



## H. Lundbeck

*H. Lundbeck presentation delivered at the 43rd Annual J.P. Morgan Healthcare Conference on Monday, January 13, 2025 at 4:30 PM*

**James Gordon:** Good afternoon. I'm James Gordon, JPMorgan European Pharma and Biotech Analyst, and I've got the pleasure of introducing this Lundbeck presentation today. We're going to hear from Lundbeck CEO Charl van Zyl. Look forward to the presentation. Thank you very much for joining us today.

**Charl van Zyl:** Thank you, James. Good afternoon everyone here in the room and, of course, those who've joined us online. It's my pleasure to be able to present progress on Lundbeck today.

12 months ago, essentially one year ago, we were here in front of you introducing our focused innovator strategy. There were, essentially, three questions that we had learned from investors that were important to address in Lundbeck for the long term.

The first was can we grow the existing assets we have, the strategic portfolio, faster and more to navigate through the midterm? Can we build a long-term sustainable pipeline that can grow the company into the next decade? The third question was, how do we fund that journey while maintaining a healthy balance of our financial picture through the midterm?

Of course, I'm pleased to stand in front of you today to be able to say that we have made significant progress against all three of these questions. 2024 has truly been a transformative year for the company. I would like to, of course, go further into some of those highlights through the presentation.

Today, of course, I'm making some statements that are forward-looking statements, so are subject to change, as a disclaimer. We often get the question, "Neuroscience, is it more risky? Is it attractive?" I would say, first of all, we look at it through the lens of a few things.

The first is huge unmet need, high burden of disease, often lifelong conditions. These are the types of challenges that really inspire the scientists at Lundbeck. This is really what brings us to work every day. This is why we are in this space.

Of course, there's also been a second part, which is advances in understanding of the science, the biology, the pathobiology, which, of course, makes it more clear for us to be able to target diseases more carefully and more precisely.

Of course, the third one is that it's an attractive commercial area. It is continuing to grow and expected to grow certainly into the next decade. With our knowledge we have, our know-how, and on the backdrop of a very attractive market segment, we feel that our focused innovator strategy is really poised for long-term success for the company.

As a focused innovator, we are very clearly also focused on where we play and where we should play. We come from a history of neuropsychiatry, where we were treating millions of patients and we continue to treat millions of patients.

We've also expanded into neurospecialty, where we are treating maybe 10,000, 20,000, 30,000 patients. We also see an evolution in the pipeline where we are going to more neuro-rare diseases, where we might be treating a few thousand patients.

A core element of what you will see in our strategy is that we are really evolving from a broader-based neuroscience approach to a very specific, specialized approach, which is going to drive the company into areas of neurospecialty, but also neuro-rare, and be more diversified where differentiation, scientifically, is more important than scale.

What you would have seen, certainly in the last 12 months, is truly a transformation in the pipeline. From a company where we were in much more the early stage, at the beginning of last year, we are now in a position where we can have essentially four assets potentially in phase 3 by 2026.

Two of them are already in phase 3. Others are advancing. This truly changes the profile of Lundbeck and brings us to a basis of more long-term growth through the pipeline. How did we deliver against the promise we made 12 months ago?

I'm immensely proud to be able to share with you a few of the highlights. This is really the highlights of Lundbeck the organization and how we are focused on driving our strategy, our focused innovator strategy.

The first one to say is that we are growing really significantly our strategic assets, at 21 percent. It's underpinned by Vyepti, Trintellix, Brintellix, Rexulti, but also some of our more mature assets,

like Abilify.

Many of these assets have been in the market for four or five years or even longer, but we continue to see significant double-digit growth as a result of really focused execution of our commercial strategy.

On the innovation front, we have made significant progress, of course, as I said, in the pipeline. Vyepti is continuing to grow very well. The readout of the phase 3 SUNRISE results paves the way for us to be able to file and launch in the future also in the Asian markets.

An anti-PACAP first-in-class molecule backs that up with a Phase 2 now, potentially going to Phase 3, where we are building a very strong position in severe preventative migraine. On the neuro-rare side, of course, we're seeing significant build as well.

We are seeing the acquisition, the largest, bexicaserin, we've done as a company in our history. That is, of course, Phase-3-ready and being executed. We also have amlenetug, alpha-synuclein. That is also in MSA, being a first-in-class molecule there as well, and anti-ACTH in Crohn's disease and congenital adrenal hyperplasia.

