



## ERIK PENSER BANK

Penser Access | Medical Specialties | Sweden | 9 May 2021

# Scandinavian ChemoTech

## Tumour-specific electroporation

### Initiation of coverage

We initiate our research coverage of Scandinavian ChemoTech with an assessment that the share has a high level of risk but large potential upside. Triggers consist primarily of potential CE certification, new orders, and results from clinical trials in Malaysia of breast cancer treatments that may come later this year or in 2022. Scandinavian ChemoTech has funding for the remainder of 2021.

### TSE – Tumour-specific electroporation

Scandinavian ChemoTech's IQwave and vetIQure products are based on the company's patented technology for tumour-specific electroporation (TSE), intended to be applied to cancer cells to improve the ability to treat them with cytotoxic drugs in a safer and more effective way. IQwave comes under the company's Human Care business area, and vetIQure is arranged under Animal Care.

### High potential and high risk

Today's share price factors in Scandinavian ChemoTech gradually increasing its sales of both vetIQure and IQwave, which is realistic. The risk is high, and any setbacks and delays are likely to have a major negative impact on the share price, while any successes could mean a big upside for Scandinavian ChemoTech. The fair value amounts to SEK 21–22 per share. Broad success could bring a significantly higher upside.

Estimate Changes (SEK)				Estimates (SEK)					Risk and Potential	
	Now	Before		20	21e	22e	23e	Motivated value	21.00 - 22.00	
EPS, adj 21e	-1.82	-1.82	0.0%	Sales,m	0	0	5	12	Current price	SEK19.36
EPS, adj 22e	-2.09	-2.09	0.0%	Sales Growth	(76.4)%	(80.9)%	18,860.0%	154.0%	Risk level	High
EPS, adj 23e	-1.4	-1.4	0.0%	EBITDA, m	(8.9)	(12.7)	(14.8)	(8.9)	<div style="text-align: center;"><b>One Year Performance Chart</b></div>	
<b>Calendar Events</b>				EBIT, m	(10.8)	(14.7)	(16.8)	(10.9)		
				EPS, adj	(1.94)	(1.82)	(2.09)	(1.40)		
AGM May 24 Q2 2021 August 17 Q3 2021 November 2 Q4 2021 March 8, 2022				EPS Growth	(46.3)%	(6.1)%	14.5%	(33.1)%		
				Equity/Share	1.1	0.8	1.0	1.9		
<b>Key Figures (mkr)</b>				Dividend	0.00	0.00	0.00	0.00		
				EBIT Marginal	(8,266.4)%	(8,768.0)%	(355.3)%	(90.2)%		
				ROE (%)	(126.3)%	(227.9)%	(203.3)%	(71.7)%		
				ROCE	(116.6)%	(86.6)%	(89.0)%	(40.4)%		
				EV/Sales	nmf	nmf	34.07x	13.41x		
				EV/EBITDA	(18.1)x	(12.7)x	(10.9)x	(18.2)x		
				EV/EBIT	(14.9)x	(11.0)x	(9.6)x	(14.9)x		
				P/E, adj	(10.0)x	(10.6)x	(9.3)x	(13.9)x		
				P/Equity	18.1x	24.2x	18.8x	9.9x		
				Dividend yield	0.0%	0.0%	0.0%	0.0%		
FCF yield	(16.4)%	(10.8)%	(10.8)%	(8.0)%						
Net Debt/EBITDA	0.2g	(0.3)g	(0.2)g	0.4g						

### Analysts

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# Overview

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## Tumour-specific electroporation

### Investment Case

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Scandinavian ChemoTech has an interesting technology, and is well on its way into the market. Important triggers for the share in the future will be achieving CE product certification, a process that enters the final phase from May 10, and showing positive results in clinical trials that may confirm the indications from completed case studies and therefore further drive forward the commercialization. This is likely to require additional capital in the coming years.

### Company Profile

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Scandinavian ChemoTech is based in Lund, Sweden, and has a patented technology for tumour-specific electroporation (TSE) that aims to open membranes in cancer cells through electrical pulses in order to be able to introduce cytotoxic drugs in a gentler and more efficient way. The company has conducted case studies that show potential and is currently conducting clinical trials that could take it closer to commercialization. The company is divided into two business areas, Human Care with the IQwave product and Animal Care with the vetIQure product, both based on the TSE technology. Scandinavian ChemoTech has published sales/orders for IQwave to 8 countries.

