Pharming Group N.V. 1Q 2025 Results Call

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Alistair Campbell - RBC
Simon Scholes – First Berlin

Fabrice Chouraqui – Chief Executive Officer:
Hello everyone and welcome to this Q1 2025 call. So I'm Fabrice Chouraqui, I'm the CEO of Pharming. I will be joined on this call today by Stephen Toor, our Chief Commercial Officer, Anurag Relan, our Chief Medical Officer, and Jeroen Wakkerman, our Chief Financial Officer.

Next slide. In this call we'll be making forward-looking statements that are based upon our current insights and plans. As you very well know this may differ from future results.

Next slide. First of all, let me say that I had a great first three months at Pharming. The passion and the commitment of all employees to serving rare disease patient is really palpable throughout the company, whether you are at the production facilities, at the headquarters or with the sales team. And this mindset of going this extra mile is clearly part of the DNA of the company and not just a few words on a culture slide as I've seen it actually too often. Next slide.

So everyone is clearly determined to realize the vision that we've set for the company, which is to make Pharming a leading global rare disease company with a diverse portfolio and presence in large markets that leverages a proven and efficient clinical development, supply chain and commercial infrastructure. Next slide.

Our results in the first quarter of 2025 are a good illustration of the solid growth foundation that we have built to realize this vision. We've had a strong start of the year with our total revenues increasing by 42% in the first quarter and a significant improvement of our bottom line, which supported an upgrade of our full year guidance.

So going into a little more detail, RUCONEST® grew 49% to US$68.6 million, driven by a continued increase of new patient enrollments and the sustained expansion of our prescriber base, as well as a lower inventory destocking versus the previous quarter. RUCONEST® has a unique profile on the on-demand HAE market, which makes it an extremely valuable treatment for moderate to severe patients who experience more frequent and stronger attacks.

This differentiation really explains the strong momentum and the growth prospects that we have for RUCONEST® in the long term. When it comes to Joenja®, revenue increased by 9%, driven by robust new patient enrollment, offset by the impact of stocking in the last quarter of 2024 and the higher but expected gross-to-net adjustment versus a year ago.

The efforts to identify new patients after the initial bolus of launch is really starting to pay off with six new patients in the U.S. this quarter, the largest quarterly increase since Q2 2024. We expect to see a sustainable acceleration of the number of new patients on Joenja® starting in the second half of the year with three clear growth catalysts to come. First, the reclassification of VUS patients in the U.S.; second, the pediatric label expansion; and third, the launch in key markets outside the U.S., which started actually with the U.K. just a month ago.

In the first quarter of 2025, our operating loss narrowed very significantly year-over-year, and we even generated a profit for the third quarter in a row if we exclude the nonrecurring Abliva acquisition-related expenses. So given our strong growth outlook, I believe that our ability to be disciplined financially will be as important as generating strong top line growth to unlock significant value creation in the near and long term. And as a first step, we've made a decision to cut G&A expenses by 15% or US$10 million on an annual basis to optimize capital allocation to grow our business. Next slide.

Our pipeline continues to progress well during this quarter. Both the genetic PID and CVID Phase II studies are now initiated and enrolling patients. These two indications in patients with immune dysregulation who may benefit from a modulation of their PI3K delta signaling pathway has the potential to propel Joenja® to a whole new level given the much higher patient prevalences. The clinical development team also worked very hard to resume the enrollment of the Phase II registrational trial for KL1333 in mtDNA mitochondrial disease just a few weeks after the completion of the Abliva acquisition.

Before I let Anurag tell you more about these US$2 billion-plus pipeline opportunities, let me first hand over to Steve Toor, our Chief Commercial Officer, who will give you a more granular perspective on the strong dynamics of RUCONEST® and Joenja®. Steve?

Stephen Toor – Chief Commercial Officer:
Thank you, Fabrice. Good morning, everybody. If you could go to the next two slides, the RUCONEST® performance. So as Fabrice said, we've delivered a very strong performance in Q1. RUCONEST® is up 49% versus prior year. This reflects the strong trend that started in early 2023 as we emerge from the disruption caused by the pandemic.

Since then, our sales teams have added new prescribers and new patients on a quarterly basis, which has translated to consistent quarter-on-quarter growth of RUCONEST® sales. In addition to the underlying strength of the business, we also saw significantly less inventory buildup, as Fabrice mentioned, in specialty pharmacies in Q4, so less inventory to wash out in Q1. Sales, therefore, largely reflect the demand created within the quarter.

