

Buy EUR 55.75 Price EUR 37.80 Upside 47.5 %	Value Indicators: EUR NAV: 55.75	Warburg ESG Risk Score: 1.8 ESG Score (MSCI based): 3.0 Balance Sheet Score: 2.5 Market Liquidity Score: 0.0	Description: Venture capital company with focus on bio-/med-tech and associated technologies
	Market Snapshot: EUR m Market cap: 146.3 No. of shares (m): 3.9 EV: 195.7 Freefloat MC: 30.7 Ø Trad. Vol. (30d): 42.03 th	Shareholders: Freefloat 21.0 % Mgmt., Board of Directors 8.0 % Founder 71.0 %	Key Figures (WRe): 2020e Price / Book: 1.4 x Equity Ratio: 64 % Net Fin. Debt / EBITDA: 5.0 x Net Debt / EBITDA: 5.0 x

Investment opportunity in early-stage healthcare projects; Initiation with Buy

Venture capital company with focus on early-stage investment projects: Xlife Sciences is the only publicly listed venture capital company that offers investors the opportunity to invest in a basket of early-stage biotechnology and healthcare companies. Compared with a single-stock investment, this offers investors a more balanced risk-reward profile. The company was founded in 2019 and is located in Zurich, Switzerland.

Building the bridge from invention to market: Xlife Sciences invests in selected projects at a very early stage. After an invention disclosure, the company leads projects through the proof-of-concept phase. Subsequently, the focus is on out-licensing or selling the project company. This could also be done in combination with a strategic partnership, to allow Xlife to benefit further from the positive development of the project.

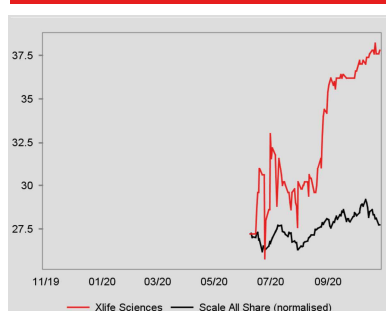
Well-diversified investment portfolio: Xlife Sciences invests in four pre-defined investment themes covering the fields of biotech and therapies, medical technology, technology platforms, and artificial intelligence (AI). This focus allows Xlife to optimise the generation of synergies in terms of service. The portfolio pipeline comprises for example several projects in the field of antibody therapy (different forms of leukaemia, obesity), a screening technology for antibodies, and medical devices for early detection of dementia and Parkinson's disease.

Proven track record: The founders of Xlife Sciences have a proven track record with 14 exits achieved in the field of bio- and med-tech over the past 28 years. This is equal to a success rate of over 80% and close to the strategic benchmark of the mid to long-term target of 85%.

Strong growth envisaged: Based on the company's mid-term planning, sales should grow from CHF 13m to CHF 73m in 2022. This increase is mainly based on revenues generated by trade sales or IPOs. As Xlife Sciences will benefit from Swiss tax rules, an income tax of only 10% on earnings generated by exits has to be taken into account. In view of this, the company is expected to be net positive as soon as in FY 2020. Shareholders should benefit from successful net profit development with a dividend payment.

Valuation on an NAV basis best reflects the value of investments: As none of Xlife Sciences investment projects is listed, a mark-to-market valuation is not possible. In view of this, we value Xlife Sciences based on the net asset values (NAV) of its investment projects, which reflect the value of its participations at a specific point in time. This value could change in the context of (licence-) deals, pipeline moves or the acquisition or sale of participants or parts of them. One possible risk is that projects do not develop according to plan or a pursued value is not realised in the envisaged time period if the development takes longer than expected or the competitive landscape changes. Furthermore, the company reports in Swiss franc, but is listed in euro. As a result, the NAV is subject to currency movements.

Coverage initiated with Buy, PT of EUR 55.75: Our approach derives an NAV of EUR 55.75 per share. Compared to the current share price level, it becomes obvious that Xlife Sciences is trading at a steep discount to its NAV. We expect that the discount will shrink with increasing transparency in regard to the value of its assets, for example by way of (licence-) deals and exits. In view of this, we initiate the coverage of Xlife Sciences AG with a Buy rating and an NAV-based PT of EUR 55.75

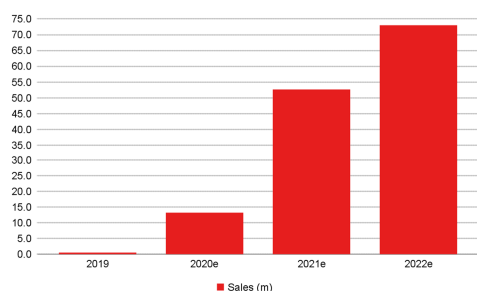


Rel. Performance vs Scale All	
1 month:	6.1 %
6 months:	n/a
Year to date:	n/a
Trailing 12 months:	n/a

Company events:

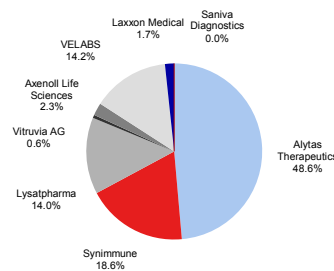
FY End: 31.12. in CHF m	CAGR (19-22e)	2019	2020e	2021e	2022e
Sales	421.5 %	0.5	13.2	52.6	73.0
Change Sales yoy		n.a.	2467.7 %	298.3 %	38.7 %
Gross profit margin		34.8 %	94.8 %	98.2 %	98.7 %
EBITDA	-	-0.7	10.5	48.7	67.1
Margin		-145.2 %	79.6 %	92.5 %	91.9 %
EBIT	-	-0.8	10.5	48.7	67.1
Margin		-149.1 %	79.6 %	92.5 %	91.9 %
Net income	285.0 %	1.1	10.4	47.1	60.0
EPS	272.4 %	0.30	2.72	12.17	15.49
EPS adj.	272.4 %	0.30	2.72	12.17	15.49
DPS	-	0.00	0.14	0.61	0.77
Dividend Yield		n.a.	0.4 %	1.6 %	2.0 %
FCFPS		0.29	1.89	12.17	15.49
FCF / Market cap		n.a.	4.9 %	32.2 %	41.0 %
EV / Sales		n.a.	15.1 x	3.0 x	1.4 x
EV / EBITDA		n.a.	18.9 x	3.2 x	1.5 x
EV / EBIT		n.a.	18.9 x	3.2 x	1.5 x
P / E		n.a.	13.9 x	3.1 x	2.4 x
P / E adj.		n.a.	13.9 x	3.1 x	2.4 x
FCF Potential Yield		n.a.	5.3 %	30.0 %	58.2 %
Net Debt		53.7	53.0	11.4	-42.9
ROCE (NOPAT)		n.a.	6.9 %	29.8 %	36.4 %
Guidance:	n.a.				

Sales development
in EUR m



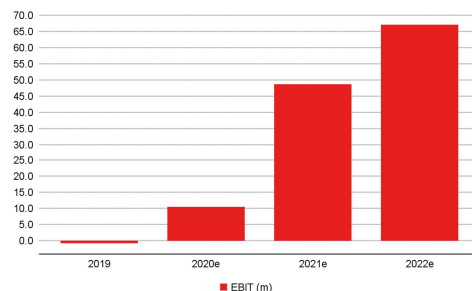
Source: Warburg Research

NAV of investment projects
in %



Source: Warburg Research

EBIT development
in EUR m



Source: Warburg Research

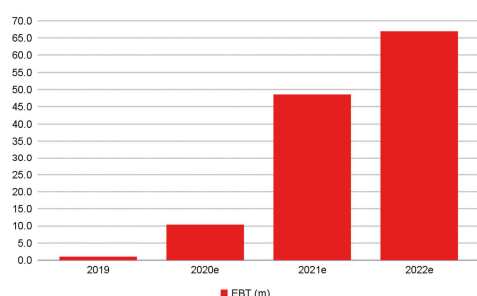
Company Background

- Xlife Sciences is a venture capital company with the focus on biotech and therapies, medical technology, associated technology platforms and artificial intelligence (AI).
- Xlife Sciences invests in very early-stage projects. After an invention disclosure and a successful proof-of-concept phase the focus is on out-licensing or selling the project.
- The company was founded in 2019 and is located in Zurich, Switzerland.

Competitive Quality

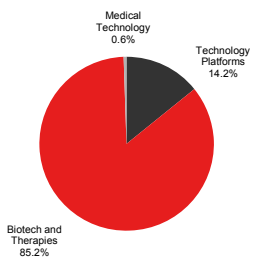
- Xlife Sciences is the only listed company in Europe providing investors with the opportunity to invest in a basket of early-stage development projects.
- Portfolio diversification is achieved with a high number of investment projects and by addressing four pre-defined investment themes.
- The envisaged early exit after the successful proof-of-concept minimises the risk of failure associated with later-stage development phases.
- The founders of Xlife Sciences have a proven track-record having achieved 14 exits in the field of bio-technology and med-tech throughout their career in the past 28 years with a success rate of over 80%.
- The mid- to long-term strategic aim is to achieve a success rate of above 85%.

