Trinity Delta

Redx Pharma

Update

FY20 results highlight extent of progress made

27 January 2021

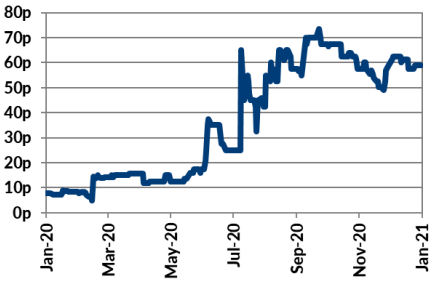
Redx Pharma's FY20 results are a powerful reminder of the progress made in the past year. A subsequent key event, December's c £25.6m (gross) raise, extended the cash runway to end-2022, with three specialist funds (Redmile, Sofinnova, Polar Capital) providing tangible validation of management strategy. Its proven medicinal chemistry expertise is focussed on creating "first in class" or "best in class" compounds addressing well-defined cancers and fibrotic diseases. These are rapidly developed to key value-inflection points, typically Phase II proof-of-concept trials, ahead of partnering for the more expensive clinical phases. Despite COVID-related impacts on clinical trials, both RXC004, a porcupine inhibitor for oncology, and RXC007, a ROCK2 inhibitor for fibrosis, are set to reach important value inflection points during 2021. Our rNPV-based valuation is £326.4m, equivalent to 119p/share (84p fully diluted).

Year-end: September 30	2019	2020	2021E	2022E
Revenues (£m)	3.1	5.7	10.4	10.7
Adj. PBT (£m)	(7.5)	(9.5)	(20.1)	(21.1)
Net Income (£m)	(4.3)	(9.2)	(19.5)	(20.5)
Adj.EPS (p)	(4.0)	(5.6)	(7.8)	(7.6)
Cash (£m)	(3.7)	27.5	32.4	14.3
EBITDA (£m)	(6.2)	(7.5)	(19.5)	(20.7)

Source: Trinity Delta Note: Adjusted numbers exclude share-based payments and exceptionals.

- **Clinical progress for key assets** Redx is gaining a reputation as a respected creator of innovative small molecule drugs based on its proven expertise in medicinal chemistry, which underpins its discovery platform. Four major partnership deals have been struck, with the focus now to advance key in-house assets (RXC004, a porcupine inhibitor for oncology, and RXC007, a ROCK2 inhibitor for fibrosis) to major inflection points. Both assets are progressing well: RXC004 is due to deliver Phase I data and enter Phase II trials, and RXC007 to enter Phase I, during 2021.
- **Funding through to end-2022** The past 12 months have seen Redx's balance sheet transformed as new funds, both as equity and convertible loan notes, were raised. Existing cash resources, and risk-adjusted forecast milestone income, will be invested in progressing RXC004 and RXC007 and in broadening the earlier R&D pipeline, notably in further oncology and fibrosis research. The cash runway now extends to end-2022, suggesting several value-inflection points can be achieved.
- **Proven management and a clear strategy** Whilst Redx's medicinal chemistry expertise drives the business model, it is its management that is successfully executing the strategy. The aim is to develop first-in-class molecules addressing novel targets and best-in-class drugs directed at scientifically validated pathways. These are then progressed to Phase II proof of concept and, if successful, will then be outlicensed. The ability to strike attractive deals has now been demonstrated.
- **rNPV valuation of £326.4m or 119p/share** We value Redx Pharma using an rNPV and sum of the parts methodology, with conservative assumptions. Our updated model generates a valuation of £326.4m, equivalent to 119p/share (or 84p/share fully diluted), which is a small uplift to our previous £317.5m, or 116p/share (81p/share fully diluted).

Price	59.0p
Market Cap	£161.6m
Enterprise Value	£125.3m
Shares in issue	273.9m
12 month range	4.5-95.0p
Free float	11.1%
Primary exchange	AIM London
Other exchanges	N/A
Sector	Healthcare
Company Code	REDX
Corporate client	Yes



Company description

Redx Pharma specialises in the discovery and early clinical development of small molecule therapeutics, with an emphasis on oncology and fibrotic disease. Typically, these are progressed through proof-of-concept studies and then partnered for further development. The strategy has been validated by several collaborations.

