of the company. The company said that it will continue with a three-member board until the next AGM, which will take place in May 2017.

Mr. Gael Hedou, until now the Company's Chief Operating Officer, will assume the role of interim-CEO, post the resignation of Mr. Raffaele Petrone.

Also, Mr. Timothy Snyder has resigned from his current position as the CFO and will serve till August 31, 2017.

New financing from GEM

Relief also inked a term sheet with GEM Global Yield Fund LLC SCS ('GEM') securing CHF500,000 of financing, by issuing new shares of its common stock.

Under the terms of the new round of financing, GEM, currently a major shareholder, will subscribe to 50 million new Relief shares at a price of CHF 0.01. Additionally, Relief will issue to GEM 600 million warrants with a strike price of CHF 0.01 exercisable for a period of 5 years.

The financing will provide the necessary working capital to the company to continue to run its operations smoothly.

Relief also strengthened its stand towards undertaking new cost cutting measures and aims to achieve this by reducing and optimizing certain elements of its fixed overhead structure such as a consolidation of offices and reductions in personnel costs.

Conclusion

The company is under a restructuring phase wherein it's taking various bold and aggressive steps towards consolidating offices and reducing costs and thereby, improving the overall corporate structure.

We believe that the additional financing is a positive sign that will allow the company to seek for additional funds to support its research activities and bring its drug candidates to market within the expected timeframe. Alternative supports for the company's strategy would also include a new business combination (for example with FirstString Research as announced in July 2016, or others) and progress with the grant-based financial support to apply for an Investigational New Drug (IND) application of atexakin alfa in Diabetic Neuropathy.

Valuation

We have kept our valuation unchanged at CHF0.18 per share as we still believe that the stock has a strong upside potential under the condition that the company gets the appropriate funding to progress its clinical development and subsequently, in a later stage, partner and/or approval for its chief drug candidate.

Exhibit 1: Risk-Adjusted NPV-Based Valuation Methodology – aviptadil for sarcoidosis

Aviptadil - Sarcoidosis	Base Case
Total Patients with Sarcoidosis ¹	173,942
Patients seeking treatment	86,971
Peak market share	22%
Treatment revenue/year/patient ²	15,157
Peak sales (mn) ³	290.0
Launch	2021
Peak sales year	2027
Patent expiration ⁴	2026
Discount rate	23%
Probability of success ⁵	63%
Risk-adjusted NPV (mn)	100
NPV per share	0.05
Estimated Net Cash Position (Q3 2017)	10
Total enterprise value	89
Shares Outstanding (mn) (Q3 2017)	1,947
<u>Notes on assumptions:</u>	
¹ Sarcoidosis patients - The US and European Union (in peak sales year)	
² Revenue/year/patient - premium pricing justified as no other effective treatment, without negative side effects, currently available	
³ Peak sales - treatment revenue/year/patient x total patients x peak market share	
⁴ Earliest patent expiry year	
⁵ Scheduled to enter Phase 3 clinical trials in H1 2017 and is covered under the orphan drug designation	

Source: Research Dynamics

Exhibit 2: Risk-Adjusted NPV-Based Valuation Methodology – atexakin alfa for diabetic neuropathy

Atexakin Alfa - DN	Base Case
Total Patients with Painful Diabetic neuropathy ¹	14,837,485
Total Patients with Postherpatic neuralgia ¹	184,444
Patients seeking treatment ²	7,604,421
Peak market share	10%
Treatment revenue/year/patient ³	3,662
Peak sales (mn) ⁵	2,785
Launch	2022
Peak sales year	2029
Patent expiration	2026
Discount rate	23%
Probability of success ⁵	32%
Risk-adjusted NPV (mn)	195
NPV per share	0.10
Estimated Net Cash Position (Q3 2017)	10
Total enterprise value	184
Shares Outstanding (mn) (Q3 2017)	1,947
<u>Notes on assumptions:</u>	
¹ Painful Diabetic neuropathy and postherpatic neuralgia patients - The US and European Union (in peak sales year)	
² Patients with painful diabetic neuropathy and postherpatic neuralgia seeking treatment	
³ Revenue/year/patient - estimated to start at CHF2,500 for US and CHF2,000 for EU	
⁴ Peak sales - treatment revenue/year/patient x total patients x peak market share	
⁵ Probability of success - Atexakin Alfa is scheduled to enter phase 2 trials in H12017	
⁵ Scheduled to enter Phase 3 clinical trials and is covered under the orphan drug designation	