EBT development
in EUR m



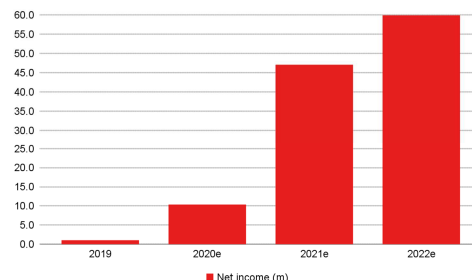
Source: Warburg Research

NAV breakdown by technology areas
in %



Source: Warburg Research

Net income development
in EUR m



Source: Warburg Research

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Summary of Investment Case

Investment triggers

- Xlife Sciences is the only listed company in Europe that offers investors the opportunity to invest in early-stage biotechnology companies with its basket of (currently) 20 project companies. The current portfolio is well diversified.
- We chose a net-asset-value (NAV) approach to reflect the value of Xlife Sciences' investment projects. It becomes apparent that the share is trading at a clear discount to the derived NAV.
- We expect that the discount will decline with increasing transparency of the value of the investment projects, for example by way of licence deals or partnering, a higher number of portfolio projects, and based on a positive track record with regard to exits.
- Furthermore, value uplifts could be triggered by pipeline moves, licence-deals or exits like an IPO or trade-sale. We expect some positive news-flow in the last months of the year, which are normally the most active in deal-making in the biotech and pharmaceutical industry.

Valuation

- Xlife Sciences' business model means that a valuation based on classic methods like DCF-model or multiples is not appropriate. A mark-to-market valuation is not possible as none of the investment projects is listed. In view of this, we decided to value the company based on the net asset value (NAV) of its investment projects.
- The NAV will benefit from positive development steps, external valuation uplifts due to licensing deals or trade sales.
- This will also increase transparency in regard to the value of the investment projects. This should reduce the discount between the current share price level and the inherent value of the company as reflected in its NAV.

Growth

- High revenue growth envisaged mainly based on planned licence-deals or exits.
- Due to the lean cost structure of the company and a low tax rate on revenues generated by trade sales, net income growth will be only slightly lower than top-line growth.

Competitive quality

- Proven expertise in the executive board with a history of successful exits.
- A well-diversified portfolio of investment projects.
- The company has an early-mover advantage in securing innovative products or methods of treatment due to its established direct contact to universities as a centre of competence.
- However, among the possible risks is that the development of a product could take longer than originally expected, deteriorating the value assumption, and that competitors might be faster in bringing their products through the development phase.

Warburg versus consensus

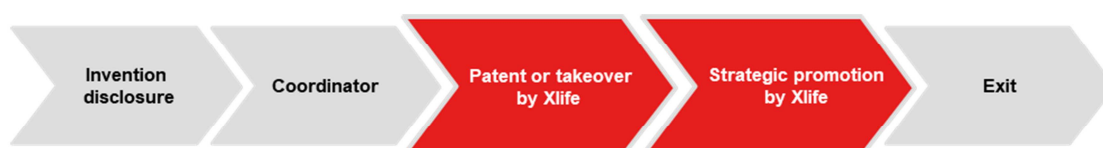
- The company was recently founded and coverage is not yet available. In view of this, there are no consensus estimates.

Company Overview

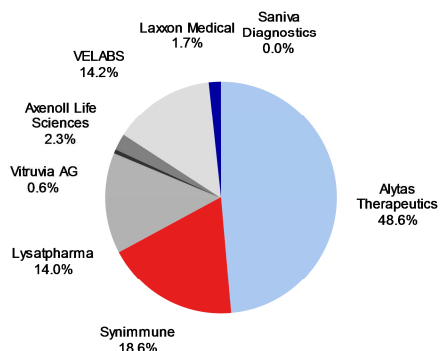


Xlife sciences

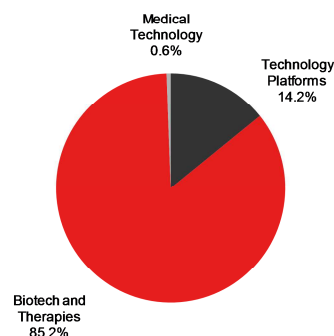
Overview



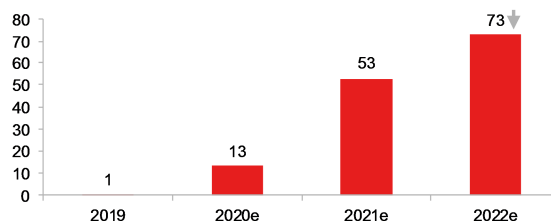
NAV of investment projects



NAV breakdown by technology areas



Revenue forecast (in m CHF)



TOTAL DEALS	18	→ in 28 years
TOTAL EXITS	14	
Average duration	2.8 years	
Average return	5.4x	

Investment/project	Exit-type
Medical technology: digital radiography	IPO
Medical technology: blood analysis robot	Trade Sale
Medical technology: Quick test and blood test for diabetics	IPO
Processing of disposable medical devices	Trade Sale
GMP production of organic material	Trade Sale
Antibodies for inflammatory diseases (MS, arthritis etc.)	Trade Sale
Antibody therapies for hepatic diseases	IPO
3D drug delivery system	Trade Sale
Hospital system for room management	IPO
Biotechnology for regenerative & reconstructive medicine	IPO
Treatment of chronic wounds, pigment disorders and scar tissue	Trade Sale
Antibodies for AML Leukaemia	Trade Sale
Specialisation in neuromuscular diseases	IPO
Antibody for Möbius disease type 4a	Trade Sale

Source: Warburg Research

Competitive Quality

- Only listed company in Europe offering opportunity in early-stage projects
- Board of management with proven expertise
- Portfolio is well diversified across four pre-defined investment themes

Proven expertise in generating value

Offering the opportunity to invest in early-stage projects

Xlife Sciences offers investors the opportunity to invest in early-stage biotechnology companies with its basket of (currently) approximately 20 project companies, none of which are listed. Compared with a single-stock investment, this offers investors a more balanced risk-reward profile.

Xlife Sciences is the only listed company in Europe with a focus on investments in early-stage projects from universities. As a listed company, it offers investors liquidity and transparency in regard to their investment.

The portfolio consists of investments which are nearing the point of exit, and projects that are still in the (pre-clinical) development phase.

The founders of Xlife Sciences have a proven track record. Mr. David Deck, Gilbert Schöni and others have achieved 14 exits in the fields of bio- and med-tech throughout their careers over the past 28 years. This amounts to a success rate of over 80%.

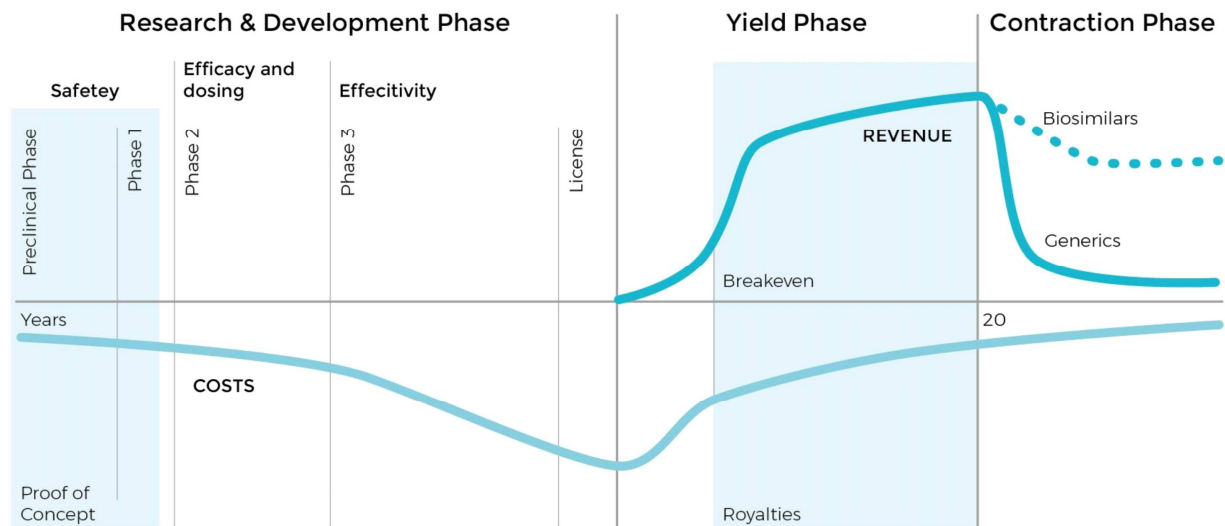
Focus on early-stage development projects

Xlife Sciences is focusing on the development and commercialisation of early-stage start-ups and spin-offs from universities and similar institutions in Germany and Switzerland. The company does not invest in companies that are already established and listed on the stock market. Normally, an exit is planned two to three years after the initial investment.

Xlife Sciences was founded by professionals experienced in joining forces to generate synergies and diversify risks. The portfolio currently includes 20 projects and six of those were brought in by the founders.