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Redx Pharma: funded to value-inflection points

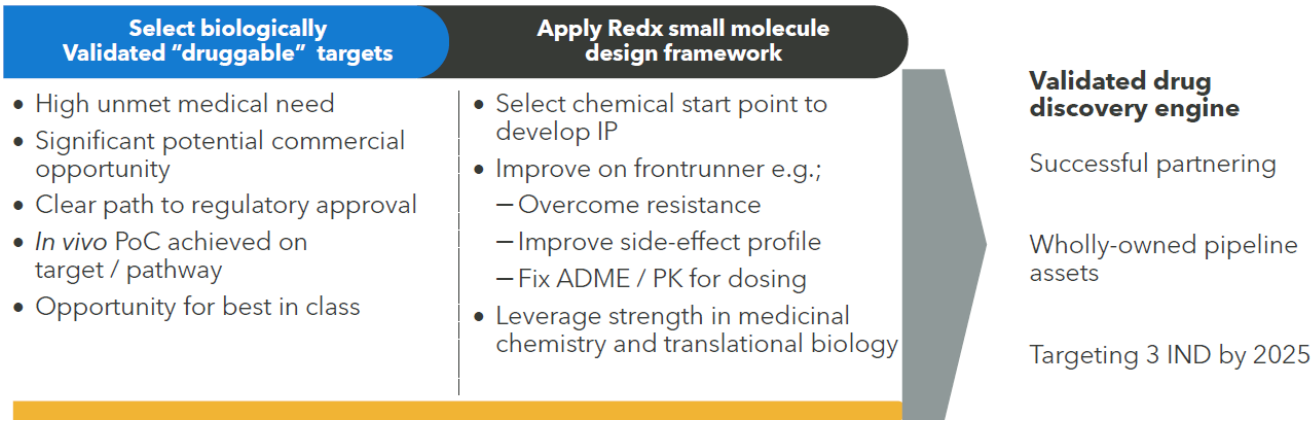
2020 was a key turning point, with the 2021 outlook promising on many fronts

Redx Pharma's FY20 results are an apt reminder of the company's transformation over the course of the past 12 months. The successful raising of >£48m in equity and convertible loan notes provides the financial resources to progress the key assets, RXC004 (a porcupine inhibitor for oncology) and RXC007 (a ROCK2 inhibitor for fibrosis), to their next clinical value-inflection points. The 2020 raises brought on board the specialist investors Redmile, Sofinnova Partners, and Polar Capital. These are respected and supportive investors and their involvement provides valuable external validation of management's clearly defined strategy. Similarly, the deals with AstraZeneca and Jazz Pharmaceuticals were not simply struck on attractive terms but demonstrated the active de-risking of Redx's pipeline, notably reducing the porcupine inhibitor class as a development risk.

Novel small-molecule compounds addressing clear medical needs

Redx's strategy aims to leverage its now well-established expertise in medicinal chemistry to develop both first-in-class molecules addressing novel targets and best-in-class drugs directed at known and scientifically validated pathways. The focus is on genetically-defined oncology indications and fibrotic diseases, with the goal to achieve three IND (Investigational New Drug) applications by 2025. Selected candidates are progressed to Phase II proof of concept clinical trials before being out-licensed, with an element of commercial revenues retained; however, assets will be out-licensed earlier if the proposed returns are sufficiently attractive. Even a relatively modest delivery on this well-articulated and ambitious strategy should be transformative for the business over the medium term.

Exhibit 1: Redx Pharma approach generates 'best in class' drug candidates



Source: Redx Pharma

In-house focus is on RXC004 for selected cancer indications and RXC007 for fibrotic diseases

As we stated in our September 2020 Initiation, the pipeline is now well-balanced (Exhibit 2); the two in-house programmes (RXC004 and RXC007) continue to progress, two have been successfully partnered, and the earlier stage assets are showing promise. The near-term aim is to progress RXC004 and RXC007 to Phase II proof of concept trials. Around £14m of the funds raised in 2020 is directed to completion of Phase I monotherapy and immunotherapy combination trials and planned Phase II studies for RXC004; with c £11m to preclinical work, initiation of planned Phase I and Phase II trials for RXC007. Importantly for the medium-term outlook, £16m has been earmarked to expand oncology and fibrosis research and identify a next generation of similarly differentiated small molecules.