Source: Research Dynamics

Exhibit 3: Risk-Adjusted NPV-Based Valuation Methodology – aviptadil for acute lung injury

Aviptadil - ALI	Base Case
Total Patients with ALI ¹	544,902
Peak market share ²	18%
Treatment revenue/year/patient ³	4,406
Peak sales (mn) ⁴	432.1
Launch	2022
Peak sales year	2029
Patent expiration	2026
Discount rate	23%
Probability of success ⁵	32%
Risk-adjusted NPV (mn)	96.8
NPV per share	0.05

Estimated Net Cash Position (Q3 2017)	10
Total enterprise value	87
Shares Outstanding (mn) (Q3 2017)	1,947

Notes on assumptions:

¹ ALI patients - The US and European Union (in peak sales year)

² Higher penetration justified as no pharmacological treatment currently available

³ Revenue/year/patient - based on currently available treatments cost per year

⁴ Peak sales - treatment revenue/year/patient x total patients x peak market share

⁵ Probability of success - Aviptadil for treatment of ALI is scheduled to enter phase 2 trials in H12017

Source: Research Dynamics

DETAILED FINANCIAL STATEMENTS

Table 1: Relief Therapeutics Holding AG (RLF) – Historical Income Statements, Financial Projections

FY end December 31
CHF in thousands

	H1 2016 A	H2 2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Revenue																
Aviptadil-Sarcoidosis	-	-	-	-	-	-	54,013	111,686	138,563	179,062	222,110	255,085	290,021	272,478	211,201	203,690
Atexakin Alfa-DN	-	-	-	-	-	-	-	184,841	382,855	594,694	615,774	850,053	1,760,022	2,049,585	2,357,074	1,951,469
Aviptadil-ALI	-	-	-	-	-	-	-	57,132	98,443	162,824	210,391	260,963	314,675	348,445	432,110	372,102
Total Revenues	335	-	-	-	-	-	54,013	353,659	619,861	936,581	1,048,274	1,366,101	2,364,718	2,670,507	3,000,385	2,527,261
Operating expenses excluding D&A																
Service expense	971															
Personnel expense	206															
COGS		-	-	-	-	-	3,781	24,756	43,390	65,561	73,379	95,627	165,530	186,935	210,027	176,908
Sales & Marketing		-	-	-	-	-	2,701	17,683	30,993	46,829	52,414	68,305	118,236	133,525	150,019	126,363
G&A	28	500	3,000	3,000	3,000	3,000	2,161	14,146	24,794	37,463	41,931	50,000	50,000	50,000	50,000	50,000
R&D		-	10,000	15,000	20,000	25,000	22,000	15,000	20,000	25,000	30,000	50,000	55,000	60,000	70,000	55,000
Royalty to Merck	-	-	-	-	-	-	-	12,939	26,800	41,629	43,104	59,504	123,202	143,471	164,995	136,603
EBITDA	(870)	(500)	(13,000)	(18,000)	(23,000)	(28,000)	23,371	269,134	473,884	720,099	807,446	1,042,665	1,852,751	2,096,575	2,355,344	1,982,387
% margin		na	na	na	na	na	43%	76%	76%	77%	77%	76%	78%	79%	79%	78%
Amortization and depreciation expense	180	183	365	365	365	364	364	364	364	364	364	363	0	0	0	0
EBIT	(1,050)	(683)	(13,365)	(18,365)	(23,365)	(28,364)	23,007	268,770	473,520	719,735	807,083	1,042,302	1,852,750	2,096,575	2,355,343	1,982,387
Interest income	1	1	13	41	77	65	61	354	1,082	2,257	3,791	5,671	8,534	12,477	17,004	21,495
Interest expense	143	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit / (Loss) before taxes	(1,192)	(682)	(13,352)	(18,324)	(23,287)	(28,299)	23,068	269,124	474,602	721,992	810,874	1,047,972	1,861,284	2,109,052	2,372,347	2,003,882

Source: Company reports and Research Dynamics estimates.

