

DCF model – with nausea benefit



LEERINK SWANN

<u>Nausea benefit</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Rolapitant Sales	\$0.00	\$0.00	\$1.14	\$37.36	\$147.70	\$318.3	\$500.2	\$520.2	\$541.0	\$562.7	\$585.2	\$608.6	\$632.9	\$658.2	\$684.6
				3177%	295%	116%	57%	4%	4%	4%	4%	4%	4%	4%	4%
GM	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%
GP	\$0.0	\$0.0	\$1.0	\$34.4	\$135.9	\$292.9	\$460.2	\$478.6	\$497.7	\$517.7	\$538.4	\$559.9	\$582.3	\$605.6	\$629.8
Royalty rate	13%	13%	13%	13%	13%	13%	13%	13%	13%	13%	13%	13%	13%	13%	13%
Royalty	\$0.00	\$0.00	\$0.15	\$4.86	\$19.20	\$41.38	\$65.03	\$67.63	\$70.33	\$73.15	\$76.07	\$79.12	\$82.28	\$85.57	\$88.99
<u>Sales Force</u>															
Sales people	0	0	100	125	150	150	150	150	150	150	150	150	150	150	150
Cost/rep	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
Sales and marketing (\$MM)	\$0.0	\$0.0	\$50.0	\$56.3	\$87.5	\$137.5	\$162.5	\$162.5	\$162.5	\$162.5	\$162.5	\$162.5	\$162.5	\$162.5	\$162.5
G&A	\$10.0	\$10.0	\$10.0	\$10.0	\$10.0	\$10.0	\$10.0	\$10.0	\$10.0	\$10.0	\$10.0	\$10.0	\$10.0	\$10.0	\$10.0
Rolapitant R&D	\$23.9	\$21.0	\$12.0	\$12.0	\$8.0										
Operating profit	(\$33.93)	(\$31.00)	(\$71.10)	(\$48.73)	\$11.18	\$103.99	\$222.67	\$238.47	\$254.91	\$272.01	\$289.79	\$308.28	\$327.51	\$347.51	\$368.31
Operating margin					7.6%	32.7%	44.5%	45.8%	47.1%	48.3%	49.5%	50.7%	51.7%	52.8%	53.8%
<u>NOLS</u>															
Beginning of period	\$16.5	\$50.4	\$81.4	\$152.5	\$201.3	\$190.1	\$86.1	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
End of period	\$50.4	\$81.4	\$152.5	\$201.3	\$190.1	\$86.1	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Taxable income	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$136.6	\$238.5	\$254.9	\$272.0	\$289.8	\$308.3	\$327.5	\$347.5	\$368.3
Tax rate	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%
taxes paid	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$47.8	\$83.5	\$89.2	\$95.2	\$101.4	\$107.9	\$114.6	\$121.6	\$128.9
Net income	(\$33.93)	(\$31.00)	(\$71.10)	(\$48.73)	\$11.18	\$103.99	\$174.86	\$155.01	\$165.69	\$176.81	\$188.36	\$200.38	\$212.88	\$225.88	\$239.40
Discount rate	10%														
NPV	\$639														
Cash	\$167														
Total value	\$806														
Shares	28.1														
PT	\$28.7														

Source: Leerink Swann estimates