Exhibit 2: Redx Pharma pipeline

	Target/Product	Indication(s)	Research	Preclinical Development	Clinical Phase 1/2	Upcoming Milestone
Redx development	**Porcupine Inhibitor** (RXC004)	Monotherapy in solid tumours (genetically selected MSS mCRC and pancreatic cancer; biliary cancer) Combination with anti-PD-(L)1 (genetically selected MSS mCRC)				Phase 1 mono safety completion - **H1 2021** Phase 2 start - **2021**
Redx development	**ROCK2 Selective Inhibitor** (RXC007)	Lung fibrosis (IPF) Liver fibrosis (NASH)				Entering clinic -**H1 2021**
Research	**GI-targeted ROCK Inhibitor**	Fibrosis associated with Crohn's disease				Preclinical development candidate - **H1 2021**
Research	**Research Targets**	Oncology and Fibrosis				Progress wholly-owned & Jazz research collaborations
Partnered	**Porcupine Inhibitor** (RXC006)	Lung fibrosis (IPF)				Licensed to AstraZeneca
Partnered	**Pan-RAF Inhibitor**	Oncology				Asset sale to Jazz Pharmaceuticals

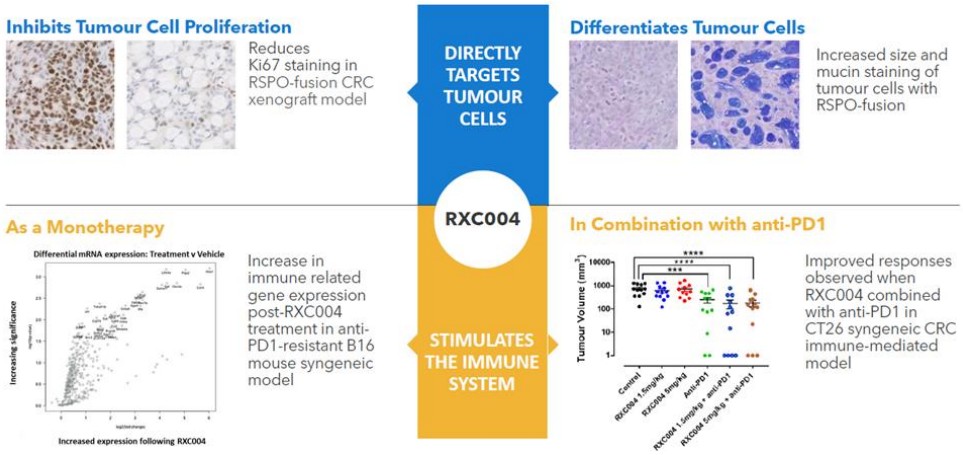
Source: Redx Pharma Note: MSS mCRC = microsatellite stable metastatic colorectal cancer, IPF = idiopathic pulmonary fibrosis, NASH = non-alcoholic steatohepatitis

RXC004 completing Phase I clinical trial

Addressing Wnt pathway with potential dual mechanism of action

RXC004 is a highly selective and potent small molecule that targets the porcupine (Porcn) enzyme on the Wnt (Wingless type) signalling pathways. Wnt ligands play a critical role in balancing cell proliferation, differentiation, and cellular homeostasis. Dysregulation is known to drive many cancer types, particularly those that have a poor prognosis, with elevated activity resulting in drug resistance. The pathway is complex and difficult to address, with the porcupine enzyme seen as an attractive target. Comprehensive preclinical studies have shown RXC004 to have promising direct anti-tumour activity in cancer lines with upstream mutations in this pathway, for instance RNF43. Additionally, RXC004 enhances the immune response in the tumour microenvironment and hence has a possible dual mechanism of action (Exhibit 3).