I'm also pleased to share that our market access team also improved the number and speed of patient prior authorizations in Q1, enabling our patients to reorder RUCONEST® earlier than in previous years. So these two factors combined also strengthened the RUCONEST® performance in Q1. The key, though, to the past and future performance is, of course RUCONEST®. It always starts with a good product.

So next slide, please. In RUCONEST®, we have an excellent product serving all patient types, those being Type 1, Type 2 and the normal C1 patient population. All three groups, as it relates to

RUCONEST®, have one thing in common. They all suffer from moderate to severe debilitating HAE attacks, and they have them frequently. They've also typically failed other targeted acute therapies such as icatibant or are having to re-dose to resolve their HAE attack. That RUCONEST® delivers attack resolution for 97% of patients in a single dose is therefore a major factor in patients continuing to choose it to treat their acute attacks.

Now as some of you know I've been with the company for almost 9 years. So I've witnessed firsthand the continued growth and also the enduring strength of the RUCONEST® business. So I can testify that as well as being a very good product, it's also the result of very deliberate positioning and disciplined messaging to the needs of the more severely affected patients, primarily by our sales team, also supported though by the services we provide to ensure patients get covered, they get trained and are able to benefit from RUCONEST® confident to infuse themselves over the long term.

Now on this slide, you can see an actual patient. In the photographs, you can see the patient at the start of an attack and then a recovery as it resolves at the 4-hour mark and the 24-hour mark. So for patients like this, as I said, suffering with a severe course of disease, attacking frequently and having to re-dose on other therapies, knowing that 97% of patients will get their attack stopped in a single dose and almost all of them will be attack-free for at least three days is critical to their decision to use RUCONEST®. So RUCONEST® efficacy, its reliability, allows our patients to better plan and control their lives. So the severe course of disease our patients have and our team's executional excellence is why RUCONEST® will continue to have a strong position in the U.S. acute market and remain an important product for us for many years to come. Next slide, please.

Transitioning now to Joenja®. As Fabrice said, we increased sales by 9% to US$10.5 million in Q1. Importantly, we saw an acceleration in Q1, adding six more patients, ending the quarter with 102 patients on paid therapy in the U.S., where we've now identified over 240. Additionally, we have 187 patients on treatment globally, and we've now identified close to 900 patients worldwide. And as you'll see in subsequent slides, Joenja® is still in the very early stages of its lifecycle with many well-identified opportunities to accelerate growth in the near term including the VUS program rollout, a pediatric label extension and the launch of Joenja® in key markets outside of the U.S., which actually started just this last quarter in the U.K. at a launch meeting in London, which I had the privilege to attend.

I like to share that physicians and patients there are just as excited as those in the U.S. by the prospect of now accessing Joenja® for APDS and the potential it has to transform patients' lives with APDS, just as it has in the U.S. As with RUCONEST® though, it always starts with a good product. In Joenja®, we have the only product indicated to treat APDS, a serious debilitating and often fatal disease. Next slide, please.

I think as you all know APDS is a primary immune deficiency caused by pathogenic variants in either of the two genes that encode the PI3K delta enzyme. The result is the immune system doesn't develop properly, having more immature cells and less functional cells. This leads to the symptoms APDS patients suffer with, which are often serious, have a negative effect on health, quality of life and the patient's ability to live what we might consider a normal life. Unfortunately, APDS can and often does also lead to early mortality.

So until the development and launch of Joenja®, APDS patients had no targeted or indicated medications to treat the underlying cause of their disease. Importantly, Joenja® was specifically designed to correct the underlying immune defect, selectively inhibiting PI3K delta and normalizing that hyperactive pathway, thereby restoring balance to the immune system. In doing so, Joenja® has that potential to transform patient's lives.

Next slide, please. So let's look briefly at a typical patient with APDS on Joenja®. In this case, it's a 24-year-old male that we followed up over six years. On the left-hand side, you can clearly see the severity of the symptoms that this patient endured and the burden and impact it had over a prolonged period of this 24-year-old man's life. After starting Joenja®, our patient was able to stop infusions of immunoglobulin, had no hospitalizations, his blood platelets increased and critically, the organ damage, in this instance the lungs, hasn't worsened.

The clinical impact means this young man has been able to walk and drive without difficulty, graduate high school and the university, and has now secured a full-time job. Results like this is what I meant when I stated on the previous slide Joenja's potential to transform the lives of APDS patients. It's also why myself personally, my team and in fact all of Pharming's employees are excited for our global launches for APDS and what the molecule will deliver for patients and Pharming over the long term.