Areas where we are now seeing our rare disease opportunity expand. Also, for the diversification of the long-term growth of the company. Underpinning all of this is a very disciplined capital reallocation to allow us to fund our R&D-led organization, but also making sure that we fund the growth in a very focused commercial model for the future.

Let me speak a little bit about growth. First of all, the first important question of our strategy is growth. I'm, of course, very confident when I look at the results we have achieved with these four assets. As I've said, they are in the market for more than five years, and continue to grow at 21 percent when we look at our third-quarter results of last year.

When we project this into the midterm, we, of course, see phenomenal opportunities further to grow here. We see Rexulti with the expansion of its AADAD. This is agitation associated with dementia and Alzheimer's disease. It's a new indication for us, of course, in 2023 that is now driving a lot of our growth in Rexulti.

We are in discussions with the FDA around indication expansion with PTSD as further opportunities for this asset. We see strong growth through the midterm of Rexulti underpinned by many of the initiatives we have taken with the new indications.

Vyepti, really strong and expected to triple the sales by 2027 from where we are today. Abilify, long-acting, we are seeing here a potential to further expand. Of course, we have a two-monthly injection now that allows us to also further manage the conversion from Maintena, but also see new patients benefiting from this two-monthly treatment opportunity.

Brintellix, Trintellix continues to grow very strongly, both in our international markets in Europe but also in Japan. On the back of this, we have a strong commercial engine that we feel can carry us through the midterm growth needs of the company.

To give you a few examples here, on the left-hand side, you see Vyepti. This is truly a turnaround of an asset. We see this now as one of the key assets of growth for us. As we said, this is tripling the sales by 2027. It's driven by clear execution of our operating model.

Strong investment in patient services in mobilizing direct-to-consumer, but also investing in depth and breadth of prescribing. Ensuring we have the right share of voice to be able to drive the growth of this potential opportunity for long-term growth for the company.

Rexulti, on the right-hand side, is another growth example where we have two indications today. Essentially, major depressive disorder, and, of course, as I said, agitation associated with dementia and Alzheimer's disease.

We see clearly strong growth of our newest indication, AADAD, which now is trending towards being 20 percent of the new prescriptions in Rexulti. Again, strong growth engine for us going forward.

Now, I'd like to switch a bit to the innovation engine. As the focused innovator strategy is one of R&D-led organization, I can truly say that we have transformed, through the leadership of our R&D head, Johan, a new R&D model of the future.

We are clear on where we play in the psychiatry space -- neuro-specialty and neuro-rare -- but we have shifted from a position where we were chasing indications to being focused on the biology, understanding the pathobiology, putting our clear emphasis on understanding the cause of the disease and the target, and understanding it very well before we put it through a very strict pace of preclinical work.

Then, of course, doing also adaptive proof of concept studies to be able to quickly understand the

clinical profile. As we say, let the patients speak through this process. Truly an engine that has been revamped, rebuilt to really be important, of course, for our capability of being a focused innovator and an R&D-led organization of the future.

Just to simplify a little bit the pipeline, a number of advances we've seen over the last 12 to 18 months, where we have now, as I said, really changed the profile of Lundbeck's pipeline to a more late-stage balanced pipeline.

Where we now have the potential of four phase III programs by 2026 led by, of course, Amlenetug, anti-PACAP, anti-ACTH, and of course, also the acquisition that we've made with Longboard with bexicaserin.

Let's just briefly dive into two of those pipeline opportunities. Here, with bexicaserin, this is clearly our biggest acquisition that the company has made in its history.

One where we believe we have certainly the best-in-class molecule or mode of action, broader potential of indication across a number of epilepsy. First of all, Dravet, Lennox-Gastau, but also developmental encephalopathy.

We see the potential of this asset to have a much broader application and a peak sales potential between 1.5 to 2 billion. We are right now in the process of, of course, integrating the Longboard acquisition and ensuring that the clinical operations are running smoothly with three programs in phase III, DEEP OCEAN, DEEP SEA, and also an open-label extension of those phase III programs.

Clearly, the focus here is on execution of these trials and ensuring we consolidate this new acquisition into our own pipeline and building strong momentum on the development in phase III.

A second important one is amlenetug alpha-synuclein, on the back of our phase II data, where we demonstrated a clear trend of efficacy and the potential for disease modification. Following discussions with the FDA and with other regulatory bodies, we have entered into phase III program, which you see the design there, the MASCOT trial.