### Valuation approach

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We value Scandinavian ChemoTech based on a conservative DCF valuation using our forecasts and a WACC of 13%. Broad commercial success could mean a much larger upside.

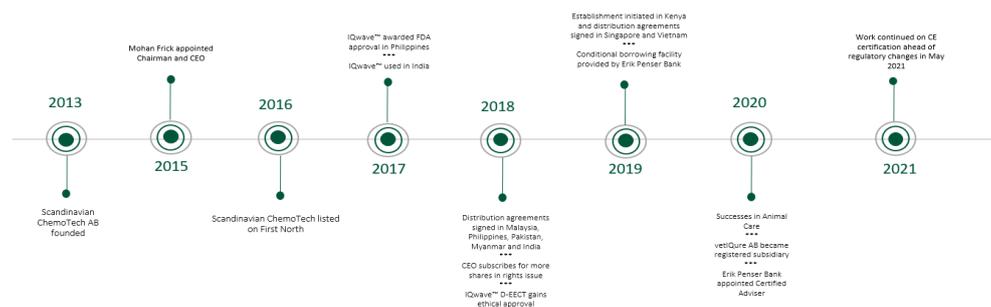
### Target Price

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The fair value amounts to SEK 21–22 per share.

## Scandinavian ChemoTech – Tumour-specific electroporation

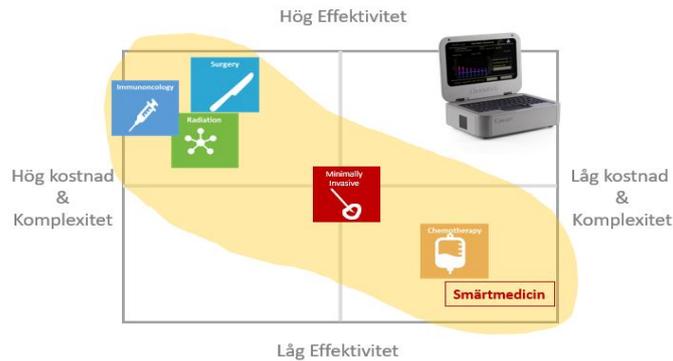
Scandinavian ChemoTech is a Swedish medical technology company, founded in 2013 and headquartered in Lund, that has developed a patented technology platform to give cancer patients access to a new treatment option, tumour-specific electroporation (TSE). TSE can be used to treat both humans and animals. The product is available in two variants: IQwave, intended for humans, and vetIQure, intended for pet care. The company is in a relatively early phase, and its short-term goals are to achieve CE product certification and progress the clinical trials, particularly with IQwave, in order to demonstrate the benefits of this treatment. Veterinary medicine and vetIQure may be a faster track to the market, and the product is available for evaluation at Anicura in Jönköping. Important announcements in the short to medium term will mainly be with regard to CE certification, a procedure now entering its final phase, the outcome of clinical trials being conducted in Malaysia, and signs of sales of vetIQure to the veterinary industry and IQwave in those markets where the company has a presence. Scandinavian ChemoTech was listed on the stock exchange in 2016 and is traded on the Nasdaq First North Growth Market with the ticker CMOTEC. Scandinavian ChemoTech had sales in 2020 of SEK 131,000 with a profit before tax of SEK –11.7 million. The focus is on clinical trials, CE certification and signs that the company is approaching a clearer commercialization.



### Overview of treatments for cancer

The predominant forms of cancer treatment are surgery, radiation therapy and chemotherapy. Immunotherapy, hormone therapy and stem cell treatments are also being evaluated and used to varying degrees based on the disease in a very large and complex universe of cancer treatments as a whole. The market is huge and offers great opportunities for new technologies and forms of treatment, but at the same time there is a very high level of competition and the entry barriers are high. Investments in new cancer care technology can potentially have a large upside, but also have a very high risk by definition. And this is also the case here, in our opinion.

