

26 May 2021

## Commissioned research: Cantargia – Broadening the development pipeline

Marketing material commissioned by Cantargia

Conference call details: 15.00 CET. Phone: SE: +46 8 566 427 07, UK: +44 333 300 92 73. The webcast will be available at: <https://tv.streamfabriken.com/cantargia-q1-2021>

Cantargia reported their Q1 this morning with an operating loss of SEK -73.2m, 45% more than we expected (SEK -50.5m) and up 83% from last year (SEK -39.9m). The increased spending is attributable to the increased investments in research and development; the extension of the CANFOUR phase II study and the initiation of more value-adding studies to broaden Cantargia's oncology pipeline as well as in autoimmune/inflammatory diseases. We will address the recent CMD in our review tomorrow.

### Comment on the cash balance

The current cash balance of SEK 842m is expected to last at least until the end of 2022 excluding a potential start of phase III with the lead pipeline candidate CAN04/nidanilimab in PDAC (pancreatic ductal adenocarcinoma) and NSCLC (non-small cell lung cancer). Furthermore, the company expects to start a phase III study companionless putting the company in a favourable position when negotiating commercial partnership agreements.

#### CANTARGIA: DEVIATION TABLE

SEKm	Actual Q1 2021	Nordea Q1 2021	Deviation	Deviation, %
<b>Net sales</b>	0	0	0	-
COGS	0	0	0	-
<b>Gross Profit</b>	0	0	0	-
Research and development costs	-69.0	-47.5	-21	45%
Administrative costs	-3.4	-3	0	13%
Other operating expenses	-1	0	-1	-
<b>Operating profit/loss</b>	<b>-73.2</b>	<b>-50.5</b>	<b>-23</b>	<b>45%</b>
Net financials	0.6	1.4	-1	-59%
Loss for the period	-72.6	-49	-24	48%

Source: Company data and Nordea estimates

## SUMMARY TABLE - KEY FIGURES

SEKm	2018	2019	2020	2021E	2022E	2023E
Total revenue	0	0	0	2,850	0	130
EBITDA (adj)	-93	-112	-174	2,645	-68	115
EBIT (adj)	-93	-112	-174	2,645	-68	115
EBIT (adj) margin	n.m.	n.m.	n.m.	92.8%	n.m.	88.4%
EPS (adj, SEK)	-1.38	-1.52	-1.93	20.63	-0.18	1.23
EPS (adj) growth	-7.3%	-10.5%	-26.5%	1,171.4%	-100.9%	769.6%
DPS (ord, SEK)	0.00	0.00	0.00	0.00	0.00	0.00
EV/Sales	n.m.	n.m.	n.m.	-0.2	n.m.	-4.3
EV/EBIT (adj)	n.m.	n.m.	n.m.	n.m.	6.2	n.m.
P/E (adj)	n.m.	n.m.	n.m.	1.2	n.m.	20.2
P/BV	6.1	10.3	7.2	0.8	0.9	0.8
Dividend yield (ord)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF Yield bef A&D, lease adj	-11.1%	-7.6%	-2.4%	81.6%	-0.7%	5.2%
Net debt	-167	-150	-903	-2,947	-2,928	-3,060
Net debt/EBITDA	n.m.	n.m.	n.m.	-1.1	n.m.	-26.7
ROIC after tax	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.

Source: Company data and Nordea estimates

Completion date: 26 May 2021, 09:02 CET

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