A listing on the stock market offers the opportunity to raise additional capital for further investments, in order to increase the recognition of the company and its attractiveness as a potential cooperation partner. Furthermore, Xlife Sciences shares could potentially be used for acquisition proposals.

Value chain Xlife Sciences



Source: Company, ValuationLab

Investments are among four pre-defined investment themes

Xlife Sciences has defined four technology areas in which to invest. These include technology platforms, biotech and therapies, medical technology, and artificial intelligence (AI).

Network of technology and industry partners

The company relies on an established network of partners in the scientific field and within the industry. This includes for example the Jena University Hospital. In January, Xlife Sciences acquired a 100%-stake of the spin-off Clyxop Devices, a tissue engineering company that is working on solutions to bridge tumour-induced defects of hollow organs following surgery. Also in January, it acquired a 75%-stake in Inflamed Pharma, a pharmaceutical ingredients manufacturer with the focus on the local anaesthetic procaine. At the end of 2019, the company invested in Araxa Biosciences, a technology platform and a spin-off of the renowned EMBL (European Molecular Biology Laboratory) in Heidelberg.

Technology and industry partners Xlife Sciences



Source: Company

Well diversified portfolio

An in-depth valuation of all individual investment projects is difficult given the broad range of the targeted indications. However, it is also not as necessary in our view, given the company’s strategy of diversification. The intention is to help founders finance the development and then exit early. In this way, Xlife Sciences avoids the higher risks and costs associated with later-stage development phases.

Strategic targets

The company has set the following **mid-term targets** for the time period 2020-2022:

- **Strategy:** Diversification, long-term growth, realisation of synergies between different projects.
- **Focus:** Diversification over four investment areas, to realise and improve synergies, improve and increase the liquidity of shares.
- **Investment areas:** Technology platforms, the area of biotech and therapies, medical technology and artificial intelligence (AI)
- **Business model:** Improve income stream by increasing the number of royalty deals.

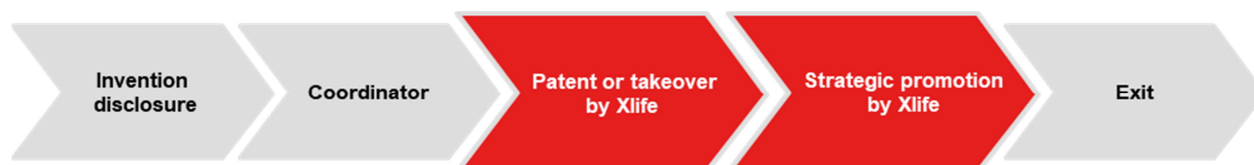
Current track record of Xlife Sciences: Four exits (IPO, trade-sale, licence deal).

The company’s vision in the **longer run** includes:

- **Strategy:** To build a competence centre for antibodies, genetic and personalised medicine (with investments in these areas).
- **Focus:** In light of this strategy, the company’s aim is to create an independent project pipeline.
- **Business model:** Increase recurring income, larger deals with increasing risk, investing in different phases of projects, not only in early-stage.

Envisaged track record: Target a success ratio of 85%, proportionate increase in dividend payment.

Xlife’s part: from the spin-off creation to licence deal



Source: Company, Warburg Research

Growth / Financials

- Strong revenue growth expected, driven by portfolio measures
- Net earnings set to directly benefit from a lean cost structure and low tax rate on exits as company is headquartered in Switzerland
- Shareholder-friendly dividend policy envisaged

Trade sales and IPOs set to drive growth

Strong growth expected based on planned exits

Revenue development set to benefit mainly from trade sales

Xlife's financial planning is aiming for an increase in sales from CHF 13.2m in 2020 to CHF 73.0m in 2022 (CAGR: +135%). The contribution of service fees paid by the portfolio companies is rather minor and amounts to about CHF 0.6m annually. This will not cover operating expenses despite the lean cost structure. The main contribution to revenues is expected to be generated by trade sales and IPOs of portfolio companies or licence fees from products and/or service. Currently, management expects a contribution of up to CHF 15m in 2020, growing to CHF 40m in 2021 and CHF 50m in 2022.

Xlife Sciences reported revenues of CHF 160,633 for the first half of the year. The operating loss of CHF 939k mainly reflects administrative and personnel costs. The financial result benefited from lower refinancing costs and an increase in the fair value of Lysatpharma of CHF 5.4m. Net profit reached CHF 4.2m and EPS, CHF 1.12. This compares to a loss of CHF 0.3m or CHF 0.09 per share last year. Liquid funds stood at CHF 1.2m versus CHF 2.5m at the end of last year.

P&L development

FY End: 31.12. in EUR m	CAGR (19-22e)	2019	2020e	2021e	2022e
Sales	421.5 %	0.5	13.2	52.6	73.0
yoy		-	2467.7 %	298.3 %	38.7 %
Gross profit	638.4 %	0.2	12.5	51.7	72.1
<i>Gross margin</i>		34.8 %	94.8 %	98.2 %	98.7 %
EBITDA	-	-0.7	10.5	48.7	67.1
<i>EBITDA-margin</i>		-145.2 %	79.6 %	92.5 %	91.9 %
EBIT	-	-0.8	10.5	48.7	67.1
<i>EBIT-margin</i>		-149.1 %	79.6 %	92.5 %	91.9 %
Net Income	285.0 %	1.1	10.4	47.1	60.0

Source: Warburg Research

Top-line growth directly impacts bottom line due to lean cost structure and low tax rate on disposals of investments

Revenues generated by trade sales or IPOs directly impact the operating income line, as a consequence of the lean cost structure of the company and low overhead costs. Therefore EBITDA margins of more than 90% should be achievable as soon as in 2021. As Xlife Sciences will benefit from Swiss tax rules, an income tax rate of only 10% on earnings generated by exits has to be taken into account. In view of this, the company will already be net positive in 2020. Shareholders should be able to participate in this successful earnings development with dividend payments in the range of 4% to 5% of net income.

Valuation

- Non-listed companies and projects as main assets
- Net-asset-value (NAV) approach best reflects the value of investments
- Value uplifts could be triggered by pipeline moves, licence deals, or exits
- Share price trading at a clear discount versus the derived NAV

Share price trading at a clear discount to NAV

Clear valuation discount on an NAV-basis

Non-listed companies and projects as main asset

Xlife Sciences offers investors the opportunity to invest in early-stage biotechnology companies with a basket of investments in various companies, none of which are listed. The investment in early-stage development projects offers investors an interesting opportunity. The volatility of Xlife's share price should be rather low, as it is not driven by the share price levels of the companies in which it has invested. This is favourable, and reflects a more mid-term orientated investment horizon. However, a mark-to-market valuation is not possible.

Value of investments is best reflected in an NAV-approach

We value Xlife Sciences based on the net asset value (NAV) of its investment projects, which reflects the value of these investments at a specific point in time. This could be the time of investment, an external valuation by partners entering a licence or development partnership with the company, or a partial exit by way of a trade-sale or an initial public offering (IPO). Otherwise, the investment projects will be valued on a regular basis by Xlife Sciences auditors. Here, the projects are valued based on internal assumptions using a Discounted-Cash-Flow model. The underlying assumptions and the valuation is examined and audited by the company's auditors. As the underlying assumptions are subject to fluctuations, the financial value could vary over time. Furthermore, an amendment of the valuation of the individual projects is possible in the context of (licence) deals, pipeline moves, or the acquisition or sale of holdings or parts of them. An external valuation, for example, by the way of a licence deal, could be seen as beneficial.

Pros and cons of an NAV-valuation

Due to the high specificity and risks of the participants, an external valuation is often difficult. In view of this, we are relying to a large extent on information provided by the companies themselves. It would be a promising sign, if externals were to confirm the value by investing in the projects. Beneficial signs would also be related to positive news flow regarding pipeline progress. At first glance, it might seem unfavourable that Xlife Sciences is not investing in listed companies and can therefore not provide a daily mark-to-market valuation. However, this helps to avoid market-related volatility as the underlying value is predominant.

Share price is trading at a clear discount to derived NAV

We have taken the available net asset value assumptions provided by the company for the individual investment projects plus current cash holdings of Xlife Sciences. This amount divided by the current number of shares equals EUR 55.75 per share at this point in time.

Compared to the current share price level, it becomes obvious that Xlife is trading at a steep discount to the derived net asset value. This observation is in line with findings

regarding other companies, valued on an NAV-basis. We expect that the discount will decrease with increasing transparency, e.g. by way of licence deals or partnering, a higher number of portfolio projects, and a positive track record with regard to exits. In view of this, we initiate the coverage of Xlife Sciences AG with a Buy rating.