Exhibit 3: RXC004 dual mechanism of action



Source: Redx Pharma

RXC004 Phase I data expected during H121

RXC004 is currently in a dose escalation Phase I trial to examine its safety and tolerability. The study is set to enrol around 20 patients across five centres in the UK. Four patient cohorts have been completed successfully, with no dose limiting toxicities (DLTs), including, importantly no bone fragility fractures, and a strong

target engagement detected in markers in skin tissue. The pharmacokinetics showed good oral absorption and bioavailability and support a once daily dosing. The fifth and final patient cohort as monotherapy, at a 3.0mg dose, initiated in January 2021. The study was hampered by COVID-19 restrictions, with patient recruitment suspended, but the full data are expected to be available during H121. The combination arm of the study, exploring RXC004 together with a PD-1 immune checkpoint inhibitor (CPI), is being initiated. Preclinical studies showed combination treatment had materially improved responses. Results from this arm will guide the dose selected for the Phase II study.

Phase II trials will explore monotherapy and CPI combination

The Phase II programme will similarly explore both monotherapy and a CPI combination. Monotherapy studies will likely explore RXC004 in genetically-selected MSS mCRC (micro-satellite stable metastatic colorectal cancer), selected pancreatic cancer, and all biliary cancers, with the combination therapy evaluating genetically-selected MSS mCRC (at least initially). There are currently four other porcupine inhibitors known to be in clinical development, with Novartis' WNT974 (LGK974) being arguably the most advanced. The data from the Phase I study is awaited keenly, particularly for early signals of direct efficacy. It may also provide an insight into whether RXC004 could be the better compound in terms of expected efficacy and, possibly, side-effect profile than WNT974.

Phase II initiation expected during 2021 (COVID permitting)

The move into Phase II trials is planned for 2021 but, along with most similar clinical studies, timings may be impacted by COVID-19 factors. The Phase II data would be the prelude to out-licensing discussions.

RXC007 entering Phase I clinical trials

RXC007 initially to target IPF but other fibrosis indications, such as NASH, will follow

RXC007 is a novel and highly specific small molecule that selectively targets the ROCK2 (Rho Associated Coiled-Coil Containing Protein Kinase 2) receptor. There are two kinase forms, ROCK1 and ROCK2, which have broadly similar functions (especially in fibrosis), but the simultaneous targeting of both forms appears to be more closely associated with cardiovascular effects (notably hypotension). RXC007 is set to enter clinical development this year with a healthy volunteers Phase I study, ahead of future plans for development for idiopathic pulmonary fibrosis (IPF), a progressive lung condition with a notably poor prognosis. This will be followed by broader fibrotic indications that will likely include the liver fibrosis known as Non-alcoholic Steatohepatitis (NASH).

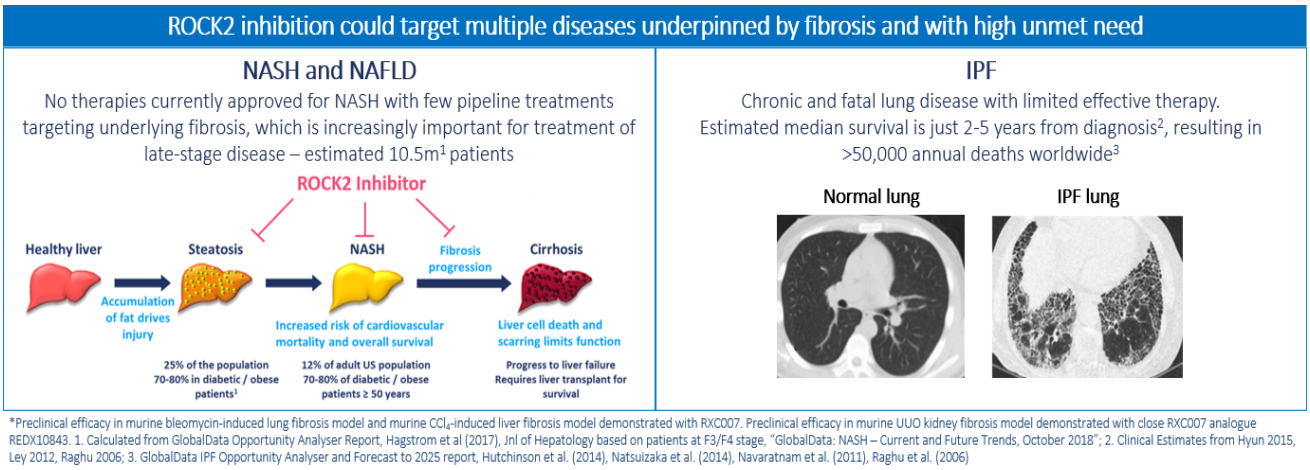
ROCK pathways appear particularly promising