Next slide, please. Finally, I want to review those near-term opportunities I mentioned for Joenja® in both APDS and the longer term, beyond. Right now, our teams have in their hands the patients we've already found and those remaining patients that bridge the gap from what we have today to the full prevalent populations in major markets around the world. We can also look forward to some milestones that provide important additional opportunity to expand that addressable patient population.

If you look at the second block on this slide, the first is our targeted geographic expansion program to key markets. As I mentioned, this has already begun with the U.K. launch, and the teams are preparing for further launches on approval in Germany, France, Italy, Spain, Japan, Canada and Australia, which means Joenja® will soon be available in most of the top 10 pharma markets around the world. The second is the outputs from the VUS resolution program, which Anurag will discuss later. That will deliver another bolus of APDS patients available for treatment this year and beyond.

The third will be the pediatric indication launch in the U.S., which is expected in 2026. We currently have over 60 pediatric patients in our U.S. patient pipeline, and that is growing. They will be transitioning to Joenja® as soon as that indication is improved. Those are all significant near-term opportunities.

In addition to that, though, as you see in the final two blocks of this slide, leniolisib for APDS is only part of our story. Trials have also been initiated using leniolisib to treat PIDs with immune dysregulation including CVID, which while still a rare disease with prevalence of 40 patients per million, transitions leniolisib from a small ultra-rare disease molecule to one with blockbuster sales potential, thereby creating a leniolisib franchise delivering significantly greater value for all stakeholders in the coming years. So we and our teams have a lot to be excited about. With all that

said, I'll hand over now to our Chief Medical Officer, Anurag Relan, whose teams are critical to driving these programs forward, to provide us with an R&D update.

Anurag Relan – Chief Medical Officer:
Thanks, Steve. Let's turn now to those growth drivers we were talking about including beginning with those near-term opportunities that we can see on the next slide. So as you heard from Steve, Joenja® can have a real impact on patients' lives. But one of the problems in diagnosing APDS happens when the result of the genetic test shows what's called a variant of uncertain significance or VUS.

In fact, we found more than 1,300 patients in the U.S. alone who have received such a result. This happens because the variant is new, and there isn't enough information about that variant to know if that variant is actually disease causing. An academic group has developed a method to generate a large number of variants and screen those variants for PI3K hyperactivity. The results, which will be published soon, will show that many of these variants actually do lead to hyperactivity of the pathway and can eventually cause these variants to be reclassified as causing APDS. The next step in this process will be for genetic testing labs to review the data from this academic lab and the publication, reclassify these patients and then inform the doctors of any changes to the previous reports that showed these patients out of the U.S. We expect that together all of this will lead to the identification of many new APDS patients later this year, as you heard from Steve.

On the next slide, we can see some of the other opportunities that we have in terms of bringing leniolisib to more APDS patients in several key markets across the world and to expand the addressable population. To support geographic expansion, we have a number of regulatory applications underway in several key markets across the world on the left. With the EMA, European Medical Agency, we have a single outstanding CMC request, and we remain on track to respond to this in January 2026, which could then allow for approval soon afterwards. You heard from Steve, we already have MHRA approval and we launched the drug there. We also have approval in Australia and an application under review in Canada.

In Japan, we expect to file mid this year. Then I think one of the other important things you heard from Steve is the pediatric need in APDS. This is a genetic disease where symptoms begin early in childhood and given the progressive nature, treatment is critical. To address this, we have a program with two studies that have actually completed enrollment now and we intend, based on the results of the first study, to be able to file with the FDA in the third quarter of this year with an expected 6-month review of this efficacy supplement. Once we have the data from the second study, we'll follow a similar path to be able to bring Joenja® to even younger patients.

Then in the next couple of slides, I'll be talking about the two Phase II studies we have underway to expand the use potentially of leniolisib even further to additional primary immune deficiencies. You see that here now on this slide, where we're looking at using leniolisib for primary immune deficiencies with immune dysregulation. If you advance to the next slide, there we go.

This group of patients with primary immune deficiencies with immune dysregulation is a group that's similar to APDS with their clinical features, the unmet need and early mortality. It's also a group that's significantly larger than APDS. But the rationale for setting leniolisib here is very clear.

The PI3K pathway in lymphocytes plays a clear role in the dysregulation seen in these patients, which drives the lymphoproliferation and the autoimmunity.