We are entering into an area here where there is no treatment, so this is a first-in-class opportunity for these patients with multiple system atrophy and other devastating rare disease, neuromuscular disease. Of course, here, we see market potential or market size between 1.5 to 3 billion. Again, an opportunity to see an asset here that could reach a blockbuster status.

When we think a little bit about Lundbeck and the Lundbeck of 12 months ago and where we are now, you see a future state as well in this slide. You see that our commercial assets are the foundation of our growth through the midterm, and we believe very clearly that we are investing adequately with a very focused commercial model to drive the midterm growth of those.

As you project the pipeline into the future, you see that we have, at least what we show here, four assets that are in the potential to go to phase III and beyond, and of course, launch and grow the company into the next decade.

There's a clear Lundbeck of today and a Lundbeck of the future with a set of assets that will lead us more into specialty as well as neuro-rare for the long-term sustainable growth of the company in the next decade.

What you see with bexicaserin, as I said, is a best-in-class molecule. Amilenetug, anti-PACAP, and anti-ACTH are really first-in-class molecules, first-in-class mechanisms as well that differentiate our pipeline to be that of a focused innovator as we strive in our strategy.

The third question is on funding and how do we navigate through this where we have certainly a shift in our pipeline, more demand on our R&D investment, and how do we ensure that we fund this through a healthy financial picture for the company?

We have done this through a very disciplined and systematic approach with our leadership team to ensure that we define what's essentially 30 programs inside the company that will allow us to create capital flexibility.

Not to drive profitability but to allow us to capital to invest more into growth opportunities in the midterm, but most importantly also in the R&D engine that we want to fuel for the long-term growth of the company.

That allows us, with our capital reallocation, which is the biggest in the history of the company, so one billion-plus Danish kroner, allows us to navigate through the midterm with an adjusted EBITDA of still 30 percent while investing in R&D at 20 to 25 percent, which is well above the peer group median in terms of R&D investment.

This, we believe, is the right approach to fuel the long-term success of the company being a focused innovator and R&D-led in our approach. With that, we feel we have the foundations in

place to be able to execute on the strategy over the next few years.

To conclude, a few elements. First of all, there is, of course, a news-rich pipeline that is ahead of us. There are a few that I would just highlight.

Of course, not all of them today, but you have this available to you but we will be providing also the readout of the phase II open-label study of bexicaserin, which is the PACIFIC study. That is coming out relatively soon in the Q1 of this year.

We are engaging with the FDA following also the news that we released last week that we will have an advisory committee with the FDA on our indication for Rexulti in PTSD. This is ongoing news flow that will happen in the first half of this year.

We are also through our effort with the SUNRISE study, the phase III results of Vyepiti, able to file in the Asian market and pave the way for launching in China and Japan in the future.

This is just to mention a few of the highlights of news flow in the pipeline, but certainly, a news-rich approach to our pipeline and, of course, seeing here the testament of a company that has truly transformed its pipeline for the long-term growth of the company.

In conclusion, I want you to think about Lundbeck as a focused innovator and a company that is indexed to really drive research and development and lead from that perspective.

It's a company that has the potential in the next decade, in the early part of the next decade, to reach a 30 billion Danish kroner sales potential, so significant growth potential for the long term. Eight out of nine of our pipeline assets are more than neurospecialty, neuro-rare space, so it's also transforming the company's business model into the future.

As a company that is very disciplined around how it thinks about its assets, its investment, and the capital allocation to fund that journey to maintain a healthy cash flow and, of course, allow us with these healthy financial dynamics to prepare the company for the future decade of growth of Lundbeck.

With that, James, I think we can go to questions, and I will at that moment maybe give you the floor, but I would also, of course, like to invite a few of the management team to the stage to take the questions, if that's OK.

**James:** Sure. Thank you very much.

[applause]

**James:** Are you going to stay at the podium? How many chairs do we need?

**Charl:** I think we'll need more chairs. Thanks.

**James:** Great. Does anyone have a question they'd like to start with? In that case, maybe I'll start with one on PTSD as that's quite fresh.

**Charl:** Sure.

**James:** Actually, I've had one audience question already, and I had a couple of questions on it. One audience question I got was whether Rexulti can still accelerate in 2025 if you don't have PTSD giving you a boost to it, given you've also got the dynamics of the existing indications, so depression and schizophrenia, but then also you've got AAD as well.

