

BIOCORP (CORPORATE, TP EUR32) | New contracts for Mallya with geographic expansion

- The company announced two agreements with companies which have developed digital applications for diabetic patients. With these agreements, Mallya will be integrated to these digital applications.
- As a reminder, Mallya is a cap that can be added onto a disposable pen, which collects key data for the patient and the doctor (insulin quantity, time of injection, etc...). The advantage of Mallya is that it can be adapted to any kind of insulin pen, without any modification from the manufacturer.
- The first one was signed with SocialDiabetes which is based in Spain. Its platform is also used in Mexico, Colombia and Chile. It is used by 250,000 patients. This platform allows self-monitoring of insulin doses. With this agreement, Biocorp will get an access to South America for Mallya.
- The second agreement was signed with Health2Sync which developed an application which provides personalized recommendation to patients. With the addition of Mallya, patients and doctors will be able to monitor and closely adapt the insulin doses. Health2Sync is based in Taiwan and its application is used by more than 600,000 patients in Asia, US and Australia.
- This is good news at the time of commercial launch especially with Sanofi and Roche France. We expect Mallya to reach about EUR100m in sales at peak by 2027.

Share price EUR28.20

	12/20e
EV/Sales	12.5x
Ev/EBITDA	140.3x
EV/EBIT	140.3x
P/E	NS
Div yld	0.1%

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Bryan Garnier stock rating system

For the purposes of this Report, the Bryan Garnier stock rating system is defined as follows:

Stock rating

CONVICTION BUY	The highest possible rating, based on a very strong conviction in the mid/long-term outlook and strategic choices made by a company, and should therefore be reflected in the extent of upside in the associated target price. There is no reason to limit the number of CONVICTION BUY ratings, however they must also reflect some kind of preference in relative terms within a sector.
BUY	This rating should traditionally be applied to companies for which we expect a positive absolute share price performance over a 6 to 12 month period. The opinion is based not only on the TP (which represents theoretical upside relative to the current share price over a 12-month period) but also takes into consideration a number of other factors that may include a SWOT analysis, momentum, technical aspects or the sector backdrop.
NEUTRAL	This rating is the equivalent of a recommendation not to trade in a stock in the short term, either as a buyer or a seller, for many potential reasons. The view is intended to be temporary since it has been proven that few stocks actually remain within a narrow -5%/+5% range over a long period of time. The rating is particularly valid in exceptional market conditions. Our intention is to limit the total number of NEUTRAL ratings to 20%.
SELL	This rating should traditionally be applied to companies for which we expect a negative absolute share price performance over a 6 to 12 month period. The opinion is based not only on the TP (which represents theoretical downside or overly-low upside from the current share price over a 12-month period) but also takes into consideration a number of other factors that may include a SWOT analysis, momentum, technical aspects or the sector backdrop.
CONVICTION SELL	This is the lowest possible rating reflecting a strong disagreement with the main strategic choices made by a company, pointing to the risk of de-rating and value destruction and which is obviously also reflected in downside potential between the share price and the target price.
NOT RATED	Covered stocks may be "Not rated" when we view them as being interesting for one or several strategic themes in our universe, but consider that we do not have a general enough perspective or overall assessment of them to be able to issue a rating. As such, our comments are limited to topics where we believe we can add value. More specifically, quarterly earnings will not be commented on per se.
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Distribution of stock ratings

Conviction BUY ratings 10.2% BUY ratings 56.1% NEUTRAL ratings 17.8% SELL ratings 15.9% Conviction SELL ratings 0%

ESG

E S G	GREEN	The highest possible rating, reflecting a positive overall assessment of the company re pre-defined criteria.
	ORANGE	The rating means that we have identified at least one topic which deserves attention and would require corrective measures.
	RED	This is a red flag. The rating says that there is at least one topic identified that is simply not acceptable at present state.
	GREY	Not rated, mainly because of insufficient data.

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