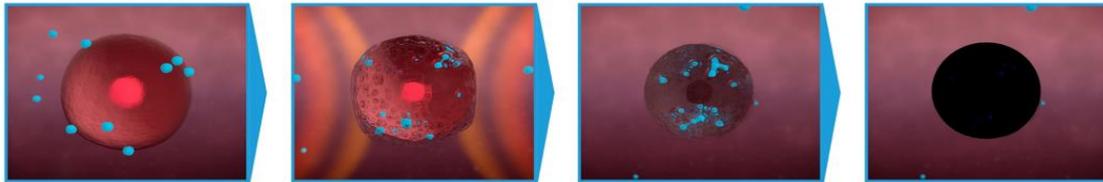
## Schematic overview of cancer treatments (efficacy vs. costs and complexity)



### Tumour-specific electroporation

Tumour-specific electroporation (TSE) is a technology that aims to improve the efficacy of treatments with cytotoxic drugs, and may potentially also have immunological effects. When cytotoxic drugs reach the cancer cell, the tumour/cell is treated with TSE which temporarily opens the cell membrane and allows the drug to enter. The pores in the cell membrane then close and the drug acts on the cancer cell, resulting in cell death. The advantages of a successful treatment with TSE in combination with cytotoxic drugs lie in being able to achieve targeted cell death at a lower dosage of cytotoxic drugs than with traditional treatments, without creating unwanted damage to healthy tissue. The treatment can be carried out at a clinic and, according to the company, takes about 20–30 minutes.

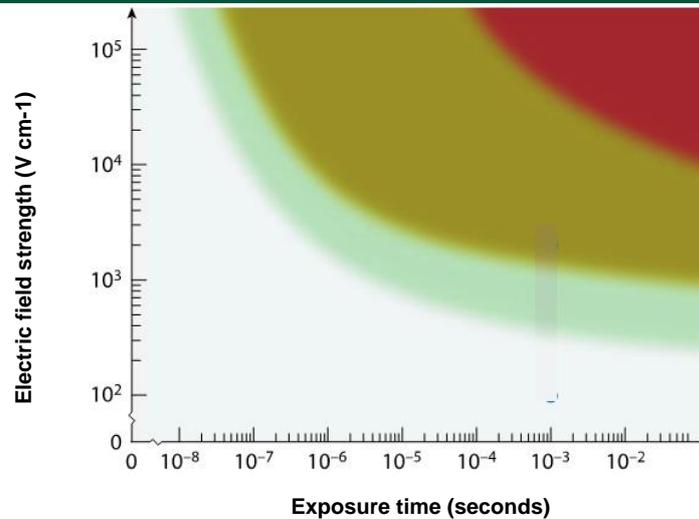
### Electroporation



### The right electroporation field gives the right effect

Adjusting and calibrating the technology to be just powerful enough to treat a specific tumour is critical. An overly powerful electric field (red in the graph) causes heat ablation, which means that even healthy tissue dies (necrosis). Slightly lower strength (orange in the graph) also leads to necrosis, but can be used for smaller tumours. However, reversible electroporation (green in the graph) is what the treatment strives to achieve, with the tumour cell membrane opening and the cytotoxin penetrating to have the desired effect.

## Electroporation field



## Two variants of one product – Human Care and Animal Care

Scandinavian ChemoTech's products are IQwave, which is adapted for human medicine, and vetIQure, which is aimed at the market for cancer treatment in pets. vetIQure could be a way for Scandinavian ChemoTech to enter the market earlier than with IQwave. The veterinary industry is strongly consolidated in the western world, and vetIQure is currently being evaluated at Anicura in Jönköping. Anicura has 350 veterinary clinics and hospitals in Europe, which could serve as a good entry point into this industry, assuming positive evaluations and results. If vetIQure has a positive impact, it could probably serve as an indication of the technology for IQwave. The most important triggers we see are potential CE certification for IQwave, a rollout of vetIQure with Anicura, and a rollout of IQwave in the markets where Scandinavian ChemoTech already has a presence, as well as results from clinical trials.