Table 2: Relief Therapeutics Holding AG (RLF) – Historical Balance Sheets, Financial Projections

FY end December 31
CHF in thousands

	H1 2016 A	H2 2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Property, plant and equipment	12	11	9	7	6	4	4	3	2	2	1	1	1	1	1	0
Goodwill	18,797	18,797	18,797	18,797	18,797	18,797	18,797	18,797	18,797	18,797	18,797	18,797	18,797	18,797	18,797	18,797
Intangible assets	3,632	3,450	3,087	2,724	2,361	1,998	1,634	1,271	908	545	182	(182)	(182)	(182)	(182)	(182)
Loans and other non-current assets	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Non-current assets	22,445	22,262	21,897	21,532	21,167	20,803	20,439	20,075	19,711	19,348	18,984	18,621	18,620	18,620	18,620	18,620
Trade receivables	161	-	-	-	-	-	4,439	29,068	50,947	76,979	86,160	112,282	194,360	219,494	246,607	207,720
Tax receivables	48	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other current assets and other receivables	92	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash and cash equivalents	131	301	10,314	22,355	39,432	12,961	35,894	246,985	618,808	1,186,642	1,846,540	2,689,967	4,137,159	5,844,702	7,758,247	9,437,779
Current assets	432	301	10,314	22,355	39,432	12,961	40,334	276,053	669,755	1,263,621	1,932,700	2,802,250	4,331,519	6,064,196	8,004,854	9,645,499
TOTAL ASSETS	22,877	22,563	32,211	43,887	60,599	33,764	60,773	296,128	689,466	1,282,969	1,951,684	2,820,870	4,350,139	6,082,816	8,023,474	9,664,119
Share Capital	6,548	11,917	34,917	64,917	104,917	105,917	105,917	105,917	105,917	105,917	105,917	105,917	105,917	105,917	105,917	105,917
Reserves	35,336	35,336	35,336	35,336	35,336	35,336	35,336	35,336	35,336	35,336	35,336	35,336	35,336	35,336	35,336	35,336
Retained Earnings	(25,368)	(26,050)	(39,402)	(57,726)	(81,014)	(109,313)	(86,245)	145,610	534,783	1,126,817	1,791,734	2,651,071	4,177,324	5,906,747	7,852,071	9,495,254
Total Equity	16,516	21,202	30,850	42,526	59,239	31,940	55,008	286,862	676,036	1,268,069	1,932,986	2,792,323	4,318,576	6,047,999	7,993,324	9,636,507
Non-current borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Defined benefit obligation	436	436	436	436	436	436	436	436	436	436	436	436	436	436	436	436
Deferred tax liabilities	678	678	678	678	678	678	678	678	678	678	678	678	678	678	678	678
Non-current liabilities	1,114	1,114	1,114	1,114	1,114	1,114	1,114	1,114	1,114	1,114	1,114	1,114	1,114	1,114	1,114	1,114
Trade payables	1,456	247	247	247	247	710	4,651	8,152	12,317	13,786	17,583	27,433	30,449	33,702	29,036	26,498
Current borrowings	3,397	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax payables	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other current payables and liabilities	393	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Current liabilities	5,247	247	247	247	247	710	4,651	8,152	12,317	13,786	17,583	27,433	30,449	33,702	29,036	26,498
TOTAL EQUITY AND LIABILITIES	22,877	22,563	32,211	43,887	60,599	33,764	60,773	296,128	689,466	1,282,969	1,951,684	2,820,870	4,350,139	6,082,816	8,023,474	9,664,119

Source: Company reports and Research Dynamics estimates.