**Charl:** First of all, just to say, James, that PTSD has not been included in any of our midterm guidance. Our growth is coming from what we have in Rexulti today -- MDD and the AAD/AD indication. We believe we can continue to grow the asset based on the historical picture, now 16 percent, and that forward-looking growth potential is still there. Of course, PTSD will be on top of that.

Tom, if you would like to add anything more to that, please do.

**Tom Gibbs:** Sure. Thank you, Charl, and thank you for the question. As we think about Rexulti, as we said, we came through a flattening phase, based upon having to pull back our DTC in the first month or two of 2024.

Since then, what we've seen is an acceleration across the brand, by focusing on disciplined execution from a DTC standpoint, from an HCP sales force engagement standpoint, as well as from a patient affordability and reimbursement standpoint.

We continue to see continued growth within the MDD or non-AADAD segment, but we do expect continued accelerated growth within AADAD.

**James:** Before I go to too many questions on PTSD, could you just remind us how much of Rexulti is now already from AAD versus the other patients?

**Tom:** AADAD now represents, as of October, because claims data does lag our prescription data at 19 percent. We've guided that AADAD will be greater than 20 percent by the end of the year, and we're on track to do that.

**James:** Thank you. Then maybe so in terms of where we are on PTSD, do you know why you're having this adcom? Am I right that we don't know exactly when the adcom will be yet?

**Charl:** Johan, would you like to comment on that?

**Johan Luthman:** Yeah. Obviously, this came quite late in the review process, but the FDA more and more uses adcoms more dynamically. One has to be prepared for those things. It was not announced up front, but we had an adcom for our agitation in our summer indication.

This is 23 years ago since we last had a drug approved in this indication, so I think they probably felt that they needed to have a more deeper review. There are other applications that were reviewed last year that required an adcom, so I think they just like to pressure test a little bit extra.

We're looking forward to that adcom, I have to say. We have the biggest data set ever generated in PTSD, so we're happy to discuss what we have. We have across three trials pretty convincing data. We're looking forward to have a conversation about it.

**James:** Thanks. Can you remind me in terms of how this will you get questions ahead of the adcoms and at that time you'll know more about what the contentious issue is?

**Johan:** Absolutely. We don't know the questions right now. It's just the communication that they like to have an adcom.

**James:** Got you. Maybe a final one on this. Does getting an adcom scheduled make you more or less confident that it will be approved?

**Johan:** I don't want to speculate on that. It's at least not a complete response factor. It's a good step forward. As I said, we have a lot of data to discuss.

**Charl:** I think we've always been consistent, James, that we see this as a 50/50.

**James:** Yeah.

**Charl:** We remain at that level for now.

**Johan:** Just to remind me remind you, we had two pivotal trials and then a phase 2 trials. Across those trials, we had one of the pivotal trials had a strong placebo effect and missed on the primary. It had some secondary endpoints where it hit and that was the fixed dose trial.

Obviously, it's not the traditional replication across two trials that they usually like to see.

**James:** I said the final, maybe the final one on PTSD. Maybe is it just useful to remind people how big would PTSD be as an opportunity versus at least relative to the other indications for this drug?

**Charl:** I think we have not disclosed any peak sales potential. We will take a bit of time to understand how. Of course, let's first get through an approval. If we launch, then allow us a few months to see an early uptake. From an incidence or size of population, maybe, Tom, you can talk. I think we are talking about 13 million, at least, Americans that have PTSD.

**Tom:** If you think about PTSD, you can think about it in a range that it's between schizophrenia and MDD. About 13 million patients in the US are diagnosed and treated for PTSD, or diagnosed for PTSD. Only about 23 percent of patients are treated, so significant opportunity to expand the diagnosis and treatment rates.

What's important when we think about the PTSD opportunity is that 80 percent of the PTSD target HCPs fall within our current footprint for MDD. We know these customers very well. About 60 to 63 percent of those patients will be diagnosed with within the psychiatry specialty. This is a segment where we know very well.

PTSD, in and of itself, will be a nice opportunity based upon the epidemiology. The other important point is, we think about PTSD is the opportunity as it relates to strengthening our position in MDD as well.

**James:** Thank you. Actually, final, final, not really on PTSD as such, but just in terms of what was already the expectation in terms of where you're going to have to spend lots launching this product. You already have a Rexulti sales force, but is this a product where it's a big swing factor

on spend for the year?