NAV calculation

Project	Sector	Fair Value (in CHF)	Share Xlife	Status	Exit planned as
Financial Holdings					
Synimmune Equity GmbH	Biotech, 2 projects	28,461,000	10.0%	phase IIIa	Trade Sale, Licence
Alytas Therapeutics GmbH	Biotech, 2 projects	74,410,000	10.0%	preclinical phase	Licence, Trade Sale
Lysatpharma GmbH	Biotech, 5 projects	21,502,891	10.0%	preclinical phase	Licence, Trade Sale
Vitruvia AG	Medtech	870,000	10.0%	in the market	IPO
Axenoll Life Sciences Ltd	Bio-/Medtech	3,500,000	10.0%	in the market	Trade Sale, IPO
V-Labs Equity	Technology platform	21,748,000	14.0%	in the market	IPO
Laxxon Medical AG	Bio-/Medtech	2,600,000	10.0%	in the market	Trade Sale, IPO, Licence
Saniva Diagnostics GmbH	Medtech	12,324	10.0%	certification/study	Trade Sale, Licence
		<u>153,104,215</u>			
Fully Consolidated Subsidiaries					
Araxa Biosciences GmbH	Technology platform		70.0%	validation	Trade Sale
Inflamed Pharma GmbH	Biotech, 2 projects		75.0%	final study	Licence, Trade Sale
Clyxop devices	Bio-/Medtech		100.0%	animal testing	Trade Sale
x-nuclear diagnostic GmbH	Diagnostic		100.0%	validation, GMP	Trade Sale, Licence
palleos healthcare GmbH	CRO		50.0%	in the market	Trade Sale
		<u>65,250,000</u>			
Equity Companies					
FUSE-AI GmbH	AI/ Diagnostic		30.0%	in the market	Trade Sale
<hr/>					
NAV projects, in CHF		227,854,215			
Cash at hand, CHF		<u>1,200,000</u>			
NAV total, in CHF		229,054,215			
NAV, in EUR		213,669,977			
Number of shares out		3,832,346			
NAV per share (EUR)		55.75			
current share price		38.20			
Discount		46%			

Source: Warburg Research

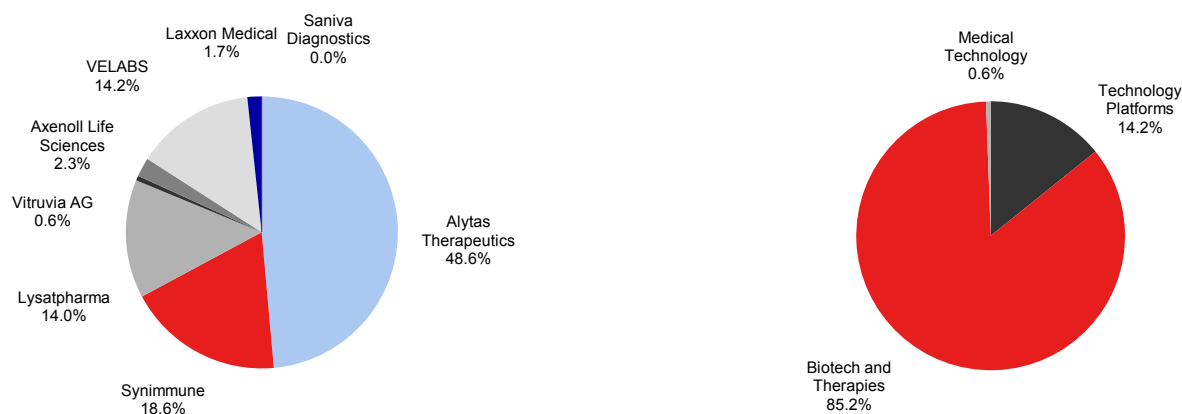
Portfolio is well diversified

Company & Products

Portfolio projects: an overview

Xlife Sciences is investing in development projects in the aforementioned investment themes. In addition to the projects brought into the company by the founders, additional investments were made in the meantime. The following overview provides a summary of the investments made and their special characteristics.

Value by project and investment themes



Source: Warburg Research



Alytas Therapeutics GmbH

Alytas therapeutics is a German biotechnology company aiming to develop immunological therapy concepts for the treatment of pathological obesity, a problem that is increasing worldwide. This condition represents an unmet medical need and is one of the three largest global social burdens caused by humans. The company has the relevant expertise and patents on various antigen epitopes with proven relevance to novel therapeutic immunological regulation of excessive amounts of adipocytes in patients with obesity.

Alytas was founded in 2018 as a spin-off of the University of Jena and is still based in Jena in central Germany. Its founders have been working for many years in the field of obesity and their current treatment hypothesis is based on in-vitro and in-vivo data from humans and animals. The company has been set up as a Lean Project Management Engine with various core partnerships. Since the founding of the company, Alytas' current CEO is responsible for the corporate management. The company is funded by private investors and listed investment companies that also actively participate in the company's management. Xlife Sciences holds a 10%-stake in Alytas.

In view of the growth of obesity worldwide and its devastating associated co-morbidities, there is high demand for innovative, sustainable, and non-surgical forms of therapy for obesity with an acceptable side-effect profile and improved efficacy. Alytas' treatment approach is a novel treatment for obesity using the body's own immune system. It has the potential to become the first non-surgical, effective, and sustainable therapeutic option against the worldwide epidemic increase in obesity and its co-morbidities and mortalities. In January 2020 Alytas has entered into an exclusive licence agreement with Velabs Therapeutics GmbH, a biotechnology company focused on the rapid screening of functional therapeutic antibodies, for the development and commercialisation of Alytas' antibodies in the field of senescence, related degenerative processes and pathologies.



Synimmune Equity Ltd.

Synimmune GmbH is a German biotechnology company dedicated to the development of innovative and effective mono- and bispecific anti-tumour antibodies for the treatment of patients suffering from life-threatening diseases. Synimmune focuses upon orphan hematopoietic malignancies. It aims to accelerate the passage of new anti-cancer drugs from laboratory to clinic.

The company was founded in 2010 and is based in Tübingen in southwestern Germany. It is a spin-off of the Department of Immunology of the University of Tübingen initially supported by the GO-Bio programme of the German Ministry of Education and Research (BMBF). Synimmune is still proportionately owned by its founders and executive partners Dr. Große-Hovest (36.12%) and Dr. Aulwurm (11.53%). Xlife Sciences holds a stake of 10%. The management board is extended by Dr. Steiner, a former biotechnology and med-tech consultant and founder of various biotechnology companies. Since 2016 he has been CEO of Synimmune GmbH. In addition to its founder's investments, the company is funded by investments from the German KfW and further private equity.

The company's lead product candidate is the antibody FLYSYN, which is currently in a first-in-human phase I clinical study in acute myeloid leukaemia (AML) for patients with minimal residual disease (MRD). Most AML patients achieve complete remission with MRD status after regular chemotherapy, but the majority of these patients relapse to AML within several months, requiring additional courses of chemotherapy or stem-cell transplantation. FLYSYN is intended to delay or prevent such relapse in AML patients with MRD.

The product portfolio is supplemented by antibody TACSIN, indicated for the therapy of AML and acute lymphoblastic leukaemia (ALL) in patients whose disease is characterised by a relatively high and growing number of tumour cells (as opposed to the indication for FLYSYN AML at MRD stage). TACSIN is subject to granted patents in Europe and to internationally pending patent applications. Synimmune has completed the preclinical characterisation of TACSIN with high target specificity. In addition, Synimmune has developed a GMP (Good Manufacturing Practice) manufacturing process for TACSIN.

Lysatpharma.

Lysatpharma GmbH

Lysatpharma GmbH is a German young innovation-based biotechnology start-up focusing on regenerative medicine and new biomedical immunotherapies. Founded in 2018 and cooperating with the University Hospital of Jena, the company is developing novel immunotherapies for acute as well as chronic, systemic inflammatory diseases. These encompass, for example, autoimmune disorders such as rheumatoid arthritis, multiple sclerosis or certain forms of diabetes as well as typical civilization diseases such as myocardial infarction, stroke or complex diseases often occurring after transplantation.

Currently, four projects are in the company's R&D programme: IPRA-01, IPMs-02, IPGVHD-03 and IPAls-04. In IPRA-01, a new immunotherapy for clinical use in the field of rheumatoid arthritis is under development. IPMs-02 aims at the treatment of multiple sclerosis while IPGVHD-03 targets the severe graft-versus-host disease (GvHD) that is a major complication after allogeneic stem-cell transplantation in cancer patients. Finally, IPAls-04 stands for a novel treatment option in the field of amyotrophic lateral sclerosis (Als).

The patented approach of Lysatpharma GmbH is based on the use of defined bioactive components, which are extracted from surplus production of high-quality tested blood-products. These conserves are provided continuously by blood banks for clinical primary care. By repurposing unused and otherwise discarded blood products, Lysatpharma GmbH processes the precious material and generates a potent future biological. As far as inflammatory processes in different diseases share common features and tissue damage is often associated with inflammation, a broad biomedical approach is possible,

which is pursued in the company's R&D programmes. So far, Lysatpharma has successful and promising first in-vitro as well as preclinical in-vivo data in the field of acute and chronic systemic inflammation. All projects of the company are currently in the proof-of-concept phase. Lysatpharma is funded by private equity investments and investments by listed investment companies that also actively participate in the company's management. Xlife Sciences holds a 10%-stake in Lysatpharma.