Table 3: Relief Therapeutics Holding AG (RLF) – Historical Cash Flow Statement, Financial Projections

FY end December 31
CHF in thousands

	H1 2016 A	H2 2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Cash Flow from Operations																
Net Income		(682)	(13,352)	(18,324)	(23,287)	(28,299)	23,068	231,854	389,174	592,034	664,917	859,337	1,526,253	1,729,423	1,945,325	1,643,183
Adjustments																
Add: Depreciation & Write offs		183	365	365	365	364	364	364	364	364	364	363	0	0	0	0
Less: Change in Receivables		(301)	-	-	-	-	4,439	24,628	21,880	26,032	9,180	26,123	82,078	25,133	27,113	(38,887)
Add: Change in Current Liabilities		(1,603)	-	-	-	464	3,941	3,501	4,165	1,469	3,798	9,849	3,016	3,254	(4,666)	(2,538)
Cash from operations	(2,376)	(1,802)	(12,987)	(17,959)	(22,923)	(27,471)	22,933	211,090	371,823	567,834	659,898	843,427	1,447,191	1,707,543	1,913,545	1,679,532
Cash Flow from Investing																
Purchase (sale) of equipment		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash from Investing Activities	(346)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash Flow from Financing																
Proceeds from equity, net		1,972	23,000	30,000	40,000	1,000	-	-	-	-	-	-	-	-	-	-
Cash from Financing Activities	1,674	1,972	23,000	30,000	40,000	1,000	-	-	-	-	-	-	-	-	-	-
Beginning cash balance		131	301	10,314	22,355	39,432	12,961	35,894	246,985	618,808	1,186,642	1,846,540	2,689,967	4,137,159	5,844,702	7,758,247
Increase (decrease) in cash		170	10,013	12,041	17,077	(26,471)	22,933	211,090	371,823	567,834	659,898	843,427	1,447,191	1,707,543	1,913,545	1,679,532
Ending cash balance	131	301	10,314	22,355	39,432	12,961	35,894	246,985	618,808	1,186,642	1,846,540	2,689,967	4,137,159	5,844,702	7,758,247	9,437,779

Source: Company reports and Research Dynamics estimates.

Table 4: Relief Therapeutics Holding AG (RLF) – Aviptadil Estimated Sales – sarcoidosis

FY end December 31

CHF in thousands, except the patients and population data

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
US Population	321,368,864	323,995,528	326,625,791	329,256,465	331,883,986	334,503,458	337,108,968	339,698,079	342,267,302	344,814,299	347,334,912	349,825,585	352,281,475	354,698,370	357,072,830	359,402,194
Patients with Sarcoidosis	64,274	64,799	65,325	65,851	66,377	66,901	67,422	67,940	68,453	68,963	69,467	69,965	70,456	70,940	71,415	71,880
% of total population	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%
EU Population	509,164,624	510,048,018	510,899,856	511,705,332	512,474,771	513,200,555	513,891,835	514,546,003	515,162,090	515,754,662	516,328,506	516,885,778	517,431,929	517,964,586	518,499,055	519,018,285
Patients with Sarcoidosis	101,833	102,010	102,180	102,341	102,495	102,640	102,778	102,909	103,032	103,151	103,266	103,377	103,486	103,593	103,700	103,804
% of total population	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%
Total Patients	166,107	166,809	167,505	168,192	168,872	169,541	170,200	170,849	171,485	172,114	172,733	173,342	173,942	174,533	175,115	175,684
Patients seeking treatment	83,054	83,405	83,753	84,096	84,436	84,771	85,100	85,425	85,743	86,057	86,367	86,671	86,971	87,267	87,558	87,842
Aviptadil penetration rate	0%	0%	0%	0%	0%	0%	5%	10%	12%	15%	18%	20%	22%	20%	15%	14%
Patients receiving Aviptadil	-	-	-	-	-	-	4,255	8,542	10,289	12,909	15,546	17,334	19,134	17,453	13,134	12,298
Average annual revenue per patient	-	-	-	-	-	-	12,694	13,075	13,467	13,871	14,287	14,716	15,157	15,612	16,080	16,563
Total yearly revenue	-	-	-	-	-	-	54,013	111,686	138,563	179,062	222,110	255,085	290,021	272,478	211,201	203,690

Source: Research Dynamics estimates.