## IQwave™ / vetIQure™



## Case studies and clinical trials

The market for cancer treatments is huge. This is the essential attraction of an investment in a company such as Scandinavian ChemoTech, but it also means that the research and development being conducted globally is similarly huge, and that the competition for treatment forms is very intense. For a company like Scandinavian ChemoTech, it is important to succeed in validating the benefits of the technology through commenced commercialization and through continued clinical trials.

### Completed case study indicates potential

Scandinavian ChemoTech holds results from a case study that point to the effects of the technology. In this study, published in 2018 (Trends in Cancer Research Vol. 13), 23 patients received a total of 38 treatments. The effects appear to be particularly promising in breast cancer and skin cancer, which will probably be the focus of future clinical trials to more clearly validate the company's technology.

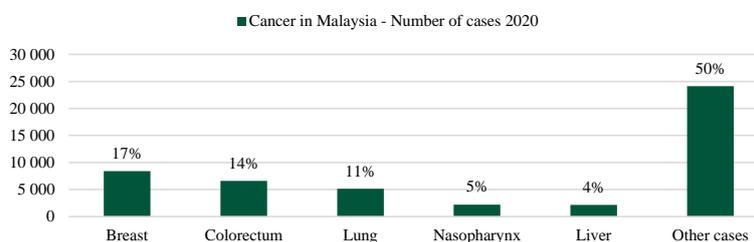
Scandinavian ChemoTech – Case Studies

Tumour type	Histology	CR%	PR%	OR%
Squamous cell carcinoma	HN SCC	21	79	100
Breast cancer	Adenocarcinoma	14	86	100
Breast cancer	Infiltrated ductal	50	50	100
Breast cancer	poorly differentiated	0	100	100
Rectal cancer	Adenocarcinoma	0	100	100
Vaginal vault cancer	Squamous	0	100	100
Soft tissue sarcoma		0	100	100
Fibrosarcoma		67	23	100
Spindle cell carcinoma		0	100	100
Average		18	82	100
SD		25	25	

### Ongoing clinical trials

Scandinavian ChemoTech is currently conducting clinical trials for breast cancer in Malaysia. Exactly when the study is expected to be completed has not been determined, but it is likely that the results will be presented at the earliest around the end of 2021 or in 2022.

Malaysia - Number of cancer cases



Source: Globocan 2020, Erik Penser Bank

## Patent portfolio and CE certification

Scandinavian ChemoTech currently has two patents registered with the Swedish Intellectual Property Office (PRV) in the Swedish Patent Database.

- SE542514 – “A pulse generating device for delivery of electrical pulses to a desired tissue of a mammal”. Valid to July 28, 2037.
- SE541651 – “An electrode device and a needle electrode for use in delivery of electrical pulses to a desired tissue of a mammal”. Valid to July 28, 2037.

On February 3, 2021, the company also announced a positive ruling from the European Patent Office (EPO) on an electrode and specific properties of the technology primarily focused on treating spinal metastases and deep-seated tumours.

An expanded patent portfolio could serve as a potential trigger for the stock, and commercialization could possibly take the form of licensing of the technology. The precise path forward is difficult to evaluate at this stage, and the focus is on validating the technology for new indications.

### CE certification

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Scandinavian ChemoTech is working towards getting its technology CE certified. This largely requires that the product complies with basic requirements in areas such as health, safety, function and the environment. Scandinavian ChemoTech has announced that the final phase of this process will begin on May 10. This could likely serve as a trigger for the stock as it could bring forward orders placed in Singapore, Vietnam, India and Ukraine. A negative decision would probably bring about a longer process based on clinical trials.