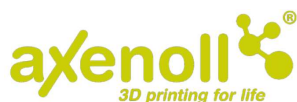


V-Labs Equity AG

Velabs Therapeutics GmbH is a German biotechnology company dedicated to microfluidics-based technologies for functional screening of antibodies with modulatory function on complex signalling proteins. With its antibody screens, the company can significantly shorten pre-clinical development of efficient antibodies. Velabs primarily aims at partnering with pharmaceutical companies to shorten their usual delay in preclinical hit generation and validation from several months or years to significantly shorter times with almost no side effects.

The company was founded in 2017 as a spin-off of the renowned life science research institute, the European Molecular Biology Laboratory (EMBL) and its technology transfer arm EMBLEM Technology Transfer GmbH (EMBLEM). The institute has an eminent track record in instrument development and is a leading player in microfluidic-based screening. EMBL remains a partner of Velabs and holds a 20.27%-stake in the company. Xlife Sciences holds a 14% stake in Velabs. Since the end of 2017, Velabs has been managed by Dr. Christop Antz. The CEO is an experienced company executive and former venture capital manager in life sciences with focus on drug development, diagnostics, and instrumentation.

Velabs droplet-based microfluidic screening technology is designed to rapidly generate antibodies against target molecules presented on cellular membrane surfaces or as a soluble protein. Its proprietary high-throughput screening platform makes it possible to test millions of correctly paired, fully natural human and mouse IgGs for therapeutic effects. Results are achieved in only a fraction of the time required by other technologies. The company offers customised screening services for users worldwide. These services comprise functional human antibodies like patient-derived antibodies for tumour suppression, selective and functional antibodies against GPCRs and ion channels and human antibodies against pathogenic bacterial or viral strains. In addition to the execution of service projects, Velabs is currently building its own pipeline of therapeutic antibody candidates for further joint development with pharmaceutical partners. Furthermore, the company is striving for further cooperation with contract research organisations (CROs), clinical centers, academic and research institutions.



Axenoll Life Sciences AG

Axenoll Life Sciences AG is an innovative and future-oriented Swiss medical technology company. It develops and implements projects for cellular 3D printing of biomaterials for applications in the medical and biotechnological sector. Axenoll has a largely unique process for fast and gentle mass 3D printing that is unique in the market for the production of sterile cellular or non-cellular biological pharmaceutical, biotechnological or medical products. This process is the only industrial mass production suitable for living cells so far. The portfolio includes a wide range of 3D products such as wound meshes, micro scalpels, screening chips or human micro tissue. The focus is mainly on diagnostics, but also on medical applications. Microarrays, printed membranes, bone implants, medical sensors or organoids can be produced in high volumes and identical units as well as in variable form and permeability.

Axenoll has its headquarters in Zumikon (CH) and a second important location in a separate legal entity in Jena in Central Germany. The location in Jena and the Friedrich Schiller University (FSU) with the Institute of Organic Chemistry and Macromolecular Chemistry as well as the University Hospital offer Axenoll the ideal environment to attract

highly qualified employees as well as research and development partners. A cooperation and framework agreement has already been concluded with FSU. The first joint projects are in the start-up phase. Axenoll is managed by its CEO Simon Madej. Oliver Baumann, CEO of Xlife sciences is member of the Board of Directors. Xlife Sciences holds a 10%-stake in Axenoll.

Axenoll owns the worldwide licensing rights for cellular and molecular 3D bioprinting in the context of clean room R&D, production, and marketing, based on the patented Exentis 3D Mass Customization, the Exentis 3D screen printing technology. Axenoll is a technology company that develops and industrialises projects, ranging from development task to industrial production on a very large scale. Their customers are pharmaceutical, medical and biotech companies. After customer-specific product development, Axenoll takes over series production or grants sublicences to customers, who can then manufacture their product themselves. In this case, the roll-out of technology offers interesting exit opportunities such as IPOs or spin-offs. Generally, Axenoll is striving for medium to long-term cooperation with its customers. Various innovative projects are currently in the development phase, including 3D bioprinting for skin models, cell tissue, microarrays, organoids and micro scalpels. The company is intensively expanding its 3D bioprinting portfolio in Jena as part of its cooperation arrangement with the local university.



saniva diagnostics GmbH

Saniva diagnostics is an innovative German medical technology company from the field of diagnostics. It develops a screening instrument (hardware and software), based on the Falling-Stick-Test enabling the early-stage detection of neurodegenerative diseases, meaning before clinical manifestation of the disease. Once clinical symptoms manifest themselves, the neurodegenerative process is already irreversibly advanced. Before manifestation of the diseases there is a long prodrome phase. The time of diagnosis has a decisive influence on the treatment and the chances of curing the disease. In contrast to cancer diseases, no preventive examinations are currently offered for neurodegenerative diseases (e.g. Parkinson's or Alzheimer's disease). Saniva addresses this challenge with its novel and specific motor screening instrument. With early detection patients at risk can be identified at an earlier stage and thus benefit from a curative treatment approach.

Saniva was founded in January 2019 as a spin-off of the University of Jena and is based in Erfurt in eastern Germany. It is funded by private equity investments and Xlife sciences that strategically supports Saniva and actively participates in the company's management. Saniva is managed by its CEO Christian Faber. From the scientific side, the project is supervised by Jenny Nisser, sport scientist and co-inventor of the screening instrument.

Currently in clinical development are numerous drugs, with which a curative therapy approach can be realised. However, the application of neuroprotective drugs requires early detection of the diseases, previous to the damage of affected cerebral areas. In this respect, the solution is to develop an efficient and inexpensive screening examination in the sense of a preventive examination for neurodegenerative diseases. The Falling-Stick-Test-Device (FSD) is fast, non-invasive, simple, and inexpensive. The FSD-based measurement procedure can be easily integrated into both the clinical day-to-day business and in existing screening test. The motoric assessment result is obtained in real time, using sensors and the data is analysed automatically. To score the individual risk, a normative database from healthy individuals and disease-specific limit values are used.



Vitruvia AG

Vitruvia is a Swiss-German corporate group highly specialised in the European healthcare industry, dedicated to providing innovative and sustainable solutions that deliver advances in medical technology. The company is one of the leading European specialists in circular systems for surgical applications and the first European service provider to specialise in circular systems for robotic instruments.

Vitruvia with its current business model was founded in 2017. It is based in Schönebeck in central Germany and has further locations in Anglikon (CH) and Berlin. In Schönebeck, Vitruvia is currently establishing an innovative Circular Clinic Supply Center for robotic instruments. The centre will be used as a reprocessing site for medical devices, ensuring professional quality-assured cleaning, decontamination, testing, sterilisation and preparation for reuse. The company is managed by a well-established team of specialised industry experts under the leadership of Markus A. Bertschin (President of the BoD). Xlife Sciences holds a 10%-stake in Vitruvia.

Vitruvia develops applications based on machine learning algorithms and strategies. These self-learning methods of artificial intelligence are designed to optimise the sensor-monitored reprocessing of used robotic instruments, ensuring that process parameters are automatically adjusted to the necessary requirements, so the surgical instruments are cleaned to the highest safety standards based on their levels of initial contamination. Simultaneously, clinics receive proof of the individual process steps at any time through integrated quality management (iQ) and comprehensive documentation. Thus clinics meet the latest legal standards of the European Union and the Federal Republic of Germany. Vitruvia's focus on robotic instruments targets a market with high growth potential. Robot-assisted surgery is revolutionising medicine, especially for minimally invasive procedures. Compared to the USA and Asia, the market in Germany and Europe is currently still in its infancy. Vitruvia is planning, in the foreseeable future, to push the expansion of its service portfolio to other fields, including medical devices for heart and general surgery, endoscopes, and the whole recycling system.



Fuse-AI GmbH

FUSE-AI is a German specialist for the use of artificial intelligence in the healthcare industry. Specifically, the company develops diagnostic support for the early detection of cancer through the use of AI-supported technologies. The main idea is to offer physicians a second opinion with the aim of improving the quality of medical services. This reduces false diagnoses, which can result from the analysis of medical images, from 14% to 1% and partially automates time-consuming aspects of diagnostic reporting. Misdiagnoses can, on the one hand, lead to unnecessary follow-up treatments and complications and, on the other hand, to curative interventions being carried out too late. This results in considerable economic damage.

The company was founded in 2017 and currently develops the assistance system ProstateCarcinoma.ai for the diagnosis of prostate cancer based on annotated MRI data sets. The analysis of this MRI is particularly time-consuming for the radiologist. Since 2005 the number of MRIs has increased by 23% while the number of radiologists has only increased by 6%. In addition, every year tens of thousands of Germans are diagnosed with prostate cancer on the basis of the image material. The use of artificial intelligence can support radiologists in making a diagnosis and save time. FUSE-AI is still majority-owned by its founders, who are simultaneously developing and managing the company. They are supported by other experts from the fields of artificial intelligence and radiology. Further funding is provided by private equity investments. Xlife Sciences holds a 30%-stake in FUSE-AI.