Table 5: Relief Therapeutics Holding AG (RLF) – Atexakin alfa Estimated Sales – Diabetic neuropathy and Postherpatic neuralgia

FY end December 31

CHF in thousands, except the patients and population data

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
US Population	321,368,864	323,995,528	326,625,791	329,256,465	331,883,986	334,503,458	337,108,968	339,698,079	342,267,302	344,814,299	347,334,912	349,825,585	352,281,475	354,698,370	357,072,830	359,402,194
Patients with diabetes	39,700,000	40,024,482	40,349,410	40,674,387	40,998,976	41,322,570	41,644,439	41,964,282	42,281,669	42,596,310	42,907,691	43,215,374	43,518,760	43,817,329	44,110,656	44,398,412
% of total population	12.35%	12.35%	12.35%	12.35%	12.35%	12.35%	12.35%	12.35%	12.35%	12.35%	12.35%	12.35%	12.35%	12.35%	12.35%	12.35%
Patients with painful diabetic neuropathy	4,367,000	4,402,693	4,438,435	4,474,183	4,509,887	4,545,483	4,580,888	4,616,071	4,650,984	4,685,594	4,719,846	4,753,691	4,787,064	4,819,906	4,852,172	4,883,825
% of diabetics with diabetic neuropathy	11%	11%	11%	11%	11%	11%	11%	11%	11%	11%	11%	11%	11%	11%	11%	11%
Patients with diabetic neuropathy seeking treatment	2,183,500	2,201,347	2,219,218	2,237,092	2,254,944	2,272,742	2,290,444	2,308,036	2,325,492	2,342,797	2,359,923	2,376,846	2,393,532	2,409,953	2,426,086	2,441,913
Patients with Herpes Zoster	1,028,380	1,036,786	1,045,203	1,053,621	1,062,029	1,070,411	1,078,749	1,087,034	1,095,255	1,103,406	1,111,472	1,119,442	1,127,301	1,135,035	1,142,633	1,150,087
% of total population	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Patients with Postherpatic neuralgia	102,838	103,679	104,520	105,362	106,203	107,041	107,875	108,703	109,526	110,341	111,147	111,944	112,730	113,504	114,263	115,009
% of Herpes Zoster patients	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
Total addressable population	2,286,338	2,305,026	2,323,738	2,342,454	2,361,147	2,379,783	2,398,319	2,416,739	2,435,018	2,453,138	2,471,070	2,488,790	2,506,262	2,523,457	2,540,349	2,556,922
Atexakin Alfa penetration rate	0%	0%	0%	0%	0%	0%	0%	1%	2%	3%	3%	4%	8%	9%	10%	8%
Patients receiving Atexakin Alfa	-	-	-	-	-	-	-	23,080	46,510	70,284	70,798	95,074	191,483	216,896	242,609	195,353
Average annual revenue per patient	-	-	-	-	-	-	-	2,985	3,075	3,167	3,262	3,360	3,461	3,564	3,671	3,781
US revenue	-	-	-	-	-	-	-	68,898	143,003	222,584	230,937	319,428	662,642	773,104	890,697	738,723
EU Population	509,164,624	510,048,018	510,899,856	511,705,332	512,474,771	513,200,555	513,891,835	514,546,003	515,162,090	515,754,662	516,328,506	516,885,778	517,431,929	517,964,586	518,499,055	519,018,285
Patients with diabetes	45,824,816	45,904,322	45,980,987	46,053,480	46,122,729	46,188,050	46,250,265	46,309,140	46,364,588	46,417,920	46,469,566	46,519,720	46,568,874	46,616,813	46,664,915	46,711,646
% of total population	9%	9%	9%	9%	9%	9%	9%	9%	9%	9%	9%	9%	9%	9%	9%	9%
Patients with diabetic neuropathy	9,407,730	9,452,168	9,496,344	9,540,065	9,583,388	9,626,168	9,668,417	9,710,076	9,751,088	9,791,565	9,831,498	9,870,860	9,909,640	9,947,756	9,985,313	10,022,106
% of diabetics with diabetic neuropathy	11%	11%	11%	11%	11%	11%	11%	11%	11%	11%	11%	11%	11%	11%	11%	11%
Patients with diabetic neuropathy seeking treatment	4,703,865	4,726,084	4,748,172	4,770,033	4,791,694	4,813,084	4,834,209	4,855,038	4,875,544	4,895,783	4,915,749	4,935,430	4,954,820	4,973,878	4,992,657	5,011,053
Patients with Herpes Zoster	642,738	647,991	653,252	658,513	663,768	669,007	674,218	679,396	684,535	689,629	694,670	699,651	704,563	709,397	714,146	718,804
% of total population	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Patients with Postherpatic neuralgia	64,274	64,799	65,325	65,851	66,377	66,901	67,422	67,940	68,454	68,963	69,467	69,965	70,456	70,940	71,415	71,880
% of Herpes Zoster patients	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
Total addressable population	4,768,139	4,790,883	4,813,497	4,835,884	4,858,071	4,879,985	4,901,631	4,922,978	4,943,998	4,964,746	4,985,216	5,005,395	5,025,276	5,044,818	5,064,072	5,082,933
Atexakin Alfa penetration rate	0%	0%	0%	0%	0%	0%	0%	1%	2%	3%	3%	4%	8%	9%	10%	8%
Patients receiving Atexakin Alfa	-	-	-	-	-	-	-	48,550	97,511	146,873	147,472	197,417	396,386	447,649	499,266	400,884
Average annual revenue per patient	-	-	-	-	-	-	-	2,388	2,460	2,534	2,610	2,688	2,768	2,852	2,937	3,025
EU revenue	-	-	-	-	-	-	-	115,943	239,852	372,110	384,836	530,624	1,097,381	1,276,481	1,466,377	1,212,747
Total yearly revenue	-	-	-	-	-	-	-	184,841	382,855	594,694	615,774	850,053	1,760,022	2,049,585	2,357,074	1,951,469