**Charl:** I think we see quite a high synergy effect on our field force. We might have a small incremental build on the field force, but it's really the existing Rexulti field force. Of course, if you remember, we have also renegotiated agreement with Takeda on Trintellix allowed us to redeploy that field force to more growth in Rexulti.

**James:** I believe maybe segueing into another theme which would be at the analyst meeting, there's a cost saving initiative going on or a rationalization going on. Where you saying that you could do more than 30 percent margin every year or that's more like a medium-term aspiration?

**Tom:** What we communicated was what Charles alluded to earlier, is the largest capital reallocation program Lundbeck ever did. I think what we're not doing is a cost-saving project, but basically, we put our assets in the most value creating constellation. We're really placing them in the most yielding position they can have.

What we guide for is to have a healthy margin of around 30, higher than 30 percent. Part of what we realized via the capital relocation is given back into R&D investments. Overall, we still see roughly organically, if you don't count in '27, for example, certain pre-commercialization spend on [inaudible] or the additional R&D investment.

We still see a minimum of a two percent improvement in cost ratios. Overall, I think it's a healthy margin for us to have, and it's actually a position where we can generate more value by growth than cutting margins further. It supports what is our long-term ambition of around 20 to 25 percent of spend in R&D.

We're spending around 18.5 percent in '24, This will be increased significantly due to the onboarding of the phase III project of Longboard, while the capital allocation allows us then hopefully to offset this to the highest extent in form of our '25 forecast.

**James:** Have you already done all this reallocation? Is this something you need to do now? Is it all done and you're already reaping the benefits of that, or is it more like you'll be there by the end of the year, but you got to do a lot of work first?

**Tom:** I think it's ongoing. If you think about what Charles alluded to, the divestment of the brand, Trintellix back to Takeda, was the overture. There are significant structural initiatives also this year. Think of it full 1 to 1.3 billion in '27 with a significant contribution in '25 already.

**James:** Thanks. Any audience questions? Otherwise, I'm going to you're going to get more from me. Could it be worth reminding people the quite a big acquisition Longboard. What is it you actually bought? What difference will this make to Lundbeck's long term growth outlook, do you think?

**Charl:** What we bought was a best-in-class molecule that has got breakthrough designation from the FDA. It fits perfectly in our innovation-focused strategy. It's a high unmet need area. As I said earlier in the presentation, it strategically fits well with our neuro rare ambition to build scale in the neuro rare franchise.

From that perspective, we feel we have a great asset in our hands. Of course, when we look at the peak sales, as we disclosed, we think it's between 1.5 and 2 billion that will largely launch into the next decade and has a patent live until 2041. It really is a decade of growth that we would see from this asset going forward.

**James:** Was this an asset that you'd personally followed for a while?

**Charl:** Not necessarily. I'd, of course, been in this space before, but not specifically this one. I think we had conversations on this with Longboard 12 months ago here at J.P. Morgan.

**James:** I believe UCB have got Fintepla, which could be a competitor, assuming you're quite familiar with that asset. The differentiation would be purely tolerability. How confident can we be that you would be better?

**Charl:** We think certainly an important part, of course, is efficacy. We see that very clearly already in the phase 2 specific results. We believe with the selectivity of the mechanism as well, we feel there could be a safety benefit. I think both of those elements are, of course, key important drivers of patient acceptance.

**James:** Shifting to a different asset, so PCAP and you heard it in your slides that I believe it's in Q4 this year we're going to get some phase 2b data, so the sub-Q version. A couple of questions on that. One is, is there any way that you could actually file that data? It's phase 2b data, but is there any way that that could actually be a file-able product?

**Tom:** No. The traditional pathway for migraine prevention requires more than that. Obviously, it's usually two trials in phase 3. What we're doing here is building on our prior proof of concept that

was an IV pathway.

We basically hammered the target to see whether it works, and it did work very clearly. Now what we're doing is the second most important thing in drug development, really dialing in the dose, and we're looking at both IV and sub-Q. It's a little bit of an adaptive design, we have adaptive elements.

Overall, study is expected to finish by this year, and that will position us building a good PKPD model just for sub-Q and for IV, and then decide on the exact design of the pivotal program. We'd like to build a pivotal trial when we can really look at what can this molecule bring us more than the CGRP class.

Just to remind you that migraine is well treated by the CDRP class, but it's still a very big medical need even in chronic migraine. Maybe 40 percent patients are not responding well. It's the remaining major medical need, and that's what we like to explore more with this rich mechanism of action. It's a richer mechanism of action than CGRP, but also has the elements of CGRP class.