Modern imaging techniques provide physicians with more information but they are increasingly overwhelmed with the evaluation. Artificial intelligence (AI) and learning systems may provide the solution in the future. FUSE-AI GmbH is developing solutions for the detection of various abnormalities in different imaging procedures. The existing

technical expertise can be optimally utilised by the method of transfer learning. FUSE-AI's software for intelligent image recognition of medical images will be made available to physicians as a Software-as-a-Service in a pay-per-use or subscription model at www.sherlog.ai. In addition, revenues will be generated from licensing business with manufacturers of radiological software and medical imaging equipment.



Inflamed Pharma GmbH

Inflamed Pharma is a German company that is dedicated to scientific research, development and production of chemical and active pharmaceutical ingredients applied in innovative therapies for human and veterinary medicine. Officially founded in 2019 and in its current legal form since 2020, the Jena-based company is 70%-owned by Xlife Sciences. Founders and private individuals hold further stakes through private equity investments. Since 2019, the company has been represented by CEO Christian Faber.

High attention is given to a substance that is based on the active ingredient procaine. Procaine is a globally used substance in active pharmaceutical ingredients in the category of local anaesthetics. It is well-tested, with few side effects and is applied in various indications, for example in neural therapy. Less known, but all the more important is its use for treatment of pain and inflammation, as occurs for instance when suffering from arthritis and arthrosis. The patented manufacturing process has made it possible to use this active ingredient, which was previously only available parenterally, for other forms of application, such as oral and dermal application, and to achieve synergies in terms of effectiveness. Better bioavailability is fundamental to this opportunity. This process of clustering, in which the active ingredient is incorporated into a protective shell, can also be transferred to other active ingredients. The active substance is currently used as a magistral preparation and for the pharmaceutical compounding. Inflamed Pharma is striving for a clinical study in cooperation with the University Hospital Jena to achieve the final aim of a successful approval. In the future, Inflamed Pharma plans to become a GMP-certified manufacturer of active ingredients.



Clyxop Devices UG

Clyxop devices UG is a German biotechnology company with a registered office in Erfurt. The company was founded in 2019 as a spin-off of the University Hospital Jena. Xlife Sciences holds a 75%-stake in Clyxop Devices. Based on biocellulose, Clyxop Devices is developing tubes that can be used to bridge damage to hollow organs and stimulate tissue regeneration. A decisive advantage over typically small, synthetic active ingredients is the high biological specificity. It helps to intensify the effect only on the cancer cell and thus reduces side effects.

The surgical therapy of hollow organs of the abdomen, such as the bile duct or the ureter, is always a challenge for the surgical team. Until today, in the case of tumours or after organ transplantations, defects arise that make it impossible to restore the anatomy. The necessary bypass operations often lead to subsequent complications, such as life-threatening infections, which cause longer or renewed hospitalisation. Therefore, many surgeons wish to have a substitute material which bridges long-distance substance defects of the hollow organs and ideally enables the original tissue to regenerate and form new tissue. Clyxop devices is working intensively on this question and the development of potential tubes that offer a possible medical solution for damage to hollow organs.



Araxa Biosciences GmbH

Araxa Biosciences is a German biotechnology company that aims to set new standards in the development of antibody-based therapeutics and diagnostics drug conjugates. For many diseases there is no effective cure or diagnosis. Great hopes are pinned on protein-based drugs such as antibody-drug conjugates (AWK) or radio-immunotherapies (RIT) in the treatment of cancer. A decisive advantage over typically small, synthetic active ingredients is the high biological specificity. It helps to intensify the effect only on

the cancer cell and thus reduce side effects. Targeted chemical modification is used to enhance efficacy, and other properties of antibodies. It is one of the most promising, but also most technically challenging development areas in modern biotechnology and pharmaceuticals.

The company was founded in January 2019 as a spin-off company from Europe's prestigious life science research and instrumentation institute, the European Molecular Biology Laboratory (EMBL) in Heidelberg and its technology transfer arm EMBLEM Technology Transfer GmbH. Araxa Biosciences is based in Heidelberg in southwestern Germany and managed by a heterogeneous team of specialised scientists and business developers under the leadership of Gerhard Keilhauer. He has strong experience in preclinical and clinical development of therapeutics in various indications. The main investor in the company is Xlife Sciences with a stake of 70%. Further investors are the EMBL and the EMBLEM, which also support Araxa as academic partners.

Many common methods for the development and production of AWK or RIT suffer from drawbacks, such as complex and inefficient processes, low specificity and thus high batch-dependent variability, no free choice of modification position, a very limited application area or high time exposure. Araxa aims to further develop a technology platform that addresses all these drawbacks. The approach is based on the precise side-specific incorporation of synthetic, so-called unnatural amino acids (UAA) into monoclonal antibodies (mAb) by extending the genetic code. The UAA can be connected with active ingredients or radioisotopes through bio-orthogonal click chemistry reactions in a fast and quantitative manner – even inside cells and eventually in future patients. The modular concept allows an independent exchange of antibodies or modification, enabling a fast change from nuclear diagnosis to ADC therapy. Araxa will operate as a research and development-focused antibody engineering service provider and will consider developing a proprietary pharmaceuticals pipeline.



Palleos Healthcare GmbH

Xlife Sciences diversified its portfolio further by acquiring a 50%-stake in the full service clinical research organisation (CRO) Palleos Healthcare GmbH, headquartered in Wiesbaden/Germany. The company is providing services for the development of drugs as well as sponsorship services in all study phases. Of specific interest for Xlife might be Palleos' expertise in the implementation of preclinical and translational concepts in the early phases of clinical development.

Management



Oliver R. Baumann – CEO

Oliver R. Baumann is an entrepreneur and has a strong track record with 17 years of experience in investment banking, capital market strategies and life science. From 2003 to 2010, he held various positions at Credit Suisse, where he focused on alternative investments, research in the biotech and medical technology sectors, and serving institutional clients. Parallel to this, he accompanied various start-up and M&A transactions. From 2010 to 2019, Baumann initially held the position as Head of Alternative Strategies and Trading before taking over the position as CEO and partner at Sloan Asset Management/Belvoir Capital. Moreover, he holds various advisory board memberships.



Dr. Bernhard Scholz – President of the Board of Directors

Dr. Bernhard Scholz studied philosophy, holds a PhD in economics and has worked as a research assistant. After his studies he initially worked as a self-employed consultant with a focus on the banking sector before joining the former Bayerische Hypotheken- und Wechselbank in 1991. He worked in various positions, initially with a focus on IT/organisation, then in real estate financing. From 2004 to 2017, Dr. Bernhard Scholz was a member of the Management Board, first at Münchener Hypothekenbank e.G. and then at pbb Deutsche Pfandbriefbank AG. Since 2017 he has been working as a self-employed consultant again and holds several mandates in financial institutions and insurance companies.



Beat Kläui – CFO

After his studies, Beat Kläui worked for 15 years at a large auditing firm, where he advised small companies as well as international corporations. For private reasons, he changed to the management of a medium-sized trust company. 10 years ago, he founded his own trust company with the purpose of providing improved services for start-ups.



Christian Faber – Member of the Board of Directors

Christian Faber is a specialist lawyer and advises banks, trade financiers and medium-sized companies in banking and securities law as well as in commercial and corporate law. Christian Faber is the contact person for corporate finance issues and capital investment law for portfolio companies and investors of Xlife Sciences. He also represents several portfolio companies as CEO. Furthermore, Christian Faber is Managing Partner (CFO) of Bette Westenberger Brink, holds several legal advisory mandates and is MaRisk Compliance Officer of multiple financial institutions. Mr. Faber is also Chief Compliance Officer of the Xlife Sciences AG.



David L. Deck – Founder and Senior Advisor

David L. Deck is the founder of Xlife Sciences and has 28 years of experience in business development and corporate finance with a focus on the life sciences industry. As an investor he has a track record of 14 successful exits in the field of biotech and med-tech. In addition, he has extensive expertise in financial management as well as a broad network in the fields of life sciences and finance within the DACH region. David L. Deck holds large private investments in various portfolio companies of Xlife sciences AG, including a 40.5% stake in Alytas Therapeutics GmbH, 35.5% in Lysatpharma GmbH, 100% in Saniva Diagnostics GmbH, 14% in Inflamed Pharma GmbH and 100% in Clyxop Devices UG.

**Prof. Michael B. Klein – Member of BoD and president of the scientific advisory board (SAB)**

In his position, Prof. Michael B. Klein acts as a link between business, science and politics. He has many years of experience in policy counselling. Between 2010 and 2017 Klein, as general secretary of the German Academy of Science and Engineering (acatech), advised the German government in technological innovation projects. Afterwards he was Head of Foreign Affairs, Political and Governmental Relations at Robert Bosch GmbH. Professor Michael Klein is an adjunct professor at the TU Berlin and guest professor for science and innovation management at the Berlin School of Economics and Law.