Source: Research Dynamics estimates.

Table 6: Relief Therapeutics Holding AG (RLF) – Aviptadil Estimated Sales – Acute lung injury

FY end December 31

CHF in thousands, except the patients and population data

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
US Population	321,368,864	323,995,528	326,625,791	329,256,465	331,883,986	334,503,458	337,108,968	339,698,079	342,267,302	344,814,299	347,334,912	349,825,585	352,281,475	354,698,370	357,072,830	359,402,194
Patients with ALI	200,000	201,635	203,272	204,909	206,544	208,174	209,796	211,407	213,006	214,591	216,160	217,710	219,238	220,742	222,220	223,670
% of total population	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%
EU Population	509,164,624	510,048,018	510,899,856	511,705,332	512,474,771	513,200,555	513,891,835	514,546,003	515,162,090	515,754,662	516,328,506	516,885,778	517,431,929	517,964,586	518,499,055	519,018,285
Patients with ALI	316,872	317,422	317,952	318,454	318,932	319,384	319,814	320,221	320,605	320,974	321,331	321,678	322,017	322,349	322,682	323,005
% of total population	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%
Total patients	516,872	519,057	521,224	523,363	525,476	527,558	529,610	531,628	533,611	535,565	537,491	539,388	541,255	543,091	544,902	546,675
Aviptadil penetration rate	0%	0%	0%	0%	0%	0%	0%	3%	5%	8%	10%	12%	14%	15%	18%	15%
Patients receiving Aviptadil	-	-	-	-	-	-	-	15,949	26,681	42,845	53,749	64,727	75,776	81,464	98,082	82,001
Average annual revenue per patient	-	-	-	-	-	-	-	3,582	3,690	3,800	3,914	4,032	4,153	4,277	4,406	4,538
Total yearly revenue (\$m)	-	-	-	-	-	-	-	57,132	98,443	162,824	210,391	260,963	314,675	348,445	432,110	372,102

Source: Research Dynamics estimates.