The ROCK pathways mediate a broad range of cellular responses that involve the actin cytoskeleton and are important regulators of cellular growth, migration, metabolism, and apoptosis. Aberrant downstream signalling is known to have important roles in cardiovascular diseases, CNS disorders (including Alzheimer's and Parkinson's), diabetes (including insulin resistance and nephropathy), and a range of fibrotic dysfunctions.

Complex chemistry challenges mean only one competitor

Currently there is one other ROCK2 inhibitor in clinical development. Belumosudil (KD025) is being developed by Kadmon for chronic graft-versus-host disease (GVHD), where it completed pivotal Phase II trials, and systemic sclerosis (SSc), where a Phase II study is underway. Belumosudil met its primary endpoint in the ROCKstar (KD025-213) study with impressive data. KD025 has been granted FDA Breakthrough Therapy designation and Orphan Drug status; it has been submitted for FDA approval with the review underway (PDUFA date 30/05/21).

Exhibit 4: RXC007 potential to treat multiple fibrotic diseases



*Preclinical efficacy in murine bleomycin-induced lung fibrosis model and murine CCl_4-induced liver fibrosis model demonstrated with RXC007. Preclinical efficacy in murine UUO kidney fibrosis model demonstrated with close RXC007 analogue REDX10843. 1. Calculated from GlobalData Opportunity Analyser Report, Hagstrom et al (2017), Jnl of Hepatology based on patients at F3/F4 stage, "GlobalData: NASH – Current and Future Trends, October 2018"; 2. Clinical Estimates from Hyun 2015, Ley 2012, Raghu 2006; 3. GlobalData IPF Opportunity Analyser and Forecast to 2025 report, Hutchinson et al. (2014), Natsuizaka et al. (2014), Navaratnam et al. (2011), Raghu et al. (2006)

Source: Redx Pharma

Phase I data awaited with great interest to compare with KD025

RXC007 has shown good ADME profiles and robust anti-fibrotic effects in preclinical models, with strong data in fibrosis disease models such as IPF, NASH, and diabetic nephropathy (DN). RXC007's preclinical profile suggests it has several advantages over KD025, which means the Phase I data could be particularly interesting. The Phase I healthy-volunteers study is expected to initiate in H121, with a subsequent, more comprehensive, clinical trial plan in IPF being developed. As with RXC004, RXC007 is a programme that we expect will be progressed to Phase II proof-of-concept trials before being prepared for out-licensing.

News flow expectations for 2021 and 2022

Exhibit 5 shows expected news flow and catalysts over the next two years. While COVID-19 restrictions remain a sensitivity with respect to timings (impacts on patient recruitment into clinical trials is a known industry-wide consequence), we anticipate Redx Pharma will make significant strategic progress.