**James:** When you say rich, that means it would work more broadly, so you know that it works in patients where a CGRP doesn't work?

**Tom:** That we don't know yet, and that's part of what we're taking a little peek view already in the phase 2b. The mechanism goes beyond just the traditional primary sensory neuron. It's also into autonomic nervous system, etc. In Omicron is just not headache days or migraine days, it's so much more, brain fog and other symptoms. This is something we really like to explore with this mechanism.

**James:** Is there much risk around this? I can think of a lot of companies that have done IV products. They've made sub-Q, and so we're not knowing so much about it. It seems relatively straightforward. Why not just develop it more quickly as an IV and do a bridging to a sub-Q? Is there a reason this is more technically challenging to make it sub-Q?

**Tom:** Not at all. There is really nothing that says that we cannot do sub-Q. We're running this phase 2b drive now with the sub-Q. We just want to nail the dose with this. Maybe one of the possibilities here is to have both dose offerings maybe.

We'd like to build a more rich product. We're doing absolutely great with VYEPTI, for IV, so there is nothing that perceives us that we shouldn't do this IV, but we'd like to have more flexibility

across.

**James:** Would this be potentially positioned for people that were a smaller patient population or maybe even a higher price because it's a more niche product versus all the CGRPs? How would you think about the positioning there?

**Charl:** I think it's a little bit early. Let's see the clinical data. Let the patients speak, as they say, and we'll be able to do that then.

**James:** Maybe then at Alzheimer's agitations, where are we in terms of the proportion of patients that are getting treated already? Where do you think the ceiling would be? How many years can this have strong growth for?

**Charl:** As Tom said, essentially, one out of five prescriptions are in AADAD. As we see this trend now falling at this time frame. We have pegged this at 40 percent penetration in the future, so doubling this potentially. We have also disclosed in the past that this is a blockbuster, one billion gross sales potential in this indication. We see still a lot of headroom for growth.

**James:** What did that assume for competition? I think there's been a few companies that have recently had disappointing results. Where were you assuming that those companies were going to have significant share and there's potential upside to your projections on the back of that, or were you already cautious about those competitors?

**Charl:** Certainly, in our projections, of course, we factored in competition. We have seen some of that landscape change certainly over the last few weeks as well. I think that probably provides us with a greater confidence of what we can deliver further on this indication.

We also see this as an indication where more players would raise awareness and grow the overall indication. We're welcoming more competition in this space as well.

**Johan:** I think we look at it, we have the opportunity to continue to drive our market penetration, influencing brand choice because there's still quite a bit of opportunity within the existing population. I think, as Charles said, this is still a nascent market. We still have the opportunity to grow the marketplace.

Only about a third of patients are diagnosed and treated. Part of what our efforts are with our partner with Otsuka is making the necessary investments to make sure that we raise awareness

and appreciation about the disease burden of AADAD, and then making sure that we create urgency to diagnose and treat. That's the opportunity from a market expansion standpoint.

**James:** Thanks. Where are you now in terms of deal making on capital allocation? You mentioned that you had a useful meeting a year ago at the conference. Are you busy at the conference? Are you done for a while now and first on board?

**Charl:** [laughs]

**Charl:** No. I think that's very much the case with business development as we continue to scout. We are a part of it. We want to be at the table of discussions, and we will continue to look at really across the pipeline from Phase 1, Phase 2, how do we continue to fuel that pipeline to create a sustainable pipeline for the long term growth of the company.

**James:** Have you still got firepower that you could do something bigger? Or you still have it spent on?

**Charl:** Yes, I would say firepower right now is at \$1 billion. Don't expect from us a deal the size of Bexicaserin.

**James:** Yeah.

**Charl:** But we will certainly continue to look at smart tuck-in type of deals that would further fuel the pipeline.

**James:** Will you decide...?

**Tom:** No, it's just deal making comes in many shapes and forms. We are continuously looking at very early stage deals as well. We're in the process of trying to expand our external collaboration network in the discovery space, research space.

We've done quite a few deals already in this space, we work with more AI technologies, etc., in drug discovery. All those kind of smaller deals are always going on in the background. Not everyone is of the longboard of magnitude and we still need those.

**James:** Got you. We've got about two minutes left. Does anyone have any final questions? Otherwise, we should probably wrap up there. Great. Thanks very much, everyone.



*Webcasting and transcription services  
provided through MAP Digital, Inc.*