DISCLAIMER

Relief Therapeutics Holding AG ("RLF") is a client of Research Dynamics. The equity research report(s) are prepared for informational purposes only and are paid for by the company portrayed in the report. Research Dynamics is a division of Dynamics Group AG. Dynamics Group is an independent consultancy firm focused on strategic advisory, communication management and research and analysis.

This report (henceforth known as "document") has been drafted by the authors concerned as a non-binding opinion on the market situation and on the instruments of investment in question and compiled by Dynamics Group in order to provide background information about the companies. It is intended exclusively for the purpose of information.

Dynamics Group has not individually verified the information and data on which this document is based. All information and data in this document originate from generally available sources which the author concerned or Dynamics Group viewed as reliable at the time of drafting this document. However, no liability can be assumed for their correctness, accuracy, completeness and appropriateness – neither expressly nor tacitly. The contents of this document do not represent an assurance or guarantee by the authors concerned or Dynamics Group. Forward-looking information or statements in this document contain information that is based on assumptions, forecasts of future results, estimates of amounts not yet determinable, and therefore involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of their subject matter to be materially different from current expectations

Dynamics Group shall not be liable for any consequential damage to properties – on whatever legal grounds it may be. Liability of Dynamics Group on account of premeditation or gross negligence shall remain unaffected by this.

Dynamics Group has no permission to provide assurances or assume guarantees on behalf of the companies or a third party mentioned in this document. Neither the companies mentioned in this document nor any other individual assumes liability for any loss, damage or detriment that may result from the use of this document, especially when taking decisions on investments, or from other reasons. Dynamics Group cannot be held responsible for detrimental consequences that occur or may occur due to the use or its omission based on the views and inferences contained in this document. Past performance trends of value, price or rates do not provide any indications to the future trends for an investment. Dynamics Group does not provide any guarantees for the suggested yield or the achievement of referred targets.

This document does neither represent an offer of purchase, holding or sale of any securities, money market instruments or of derivatives, nor does it contain the basis for a contract or a commitment of any kind. Every investment, for example, in debentures, shares and options, is associated with enormous risks. A decision on investment with regard to any security may not be based on this document. This document is neither an advice on investment, nor a recommendation or invitation for purchasing, holding or selling any securities, money market instruments or derivatives.

Dynamics Group does not conduct any investment business and, accordingly, does not itself hold any positions in the securities mentioned in this document. However, the respective directors, employees and contractors of Dynamics Group may hold positions in the described securities and/or options, futures and other derivatives that are based on these securities.

This document has been provided to you for information only. It may not be reproduced or distributed to others or published in any other form partially or fully.

The distribution of this document and the information contained therein may be restricted in other jurisdictions by law and persons who may come into possession of this document must be aware of possible restrictions and adhere to the same. Failure to comply with such restrictions may constitute an infringement of the laws in USA or Canada governing the securities or of the laws of any other jurisdiction.

This study is protected by the copyright laws. It may be used only for the purpose as defined in this disclaimer. Portions of the study, if quoted, must be acknowledged by indicating the source. Any use other than this shall require prior written permission by Dynamics Group. Reproduction, circulation, publication and provision of online access to the document shall be regarded as its use and the same shall require permission. Circulation of this document, especially in a foreign country, may be permitted only under the provisions of the disclaimer and the applicable regulations. Unauthorized use of the study or omission of details of the source or the acknowledgement of copyright may lead to initiation of a civil suit for damages and be liable for prosecution.

If any part or individual formulations of this disclaimer are found to be unsustainable or become unsustainable at a future date, the rest of the contents and their validity shall not be affected by it.

Dynamics Group AG

Utoquai 43
CH-8008 Zürich
Tel. +41 43 268 32 32
Fax +41 43 268 32 39

Zeughausgasse 22
CH-3011 Bern
Tel. +41 31 312 28 41
Fax +41 31 312 28 49

21, rue des Caroubiers
CH-1227 Carouge/GE
Tel. +41 22 308 62 20
Fax +41 22 308 62 36

contact@dynamicsgroup.ch

<http://www.dynamicsgroup.ch>