Exhibit 5: Key milestones and value drivers to 2022

		2020	2021	2022
Redx development	**Porcupine Inhibitor (RXC004)**	✓ **H1** Phase 1 complete first two dose escalation cohorts ✓ **H2** Phase 1 completes two further dose escalation cohorts	**H1** Phase 1 start - IO combo safety **H1** Phase 1 monotherapy safety completion **H2** Phase 2 mono therapy (MSS mCRC, biliary, pancreatic cancer) **H2** Phase 2 start - IO combo MSS mCRC	Phase 2 data mono MSS mCRC Phase 2 data mono biliary cancer Phase 2 interim data mono pancreatic cancer and combo MSS mCRC
	ROCK2 Selective Inhibitor (RXC007)	✓ **H1** Development candidate ✓ **H2** Start GLP Toxicity study	**H1** Phase 1 Start	**H1** Phase 1 safety data readout **H2** Phase 2 start
Research	**GI-targeted ROCK Inhibitor**	✓ Ongoing research	**H1** Select development candidate	Phase 1 start
	Research Targets	✓ Progress wholly owned research programmes ✓ Two target collaboration deal Jazz Pharma	Progress wholly owned & Jazz research collaborations	Progress wholly owned & Jazz research collaborations
Partnered	**Porcupine Inhibitor (RXC006)**	✓ Out licensing agreement with AstraZeneca	AstraZeneca responsible for development	AstraZeneca responsible for development
	Pan-RAF Inhibitor	✓ Progress collaboration with Jazz	Progress collaboration with Jazz	Jazz responsible for clinical development

Source: Redx Pharma

Valuation

Updated valuation of £326.4m, or 119p/share (84p/share fully diluted)

FY20 results provide an opportunity to update our valuation to reflect Redx's latest cash position. Our valuation is now £326.4m, equivalent to 119p/share (84p/share fully diluted), a small upgrade to our previous £317.5m valuation, equivalent to 116p/share (81p fully diluted). Exhibit 6 summarises the outputs and underlying assumptions of our valuation model, while a detailed overview of our methodology is provided in our September 2020 Initiation.

Exhibit 6: rNPV-based valuation of Redx Pharma

Programme	Total NPV ($m)	Total NPV (£m)	Likelihood of approval	rNPV ($m)	rNPV (£m)	rNPV/ share (p)	Notes
RXC004 (porcupine inhibitor - oncology)	712.9	548.4	18%	83.5	64.2	23.5	Peak sales: $2.55bn (£1.96bn) Launch year: 2027
RXC007 (ROCK2 inhibitor - IPF/NASH)	1,000.9	769.9	10%	71.3	54.8	20.0	Peak sales: $3.13bn (£2.41bn) Launch year: 2028
RXC006 (AstraZeneca: porcupine inhibitor - IPF)	278.4	214.2	7%	37.0	28.5	10.4	Peak sales: $1.66bn (£1.28bn) Launch year: 2028
Pan-RAF (Jazz Pharma: oncology)	141.9	109.2	7%	26.7	20.5	7.5	Peak sales: $707m (£544m) Launch year: 2029
GI-targeted ROCK (ROCK1/2 - Crohn's disease)	139.7	107.5	5%	33.2	25.5	9.3	Peak sales: $1.61bn (£1.24bn) Launch year: 2029
Discovery engine				160.0	123.1	44.9	
Operating costs	(32.1)	(24.7)		(32.1)	(24.7)	(9.0)	
Net cash	44.9	34.5		44.9	34.5	12.6	At H121e
Total	**2,286.6**	**1,758.9**		**424.4**	**326.4**	**119.2**	
Total (fully diluted)				**433.4**	**333.4**	**83.6**	Based on all options and CLNs

Source: Trinity Delta Note: The rNPV of RXC004 and RXC007 includes a deal success factor of 80%, and of 75% for GI-targeted ROCK; other valuation assumptions include a 12.5% discount factor, £/$ FX rate of 1.30, and 10% taxation from 2028 (UK patent box).

Valuation is based on a pipeline rNPV and benchmarking for the discovery platform

Our Redx valuation comprises a sum of the parts that includes a pipeline rNPV and a discovery platform valuation, with the latter based on Redx's output/track record and benchmarked against discovery peers. As always, we employ conservative assumptions throughout our modelling, particularly regarding market sizes and growth rates, net pricing, adoption curves, and peak market penetration.