It's actually the same approach that we have that we've seen be successful in treating APDS patients where modulating that enzyme can address the immune dysregulation. We also have a positive experience in a handful of patients who've been treated with leniolisib now for more than six months as part of a compassionate use request that we received from physicians across the world. So now we have two Phase II dose range finding studies underway: one in a genetically defined group of primary immune deficiencies and the other in what's called CVID or common variable immune deficiency, both with these hallmarks of immune dysregulation. And we expect the first results from these studies to be available in mid-2026.

On the next slide, you can see the third molecule that we have in our portfolio, which is KL1333 for primary mitochondrial disease. This is a disease of impaired energy production due to mitochondrial DNA mutations, which cause fatigue and muscle weakness in these patients, which you can see described in the quote from the patient on the right. This is being developed now for primary mitochondrial diseases which is a group of rare disorders where these patients have these mitochondrial DNA mutations. There's a large number of these patients already diagnosed in the U.S. and large European countries, and they're usually treated at centers of excellence and part of a large advocacy group. KL1333 addresses the underlying problem by normalizing the NAD+ to NADH ratio, which is abnormal in these patients.

We have a registration-enabling study underway with endpoints that have been supported by regulators including FDA. We've already completed a blinded interim analysis in which both endpoints passed futility. We've also, as you heard from Fabrice, restarted recruitment in the second wave of this study and expect readout in 2027, with potential approval later in '28.

And now on the last slide here, you can see our expanded pipeline, which will provide significant growth prospects beyond RUCONEST® in HAE and Joenja® in APDS. Across this portfolio, we can use our rare disease expertise and development infrastructure to bring products to patients for their significant unmet need.

I'll turn it over to Jeroen now to review the financial performance.

Jeroen Wakkerman – Chief Financial Officer:
Thank you very much, Anurag. And good afternoon. Good morning, everybody. As you've seen in the previous part of the presentation, Q1 was a very strong quarter for Pharming. The revenues grew by 42%, driven by RUCONEST® growth of 49% and Joenja® by 9% versus the Q1 last year. The key growth drivers were additional demands for both RUCONEST® and Joenja® from increased numbers of patients and the sustained expansion of our prescriber base. The gross profit is up 50%, which is the result of the additional revenues and a gross margin improvement of 4% to 89%.

Operating expenses increased because of the nonrecurring Abliva acquisition-related expenses of US$7.8 million. Excluding those one-off costs, OpEx would be US$70.4 million, which is well below the Q4 2024 OpEx level and in line with our guidance. Again, adjusting for the Abliva nonrecurring cost, the operating profit was US$0.8 million. The net loss was US$14.9 million, and that increased

loss was primarily due to the nonrecurring Abliva acquisition-related expenses, most of which were non tax-deductible.

The net results were also impacted by foreign exchange exposure and increased tax cost. The cash and marketable securities decreased since the end of 2024 by US$60.5 million to US$108.9 million, and that was primarily driven by the purchase of the Abliva shares totaling US$66.1 million. We had a positive operating cash flow in the quarter for the third quarter in a row, even with the nonrecurring Abliva cost included.

On the next slide, we see the financial impact of the Abliva acquisition. So we completed the acquisition of Abliva via a public cash offer to the shareholders to acquire all outstanding shares for approximately US$66.1 million in March 2025. You see the immediate financial consequences on this slide.

As mentioned before, the nonrecurring acquisition-related expenses were US$7.8 million, and that is the bridge between the GAAP operating loss and the adjusted non-GAAP operating profit on this overview. The acquisition was accounted for as a business combination with substantially all of the value of the acquisition concentrated in one single asset, KL1333. The acquisition price is allocated on our balance sheet to the fair value of the acquired identifiable assets and liabilities and the excess is recorded as goodwill, and you see the numbers on the slide. Moving on to the next slide.

On the financial guidance, on the back of the strong Q1 results and the outlook on the remainder of the year, we raised the 2025 total revenue guidance to between US$325 million and US$340 million, up from the prior guidance between US$315 million and US$335 million. And this new guidance implies a growth between 9% and 14%.

We expect operating expenses to be flat versus last year, prior to the impact of Abliva, and we expect US$30 million in Abliva-related operating expenses, and that includes research and development costs and nonrecurring transaction and integration expenses. Available cash and future cash flows is expected to cover the current pipeline investments and pre-launch costs, and that hasn't changed since the last guidance.

With that, I would like to hand back to Fabrice to close the presentation.