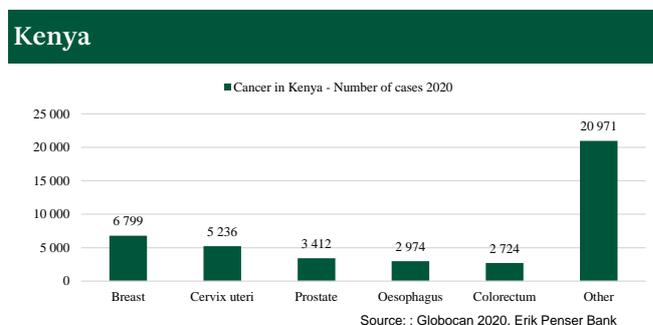
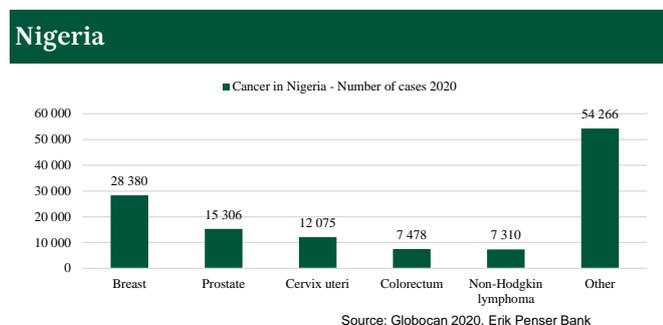
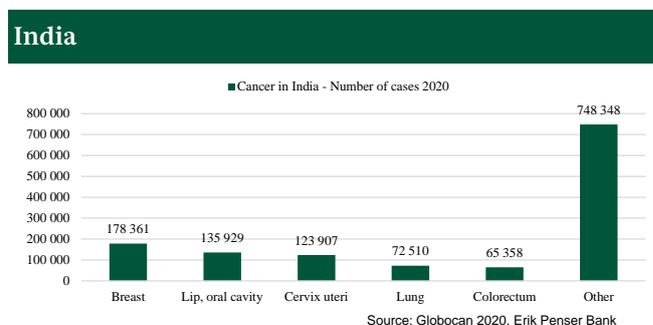
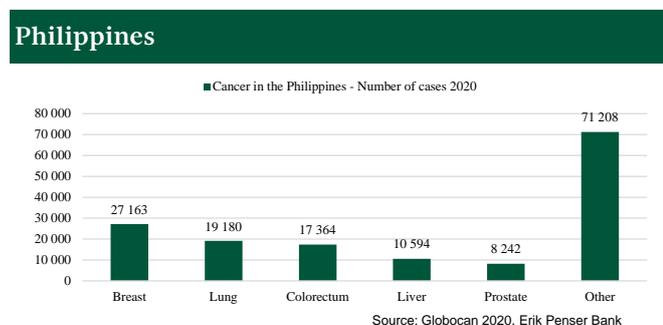
## IQwave – Active markets and markets awaiting CE certification

We choose to divide Scandinavian ChemoTech’s markets for IQwave into two categories. Firstly, the Philippines, India, Nigeria and Kenya, where the company has already achieved sales. We anticipate that an evaluation of the technology in these countries could lead to further sales in 2022 as a lot of activity is currently on hold as a result of Covid-19.

Scandinavian ChemoTech has also received orders from Singapore, Vietnam, Myanmar and Ukraine. However, these are awaiting CE certification for IQwave and we expect sales to start in 2023. If there is a faster ramp-up in the wake of an increased number of treatments, this would represent an upside to our forecasts.

### Existing markets

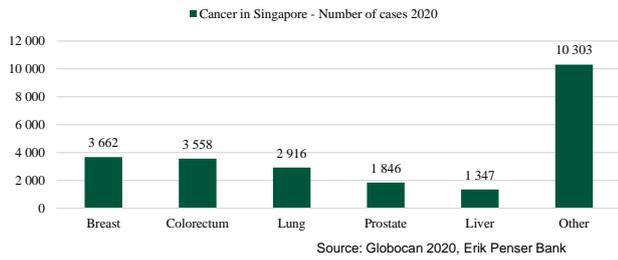
We expect two IQwave sales per country in 2022 in what we consider to be Scandinavian ChemoTech’s existing markets. After that, we expect an increase to 10 units per year in 2026. We assume that each unit is used 20 times per year, which drives sales of treatment kits. Breast cancer is the most common cancer diagnosis in these markets, and it is likely that this is where the product will be used, and this is also reflected in the clinical trial being conducted in Malaysia.