NAV calculation

Project	Sector	Fair Value (in CHF)	Share Xlife	Status	Exit planned as
Financial Holdings					
Synimmune Equity GmbH	Biotech, 2 projects	28,461,000	10.0%	phase IIIa	Trade Sale, Licence
Alytas Therapeutics GmbH	Biotech, 2 projects	74,410,000	10.0%	preclinical phase	Licence, Trade Sale
Lysatpharma GmbH	Biotech, 5 projects	21,502,891	10.0%	preclinical phase	Licence, Trade Sale
Vitruvia AG	Medtech	870,000	10.0%	in the market	IPO
Axenoll Life Sciences Ltd	Bio-/Medtech	3,500,000	10.0%	in the market	Trade Sale, IPO
V-Labs Equity	Technology platform	21,748,000	14.0%	in the market	IPO
Laxxon Medical AG	Bio-/Medtech	2,600,000	10.0%	in the market	Trade Sale, IPO, Licence
Saniva Diagnostics GmbH	Medtech	12,324	10.0%	certification/study	Trade Sale, Licence
		<u>153,104,215</u>			
Fully Consolidated Subsidiaries					
Araxa Biosciences GmbH	Technology platform		70.0%	validation	Trade Sale
Inflamed Pharma GmbH	Biotech, 2 projects		75.0%	final study	Licence, Trade Sale
Clyxop devices	Bio-/Medtech		100.0%	animal testing	Trade Sale
x-nuclear diagnostic GmbH	Diagnostic		100.0%	validation, GMP	Trade Sale, Licence
palleos healthcare GmbH	CRO		50.0%	in the market	Trade Sale
		<u>65,250,000</u>			
Equity Companies					
FUSE-AI GmbH	AI/ Diagnostic		30.0%	in the market	Trade Sale
<hr/>					
NAV projects, in CHF		227,854,215			
Cash at hand, CHF		<u>1,200,000</u>			
NAV total, in CHF		229,054,215			
NAV, in EUR		213,669,977			
Number of shares out		3,832,346			
NAV per share (EUR)		55.75			
current share price		38.20			
Discount		46%			

Source: Warburg Research

Valuation	2019	2020e	2021e	2022e
Price / Book	n.a.	1.4 x	1.0 x	0.7 x
Book value per share ex intangibles	25.82	26.39	38.69	54.80
EV / Sales	n.a.	15.1 x	3.0 x	1.4 x
EV / EBITDA	n.a.	18.9 x	3.2 x	1.5 x
EV / EBIT	n.a.	18.9 x	3.2 x	1.5 x
EV / EBIT adj.*	n.a.	18.9 x	3.2 x	1.5 x
P / FCF	n.a.	20.3 x	3.1 x	2.4 x
P / E	n.a.	13.9 x	3.1 x	2.4 x
P / E adj.*	n.a.	13.9 x	3.1 x	2.4 x
Dividend Yield	n.a.	0.4 %	1.6 %	2.0 %
FCF Potential Yield (on market EV)	n.a.	5.3 %	30.0 %	58.2 %

*Adjustments made for: -

Consolidated profit & loss

In CHF m	2019	2020e	2021e	2022e
Sales	0.5	13.2	52.6	73.0
Change Sales yoy	n.a.	2467.7 %	298.3 %	38.7 %
Increase / decrease in inventory	0.0	0.0	0.0	0.0
Own work capitalised	0.0	0.0	0.0	0.0
Total Sales	0.5	13.2	52.6	73.0
Material expenses	0.3	0.7	1.0	1.0
Gross profit	0.2	12.5	51.7	72.1
<i>Gross profit margin</i>	<i>34.8 %</i>	<i>94.8 %</i>	<i>98.2 %</i>	<i>98.7 %</i>
Personnel expenses	0.4	0.9	1.8	3.6
Other operating income	0.0	0.0	0.0	0.0
Other operating expenses	0.5	1.1	1.2	1.4
Unfrequent items	0.0	0.0	0.0	0.0
EBITDA	-0.7	10.5	48.7	67.1
<i>Margin</i>	<i>-145.2 %</i>	<i>79.6 %</i>	<i>92.5 %</i>	<i>91.9 %</i>
Depreciation of fixed assets	0.0	0.0	0.0	0.0
EBITA	-0.8	10.5	48.7	67.1
Amortisation of intangible assets	0.0	0.0	0.0	0.0
Goodwill amortisation	0.0	0.0	0.0	0.0
EBIT	-0.8	10.5	48.7	67.1
<i>Margin</i>	<i>-149.1 %</i>	<i>79.6 %</i>	<i>92.5 %</i>	<i>91.9 %</i>
EBIT adj.	-0.8	10.5	48.7	67.1
Interest income	0.0	0.0	0.0	0.0
Interest expenses	0.6	0.1	0.1	0.1
Other financial income (loss)	2.4	0.0	0.0	0.0
EBT	1.0	10.4	48.6	67.0
<i>Margin</i>	<i>200.6 %</i>	<i>78.5 %</i>	<i>92.3 %</i>	<i>91.7 %</i>
Total taxes	0.0	0.0	1.5	7.0
Net income from continuing operations	1.0	10.4	47.1	60.0
Income from discontinued operations (net of tax)	0.0	0.0	0.0	0.0
Net income before minorities	1.0	10.4	47.1	60.0
Minority interest	0.0	0.0	0.0	0.0
Net income	1.1	10.4	47.1	60.0
<i>Margin</i>	<i>204.0 %</i>	<i>78.4 %</i>	<i>89.4 %</i>	<i>82.1 %</i>
Number of shares, average	3.6	3.8	3.9	3.9
EPS	0.30	2.72	12.17	15.49
EPS adj.	0.30	2.72	12.17	15.49

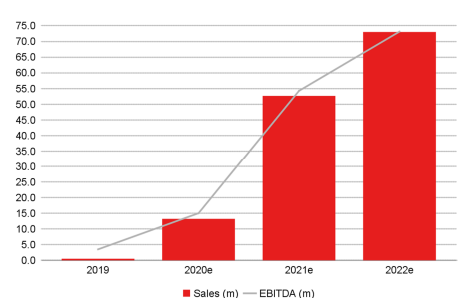
*Adjustments made for:

Guidance: n.a.

Financial Ratios

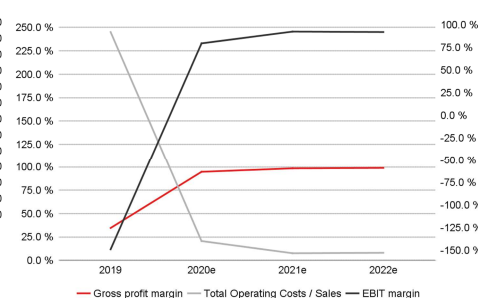
	2019	2020e	2021e	2022e
Total Operating Costs / Sales	245.2 %	20.4 %	7.5 %	8.1 %
Operating Leverage	n.a.	n.a.	1.2 x	1.0 x
EBITDA / Interest expenses	n.m.	75.2 x	348.0 x	479.2 x
Tax rate (EBT)	0.0 %	0.2 %	3.1 %	10.5 %
Dividend Payout Ratio	0.0 %	5.2 %	5.0 %	5.0 %
Sales per Employee	n.a.	n.a.	n.a.	n.a.

Sales, EBITDA
in EUR m



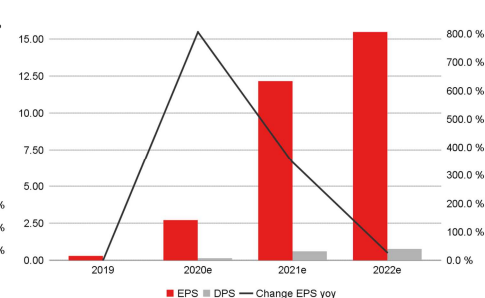
Source: Warburg Research

Operating Performance
in %



Source: Warburg Research

Performance per Share



Source: Warburg Research

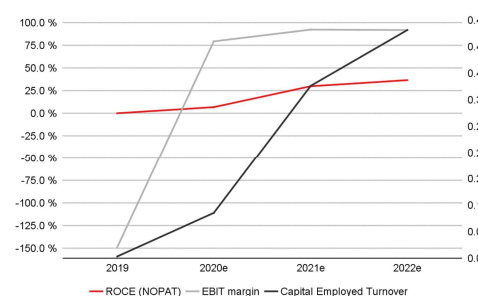
Consolidated balance sheet

In CHF m	2019	2020e	2021e	2022e
Assets				
Goodwill and other intangible assets	0.2	0.2	0.2	0.2
thereof other intangible assets	0.2	0.2	0.2	0.2
thereof Goodwill	0.0	0.0	0.0	0.0
Property, plant and equipment	0.0	0.0	0.0	0.0
Financial assets	148.6	155.0	161.0	169.0
Other long-term assets	0.0	0.0	0.0	0.0
Fixed assets	148.9	155.2	161.2	169.2
Inventories	0.0	0.0	0.0	0.0
Accounts receivable	2.4	0.0	0.0	0.0
Liquid assets	2.5	3.2	44.9	99.2
Other short-term assets	0.1	0.1	0.1	0.1
Current assets	5.1	3.4	45.0	99.3
Total Assets	154.0	158.6	206.2	268.5
Liabilities and shareholders' equity				
Subscribed capital	3.8	3.8	3.8	3.8
Capital reserve	93.7	93.7	93.7	93.7
Retained earnings	0.0	10.3	57.9	120.3
Other equity components	0.0	-5.4	-5.4	-5.4
Shareholders' equity	97.4	102.3	150.0	212.3
Minority interest	-0.1	-0.1	-0.1	-0.1
Total equity	97.2	102.2	149.8	212.1
Provisions	0.1	0.1	0.1	0.1
thereof provisions for pensions and similar obligations	0.0	0.0	0.0	0.0
Financial liabilities (total)	56.2	56.2	56.2	56.2
thereof short-term financial liabilities	0.0	0.0	0.0	0.0
Accounts payable	0.4	0.0	0.0	0.0
Other liabilities	0.0	0.0	0.0	0.0
Liabilities	56.8	56.4	56.4	56.4
Total liabilities and shareholders' equity	154.0	158.6	206.2	268.5

