19 August 2021

Commissioned research: Cantargia – Looking forward to ESMO in September

Marketing material commissioned by Cantargia

Conference call details: 15.00 CET. Phone: SE +46 850558369, UK: +44 3333009274, US: +1 6319131422, PIN: 40478324#. The webcast will be available at: https://tv.streamfabriken.com/cantargia-q2-2021.

Cantargia reported its Q2 numbers this morning with an operating loss of SEK -86.6m, 3% less negative than our estimates and up 132% from last year (SEK -37.7m). The improved y/y loss was expected, as the company has initiated and applied for several studies to broaden its oncology pipeline during the quarter. The company did not change its view on the cash spending onwards and, as it guided for last quarter, the cash and cash equivalents (currently at SEK 760.7m) will last at least until the end of 2022.

The ESMO abstract release in September

On September 13, research abstracts to be presented at the leading oncology congress, ESMO (European society for medical oncology), will be published. Among other world-leading oncology research, Cantargia will present its interim data from the phase I/II study, CANFOUR, in NSCLC. We believe the data, together with the interim PDAC data published in Q1, will give us a better view of the potential of nadunolimab (CAN04) to be approved in the future.

CANTARGIA: DEVIATION TABLE

SEKm	Actual Q2 2021	Nordea Q2 2021	Deviation	Deviation, %
Net sales	**0**	**0**	**0**	n.a.
COGS	0	0	0	-
Gross Profit	**0**	**0**	**0**	-
Research and development costs	-82.0	-85	3	-4%
Administrative costs	-5.4	-4	-1	36%
Other operating expenses	0	0	0	-
Operating profit/loss	**-86.6**	**-89**	**2**	**-3%**
Net financials	0.7	0.6	0	17%
Loss for the period	-85.9	-88	3	-3%

Source: Company data and Nordea estimates

SUMMARY TABLE - KEY FIGURES

SEKm	2018	2019	2020	2021E	2022E	2023E
Total revenue	0	0	0	0	0	987
EBITDA (adj)	-93	-112	-174	-385	-497	971
EBIT (adj)	-93	-112	-174	-385	-497	971
EBIT (adj) margin	n.m.	n.m.	n.m.	n.m.	n.m.	98.4%
EPS (adj, SEK)	-1.38	-1.52	-1.93	-3.82	-3.81	7.57
EPS (adj) growth	-7.3%	-10.5%	-26.5%	-98.4%	0.2%	298.5%
DPS (ord, SEK)	0.00	0.00	0.00	0.00	0.00	0.00
EV/Sales	n.m.	n.m.	n.m.	n.m.	n.m.	1.4
EV/EBIT (adj)	n.m.	n.m.	n.m.	n.m.	n.m.	1.4
P/E (adj)	n.m.	n.m.	n.m.	n.m.	n.m.	3.1
P/BV	6.1	10.3	7.2	4.6	18.3	2.6
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%	-17.5%	-16.5%	35.2%
Net debt	-167	-150	-903	-497	-115	-932
Net debt/EBITDA	n.m.	n.m.	n.m.	n.m.	n.m.	-1.0
ROIC after tax	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.

Source: Company data and Nordea estimates

Completion date: 19 Aug 2021, 09:40 CET

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