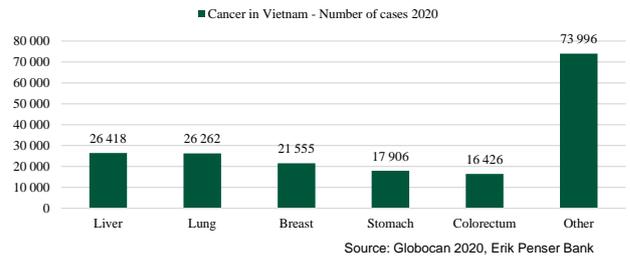
### Markets awaiting CE certification

For the markets awaiting CE certification of IQwave before getting started, we expect sales to kick off a year later, in 2023, with the same profile as in the existing markets. The degree of use is predicted to be the same. Scandinavian ChemoTech has received orders for one IQwave per market, but contingent upon CE certification, so this could be a trigger for the stock and potentially also for our forecasts. In the short term, however, Covid-19 is an obstacle in the way of roll-out and creates an element of uncertainty in the forecasts.

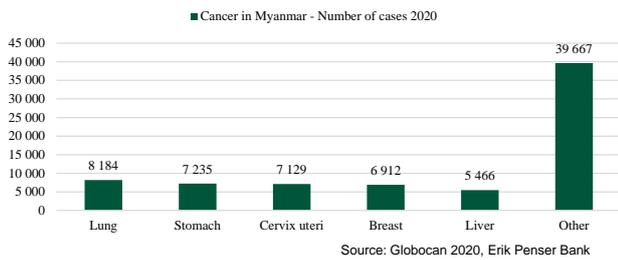
## Singapore



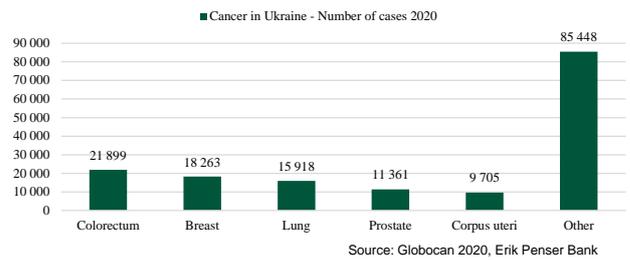
## Vietnam



## Myanmar

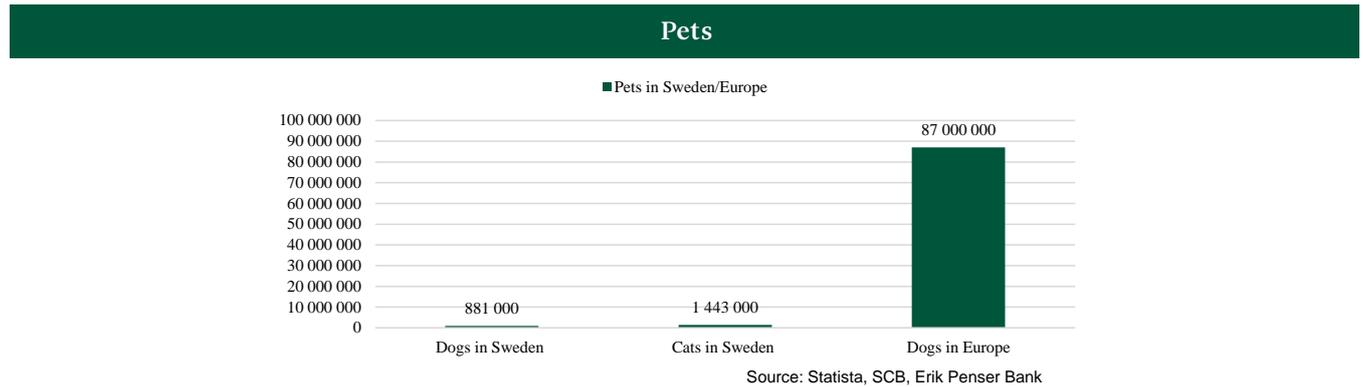


## Ukraine



## vetIQure – Anicura could offer a path to the market

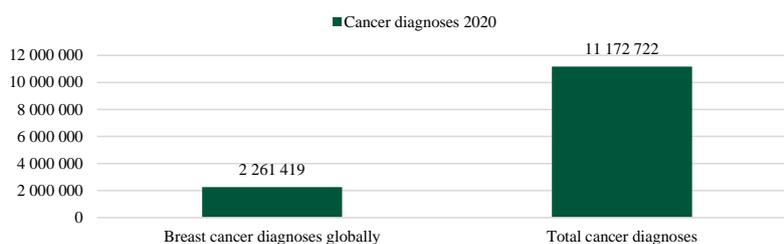
vetIQure is currently available at Anicura in Jönköping, Sweden. If they find the product beneficial, it could be rolled out to the 350 locations in Europe where Anicura operates, which would represent great potential. vetIQure could provide a more rapid path to the market than IQwave, and for example does not require CE certification in the same classification. The initial focus is likely to be on dogs and Sweden, but in a broader perspective, Europe and its 87 million dogs could offer a large base. Other pets may bring additional potential if the treatments in dogs prove to gain momentum. For example, there are almost twice as many cats as dogs in Sweden. The extent to which people will be prepared to pay remains to be seen. We anticipate sales of four units in 2022, growing to 10 in 2025. We assume that these will be used 20 times a year.