Clinical progress, clarity on timelines and patient sizes will refine our valuation

The clinical progress of the various pipeline assets should unlock upside, as further data would prompt us to adjust the respective success probabilities that reflect the inherent clinical, commercial, and execution risks that each programme carries. Additionally, as these programmes progress, there should be more insight into the specific oncology or fibrosis patient populations that will be addressed, and this in turn would mean that peak sales (pricing, penetration) and timeline assumptions could be revisited. For example, we expect RXC004 to be developed in selected genetically defined cancers, which could support pursuit of accelerated regulatory approval pathways and command attractive pricing. Similarly, RXC007 has potential utility across a variety of fibrosis indications which have different market dynamics, from the smaller more severe indications (such as IPF) to larger indications such as NASH and diabetic nephropathy.

Financials

New funds extend cash runway to end-2022

2020 was financially transformational for Redx Pharma. The company now has the resources to advance and grow its development pipeline and broaden its research activities. Funds raised during FY20 (year-ending 30 September 2020) and in December 2020 collectively boosted Redx's balance sheet to c £48m (vs £27.5m at end-FY20; £3.7m at end-FY19), providing a cash runway through to end-2022, and the potential achievement of several value creating events.

Limited funding no longer constraining R&D efforts

Redx's current cash resources, coupled with a risk-adjusted forecast of potential milestones from partnered programmes (ie the AstraZeneca RXC006 out-licensing deal and Jazz Pharmaceuticals Ras/Raf/MAPK collaborations), will allow the company to significantly ramp up R&D investment. The December offering circular broke down intended FY21-FY22 investment as follows: £14m for RXC004 clinical development, £11m for RXC007 preclinical/clinical development, £16m for the research pipeline, and £12m for general working capital purposes.

Development spending is the largest and most increased item

Increased R&D spend was the major driver of higher operating expenses in FY20 (£14.2m vs £10.2m in FY19), reflecting preclinical and clinical pipeline progress. Investment is expected to further increase as discovery engine research activities and staffing return to pre-administration levels, and the pipeline progresses through late preclinical (RXC007) and early clinical (RXC004) development. We have restated our expenses breakdown to mirror Redx's reporting. G&A costs appear lower in comparison as they relate solely to central/back office expenditure, while R&D includes all discovery and development-related spend, including staff. The growth of, and progress in the R&D organisation is reflected in the increasing proportion of total spend that is related to R&D in both absolute and relative terms. R&D as a percentage of total costs was 86% in FY20, up from 82% in FY19 and 70% in FY18. We forecast R&D spend of £28.0m for FY21 and £29.5m for FY22, while G&A will also rise more modestly (to above £2m) due to inflation and additional personnel to support the expanding organisation.

Near-term revenues derived from AstraZeneca and Jazz Pharmaceuticals partnerships

FY20 revenue of £5.7m (FY19: £3.1m) was solely derived from partners (licence, collaboration, or service income). Future collaboration and licencing revenues are anticipated in FY21 and FY22 from Jazz Pharmaceuticals (for Ras/Raf/MAPK and pan-RAF) and AstraZeneca (RXC006). The Jazz Pharmaceuticals $10m upfront payment was received in FY20 but will be recognised as and when performance obligations are achieved. As a result, we update our FY21 revenue expectations under this collaboration and have also reassessed potential receipts from other deals based on the disclosed headline amounts and our assumptions around likely development progress on the underlying assets. We caution that there remains limited visibility on the timelines and payment schedules, and that these potential receipts are contingent on continued progress of the underlying programmes. Changes to key forecasts are shown in Exhibit 7, with our updated financial summary in Exhibit 8.

Exhibit 7: Summary of changes to estimates

	Sales (£m)			EBITDA (£m)			Adj. EPS (p)		
	Old	New	Change	Old	New	Change	Old	New	Change
2021e	1.6	10.4	+550%	(27.3)	(19.5)	-29%	(10.9)	(7.8)	+28%