Fabrice Chouraqui – Chief Executive Officer:
Thank you, Jeroen. So as you've heard, I mean we are off to a strong start of the year, which is fueled by the continued strong growth of RUCONEST® and an acceleration of new patients on Joenja®, the largest increase since Q2 '24. As a consequence, we are raising our full year guidance, and we are also setting the foundation for strong financial discipline with, as a first step, the decision to decrease the annual G&A spend by US$10 million to optimize capital allocation and drive sustainable growth.

We also continue to invest in our pipeline with the objectives to generate two blockbuster assets. The potential new indication for PIDs with immune dysregulation are an opportunity to significantly expand Joenja's addressable patient population beyond APDS. And KL1333 in mitochondrial diseases is another asset with a US$1 billion-plus revenue potential.

So as you can see, we are building a solid platform for sustainable growth and value creation with a series of clear catalysts in the short and near term. I personally believe that today more than ever our goal to develop a leading rare disease company is really in reach. Let me finish this call by thanking sincerely Jeroen Wakkerman, our Chief Financial Officer, for his contribution to the growth of Pharming over the past four years.

With this, I'll open the line for questions.

QUESTIONS AND ANSWERS

Operator: Our first question comes from the line of Jeff Jones from Oppenheimer.

Jeff Jones (Oppenheimer): Congrats on a great quarter. Jeroen, one quick clarification for you on the financials. Can you clarify on the flat OpEx for 2025 pre-Abliva while reducing G&A by US$10 million? Should we be then thinking about the US$10 million adjusting into, say R&D? Or how should we think about that?

Fabrice Chouraqui: So yes. So as I said, actually, this is really an adjustment that we're making on G&A, so general and administrative expenses, to really optimize the capital allocation to drive the growth of our business further. So clearly, the goal is not to touch R&D, not to touch our commercial expenses, which clearly are the engine of the short- and long-term growth.

Jeff Jones: Got it. I appreciate that. Then one thing that is obviously a topic of a lot of discussion right now is the potential for tariffs with the U.S. And given your European manufacturing and most of your sales in the U.S., can you comment on how you're thinking about this at this point and the opportunities for mitigation?

Fabrice Chouraqui: So obviously I mean we don't have the details on the size and the scope of those potential import tariffs. So it's very difficult to comment without the specifics. What I can say is that we've been working to evaluate a range of scenarios to see really how we can mitigate the risk and the impact of potential tariffs. This could include, I mean adjustment in our supply chain, in our manufacturing, adjustment in our custom price. I think it's too soon actually to go into more details, but our goal is to be proactive. So we have a set of options if this actually becomes a reality.

Operator: Our next question comes from the line of Joseph Pantginis from HC Wainwright.

Joseph Pantginis (H.C. Wainwright): Very nice to see the continued growth in the assets and looking forward to the expansion of the pipeline. So two-part question, if you don't mind. So first, I wanted to get a sense, and this is one of the obvious questions with regard to product growth, potential impact on tariffs right now and on your supply chain. And as part of that, you saw nice RUCONEST® growth in the first quarter. Just curious how first quarter insurance and Medicare resets might have impacted that.

Then the second question is maybe for Stephen. As you're looking to continue to drive new doctor signing-ons for RUCONEST®, what are some of the key education or 'they need to wait to see more' factors before they actually sign on for RUCONEST®?

Fabrice Chouraqui: Steve, would you like to comment actually on the Medicare reset and the growth?

Stephen Toor: Absolutely. Thank you, Fabrice. Thank you for the two questions. So just on Medicare, clearly as you're aware, the IRA and out-of-pocket expense impact bottomed out this year, which is good for patients. I would say that it certainly didn't hurt us, but it wasn't a major factor in our growth, Joe. The growth, as I said, just came from the underlying strength of the brand, but also the trend, but also the focus that we have on those severely affected patients. So yes, it had some impact, but it wasn't major for us and certainly not for RUCONEST®.

In terms of what new doctors like to see, I would say in either those centers of excellence or those locations where physicians have a bigger patient base, then we're already very well positioned for patients that are attacking frequently and for whom other medications just aren't working or they're having to re-dose a lot.

In some of the other practices where we see growth in prescribers, it's often where they only have one or two patients. So it's really the point at which they get reviewed. So it's not the positioning or the profile of the product. It's more the opportunity for that physician to actually use, which I think is one of the factors why aside from the execution stuff I mentioned, you see that consistent growth pre-pandemic and then you see it return again when the offices reopen, and we're able to get back out there and remind physicians of exactly where RUCONEST® sits within the market.

