

# DCF model – no nausea benefit



LEERINK SWANN

<b>No nausea benefit</b>	<b>2014</b>	<b>2014</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>
Rolapitant Sales	\$0.00	\$0.00	\$0.57	\$23.61	\$87.58	\$185.9	\$296.8	\$308.6	\$321.0	\$333.8	\$347.2	\$361.1	\$375.5	\$390.5	\$406.2
				4043%	271%	112%	60%	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	\$0.5	\$21.7	\$80.6	\$171.0	\$273.0	\$284.0	\$295.3	\$307.1	\$319.4	\$332.2	\$345.5	\$359.3	\$373.7
Royalty rate	13%	13%	13%	13%	13%	13%	13%	13%	13%	13%	13%	13%	13%	13%	13%
Royalty	\$0.00	\$0.00	\$0.07	\$3.07	\$11.39	\$24.16	\$38.58	\$40.12	\$41.73	\$43.40	\$45.13	\$46.94	\$48.82	\$50.77	\$52.80
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
R&D	\$23.9	\$21.0	\$12.0	\$12.0	\$8.0										
Operating profit	(\$33.93)	(\$31.00)	(\$71.55)	(\$59.60)	(\$36.31)	(\$0.66)	\$61.95	\$71.33	\$81.08	\$91.23	\$101.78	\$112.75	\$124.16	\$136.02	\$148.37
Operating margin					(41.5%)	(0.4%)	20.9%	23.1%	25.3%	27.3%	29.3%	31.2%	33.1%	34.8%	36.5%
<b>NOLS</b>															
Beginning of period	\$16.5	\$50.4	\$81.4	\$153.0	\$212.6	\$248.9	\$249.5	\$187.6	\$116.3	\$35.2	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
End of period	\$50.4	\$81.4	\$153.0	\$212.6	\$248.9	\$249.5	\$187.6	\$116.3	\$35.2	\$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	\$0.0	\$0.0	\$0.0	\$56.1	\$101.8	\$112.7	\$124.2	\$136.0	\$148.4
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	\$0.0	\$0.0	\$0.0	\$19.6	\$35.6	\$39.5	\$43.5	\$47.6	\$51.9
Net income	(\$33.93)	(\$31.00)	(\$71.55)	(\$59.60)	(\$36.31)	(\$0.66)	\$61.95	\$71.33	\$81.08	\$71.61	\$66.16	\$73.29	\$80.70	\$88.42	\$96.44
Discount rate	10%														
NPV	\$95														
Cash	\$167														
Total value	\$262														
Shares	28.1														
PT	\$9.3														

Source: Leerink Swann estimates