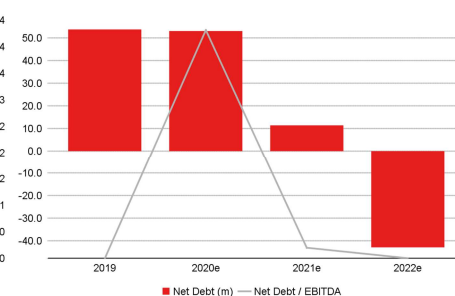
Financial Ratios

	2019	2020e	2021e	2022e
Efficiency of Capital Employment				
Operating Assets Turnover	0.2 x	592.2 x	2358.5 x	3270.9 x
Capital Employed Turnover	0.0 x	0.1 x	0.3 x	0.4 x
ROA	0.7 %	6.7 %	29.2 %	35.4 %
Return on Capital				
ROCE (NOPAT)	n.a.	6.9 %	29.8 %	36.4 %
ROE	2.2 %	10.4 %	37.3 %	33.1 %
Adj. ROE	2.2 %	10.4 %	37.3 %	33.1 %
Balance sheet quality				
Net Debt	53.7	53.0	11.4	-42.9
Net Financial Debt	53.7	53.0	11.4	-42.9
Net Gearing	55.2 %	51.9 %	7.6 %	-20.2 %
Net Fin. Debt / EBITDA	n.a.	503.8 %	23.4 %	n.a.
Book Value / Share	25.9	26.4	38.8	54.9
Book value per share ex intangibles	25.8	26.4	38.7	54.8

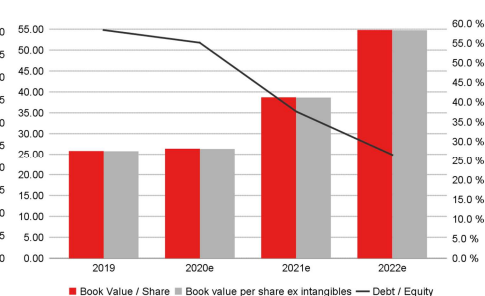
ROCE Development



Net debt in EUR m



Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

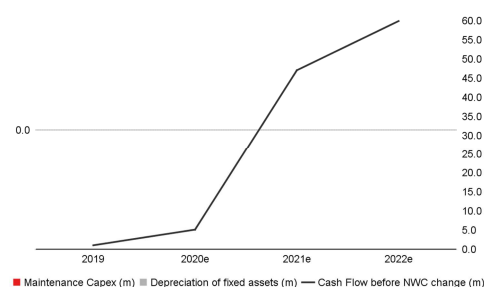
Consolidated cash flow statement

In CHF m	2019	2020e	2021e	2022e
Net income	1.0	10.4	47.1	60.0
Depreciation of fixed assets	0.0	0.0	0.0	0.0
Amortisation of goodwill	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.0	0.0	0.0	0.0
Increase/decrease in long-term provisions	0.0	0.0	0.0	0.0
Other non-cash income and expenses	0.0	-5.2	0.0	0.0
Cash Flow before NWC change	1.0	5.2	47.1	60.0
Increase / decrease in inventory	0.0	0.0	0.0	0.0
Increase / decrease in accounts receivable	0.0	2.4	0.0	0.0
Increase / decrease in accounts payable	0.0	-0.4	0.0	0.0
Increase / decrease in other working capital positions	0.0	0.0	0.0	0.0
Increase / decrease in working capital (total)	0.0	2.0	0.0	0.0
Net cash provided by operating activities [1]	1.0	7.2	47.1	60.0
Investments in intangible assets	0.0	0.0	0.0	0.0
Investments in property, plant and equipment	0.0	0.0	0.0	0.0
Payments for acquisitions	0.0	-0.9	0.0	0.0
Financial investments	0.0	6.3	6.0	8.0
Income from asset disposals	0.0	0.0	0.0	0.0
Net cash provided by investing activities [2]	0.0	-7.2	-6.0	-8.0
Change in financial liabilities	0.0	0.0	0.0	0.0
Dividends paid	0.0	0.0	0.5	2.4
Purchase of own shares	0.0	0.0	0.0	0.0
Capital measures	0.0	0.7	0.0	0.0
Other	0.0	0.0	0.0	0.0
Net cash provided by financing activities [3]	0.0	0.7	0.5	2.4
Change in liquid funds [1]+[2]+[3]	1.0	0.7	41.6	54.3
Effects of exchange-rate changes on cash	0.0	0.0	0.0	0.0
Cash and cash equivalent at end of period	1.0	3.2	44.9	99.2

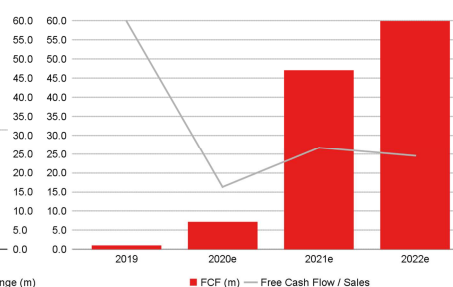
Financial Ratios

	2019	2020e	2021e	2022e
Cash Flow				
FCF	1.0	7.2	47.1	60.0
Free Cash Flow / Sales	200.6 %	54.5 %	89.4 %	82.1 %
Free Cash Flow Potential	-0.7	10.5	47.2	60.1
Free Cash Flow / Net Profit	98.3 %	69.5 %	100.0 %	100.0 %
Interest Received / Avg. Cash	0.0 %	0.0 %	0.0 %	0.0 %
Interest Paid / Avg. Debt	2.0 %	0.2 %	0.2 %	0.2 %
Management of Funds				
Investment ratio	0.0 %	0.0 %	0.0 %	0.0 %
Maint. Capex / Sales	0.0 %	0.0 %	0.0 %	0.0 %
Capex / Dep	0.0 %	n.a.	n.a.	n.a.
Avg. Working Capital / Sales	198.8 %	7.7 %	0.0 %	0.0 %
Trade Debtors / Trade Creditors	615.6 %	n.a.	n.a.	n.a.
Inventory Turnover	n.a.	n.a.	n.a.	n.a.
Receivables collection period (days)	1,732	0	0	0
Payables payment period (days)	431	0	0	0
Cash conversion cycle (Days)	n.a.	n.a.	n.a.	n.a.

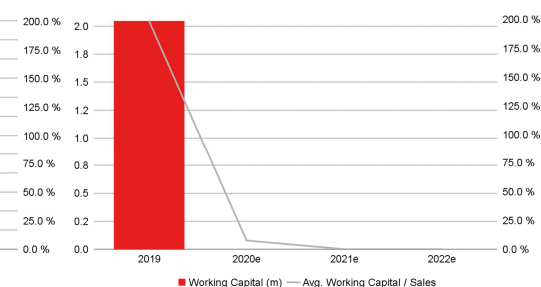
CAPEX and Cash Flow
in EUR m



Free Cash Flow Generation



Working Capital



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

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Company	Disclosure	Link to the historical price targets and rating changes (last 12 months)
Xlife Sciences	3, 4, 5	http://www.mmwarburg.com/disclaimer/disclaimer_en/CH0461929603.htm

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Investment recommendation: expected direction of the share price development of the financial instrument up to the given price target in the opinion of the analyst who covers this financial instrument.

-B-	Buy:	The price of the analysed financial instrument is expected to rise over the next 12 months.
-H-	Hold:	The price of the analysed financial instrument is expected to remain mostly flat over the next 12 months.
-S-	Sell:	The price of the analysed financial instrument is expected to fall over the next 12 months.
“-“	Rating suspended:	The available information currently does not permit an evaluation of the company.

WARBURG RESEARCH GMBH – ANALYSED RESEARCH UNIVERSE BY RATING

Rating	Number of stocks	% of Universe
Buy	133	66
Hold	55	27
Sell	9	4
Rating suspended	6	3
Total	203	100

WARBURG RESEARCH GMBH – ANALYSED RESEARCH UNIVERSE BY RATING ...

... taking into account only those companies which were provided with major investment services in the last twelve months.

Rating	Number of stocks	% of Universe
Buy	35	83
Hold	5	12
Sell	0	0
Rating suspended	2	5
Total	42	100

PRICE AND RATING HISTORY XLIFE SCIENCES AS OF 28.10.2020



Markings in the chart show rating changes by Warburg Research GmbH in the last 12 months. Every marking details the date and closing price on the day of the rating change.

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