So I think does that answer the question for you, Joe?

Joseph Pantginis: Yes. It certainly does, Steve.

Operator: Our next question comes from the line of Alistair Campbell from RBC.

Alistair Campbell (RBC): Just a couple, please. First of all, on Joenja®. So a few things happening in Q1. But maybe if you could just help me understand as we think about price evolution from 2024 into 2025, what do you think the true underlying net price evolution will be in the U.S.?

Secondly, on the VUS opportunity, maybe you sort of talk through a bit more detail about the process of getting those patients transferred on to paid therapy and how quick you think that can come through? Or is that going to be a bit of a slow build? Maybe just touch on that. Then finally, for Jeroen, good luck in the future, Jeroen. Maybe one last question before we head off. Given the dynamics on tax, obviously loss-making Q1, but a tax expense in Q1, can you help us understand what we should be expecting for the full year?

Fabrice Chouraqui: Thank you, Alistair, for this question. So I'll let first Jeroen answer the tax question, and then Steve can provide actually color on just your questions on Joenja®.

Jeroen Wakkerman: Yes. Thanks, Alistair, for the question. In terms of the tax line in Q1, it was really affected by three key things. One was the Abliva-related costs that they were not tax-deductible. Then we had some share based payment costs that are also nondeductible. So that

increases, obviously the effective tax rate. We had a release of a deferred tax asset from the past. Now those topics are all one-offs, apart from share-based compensation that will increase a little bit, but most of it is one-off. So the high tax cost that we had in Q1 is a one-off, and we don't expect that to continue in the remainder of the year.

Stephen Toor: Thank you, Jeroen. Yes, Alastair. So just in terms of, you asked about net pricing by evolution, we expect roughly 75%, 76% of our pricing action to flow through to the net line this year. Then in terms of approval evolution, I think as you've seen both within the U.S. but also globally in key markets, we've continued to build the funnel now and we've seen an acceleration, as both Fabrice and I mentioned earlier in the call in patients coming on to paid therapy in Q1, which was really nice to see.

And that reflects everything that we've put in place and the support services and the reimbursement services, et cetera, et cetera, to convert patients as quickly as possible. The good news is that the vast majority of patients are being converted relatively quickly once they're enrolled and with very little market access barriers being put in place.

One would imagine the severity of the disease, the lack of treatment options and the fact that this is the only indicated product are big factors there, but as I said in previous calls, it's not linear. You have patients. These are very complicated patients with all kinds of co-morbidities. We also, as I mentioned, have a lot of pediatric patients who simply don't qualify right now. So it's not linear. There has been consistency though and Q1 was great to see, and we expect to see more and more patients converting through the year, and I'm very confident in that. Does that help, Alastair?

Alistair Campbell: Yes. It certainly does. Maybe, Stephen, can I quickly come back. You're talking about 75%, 76% flow-through to net this year. I mean how will that broadly compare to what you saw in '24?

Stephen Toor: Obviously gross to nets are quite complicated, and they are affected by different things. I think it's probably slightly better and the book of business lends itself this year and in terms of utilization of government versus commercial patients. So I think without having a direct comparison for it, it's probably slightly better than last year.

Operator: Our next question comes from the line of Simon Scholes from First Berlin.

Simon Scholes (First Berlin): I've just got one. Just on the G&A cost reduction, I mean given that revenues are going to be presumably going to be continuing to grow quite strongly, reducing G&A costs by US$10 million is not going to be that easy. I was just wondering what elements of G&A you expect to be able to reduce, which elements you're targeting in particular?

Fabrice Chouraqui: Thank you, Simon, for your question. I mean at this stage, I cannot comment actually on the detail of the plan. And as soon as I can, I'll share more. It is indeed actually an ambitious plan. I believe it is something that we hope to do. I mean our ability, as I said, to ensure that we get the best return on every euro, every dollar we invest is absolutely essential to unlock significant value creation. We have a great growth outlook, and it's both about top line and bottom line if we want to optimize the value creation. So we're doing that exercise. We're finalizing that

exercise. When I can share more, I'll share more. But this is a target that we've set, US$10 million on an annual basis.

Operator: Unless there are any further questions, I'd like to hand back to the speakers now. Thank you.

Fabrice Chouraqui: Listen, with this, I think we're going to close our call. Thank you so much for your interest in the company. Thank you for your questions. We look forward to updating you on our plans. And probably I'll see many of you in person through a one-on-one meeting or at an investor conference in the coming months. Thank you very much.

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