Source: Trinity Delta

Exhibit 8: Summary of financials

Year-end: Sept 30	£'000s	2018	2019	2020	2021E	2022E
INCOME STATEMENT						
Revenues		**129**	**3,131**	**5,685**	**10,361**	**10,722**
Cost of goods sold		0	(350)	0	0	0
Gross Profit		**129**	**2,781**	**5,685**	**10,361**	**10,722**
R&D expenses		(7,424)	(8,339)	(12,215)	(28,094)	(29,498)
G&A expenses		(3,182)	(1,831)	(1,988)	(2,133)	(2,224)
Underlying operating profit		**(10,477)**	**(7,389)**	**(8,518)**	**(19,865)**	**(21,000)**
Share-based payments		(282)	(45)	(568)	(579)	(591)
Exceptionals		(596)	948	73	0	0
Other revenue/expenses		1,186	241	812	828	845
EBITDA		**(10,005)**	**(6,154)**	**(7,536)**	**(19,531)**	**(20,672)**
Operating Profit		**(10,169)**	**(6,245)**	**(8,201)**	**(19,616)**	**(20,746)**
Financing costs/income		23	(90)	(967)	(186)	(78)
Profit Before Taxes		**(10,146)**	**(6,335)**	**(9,168)**	**(19,802)**	**(20,824)**
Adj. PBT		**(10,454)**	**(7,479)**	**(9,485)**	**(20,051)**	**(21,077)**
Current tax income		1,301	2,017	(45)	281	295
Net Income		**(8,845)**	**(4,318)**	**(9,213)**	**(19,521)**	**(20,529)**
EPS (p)		**(7.0)**	**(3.4)**	**(5.4)**	**(7.7)**	**(7.5)**
Adj. EPS		**(7.2)**	**(4.0)**	**(5.6)**	**(7.8)**	**(7.6)**
DPS (p)		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Average no. of shares (m)		126.4	126.4	170.1	254.2	273.9
BALANCE SHEET						
Current assets		**9,705**	**5,807**	**29,468**	**34,639**	**16,512**
Cash and cash equivalents		6,471	3,704	27,513	32,403	14,262
Accounts receivable		2,023	1,232	1,923	1,923	1,923
Other current assets		1,211	871	32	313	327
Non-current assets		**614**	**551**	**4,120**	**3,828**	**3,644**
Property, plant & equipment		191	134	136	116	112
Intangible assets		423	417	411	407	403
Other non-current assets		0	0	3,573	3,305	3,130
Current liabilities		**(3,950)**	**(4,867)**	**(10,934)**	**(10,675)**	**(24,151)**
Short-term debt		0	(468)	0	0	(11,673)
Accounts payable		(3,803)	(3,445)	(3,362)	(6,742)	(6,490)
Other current liabilities		(147)	(954)	(7,572)	(3,933)	(5,988)
Non-current liabilities		**(605)**	**0**	**(19,967)**	**(14,614)**	**(2,766)**
Long-term debt		0	0	(16,758)	(11,673)	0
Other non-current liabilities		(605)	0	(3,209)	(2,941)	(2,766)
Equity		**5,764**	**1,491**	**2,687**	**13,178**	**(6,760)**
CASH FLOW STATEMENTS						
Operating cash flow		**(17,177)**	**(4,668)**	**395**	**(19,395)**	**(18,076)**
Profit before tax		(10,146)	(6,335)	(9,168)	(19,802)	(20,824)
Non-cash adjustments		656	(782)	2,123	851	743
Change in working capital		(8,391)	(265)	6,425	(214)	1,802
Interest paid		(23)	13	7	(186)	(78)
Taxes paid		727	2,701	1,008	(45)	281
Investing cash flow		**(109)**	**32**	**(55)**	**(62)**	**(65)**
CAPEX on tangible assets		(132)	(28)	(59)	(62)	(65)
Acquisitions/disposals		23	60	4	0	0
Other investing cash flows		0	0	0	0	0
Financing cash flow		**(49)**	**1,869**	**23,469**	**24,347**	**0**
Proceeds from equity		0	0	1,876	24,347	0
Increase in loans		0	1,000	22,563	0	0
Other financing cash flow		(49)	869	(970)	0	0
Net increase in cash		**(17,335)**	**(2,767)**	**23,809**	**4,890**	**(18,141)**
Cash at start of year		23,806	6,471	3,704	27,513	32,403
Cash at end of year		**6,471**	**3,704**	**27,513**	**32,403**	**14,262**
Net cash at end of year		**6,471**	**3,236**	**10,755**	**20,730**	**2,589**

Source: Company, Trinity Delta

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