## A potentially very large market in the long run

The total number of cancer diagnoses globally was over 11 million in 2020, of which about 2.3 million were breast cancer. Breast cancer appears to be the indication that IQwave will mainly target initially. The markets that Scandinavian ChemoTech is addressing had a total of 290,000 breast cancer diagnoses in 2020, which means that the geographical upside could be very large if commercialization is successful. The point is that there is a high risk in the stock, and a lot that could happen along the way in terms of scheduling setbacks, product development, clinical trials etc, but if the probability is above zero, it likely means that there is an upside in the stock compared to today's valuation. In our opinion, an investment in Scandinavian ChemoTech should be a small element in a diversified portfolio with high risk awareness and a long horizon.

### Cancer diagnoses globally

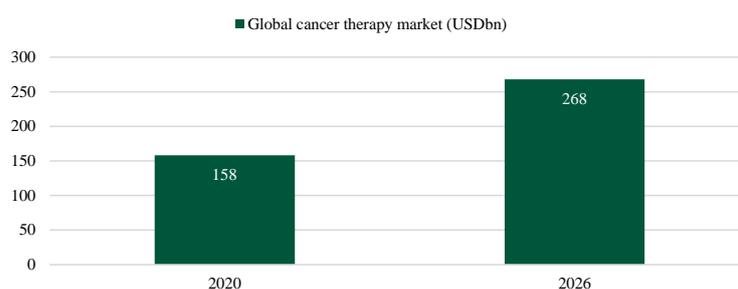


Source: Globocan 2020, Erik Penser Bank

## Huge market with strong growth globally for cancer treatments

The market for cancer treatments is estimated to amount to approximately USD 160 billion globally at present, and this figure is expected to grow by almost 10% per year. It would be risky to relate this number directly to Scandinavian ChemoTech's specific outlook, but it does reflect the great values that are at stake for technologies that successfully manage to enter the market and meaningfully contribute to cancer care.

### Global market for cancer treatments (USDbn)



Source: Mordor Intelligence, Erik Penser Bank

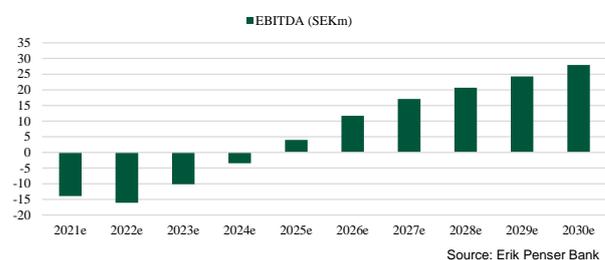
## Scandinavian ChemoTech – Valuation summary

We expect visible sales to pick up in 2022, driven by both IQwave and vetIQure. However, in our scenario there are a number of years until positive cash flows are achieved given the company's cost base. We envisage a positive EBITDA in 2025. The upside in Scandinavian ChemoTech is probably large, but the risks in terms of schedules and launches are also large. Our forecasts add up to a fair value of SEK 21–22 per share, and we assess that the share has a high level of risk. We apply a WACC of 13%, growth post-2030 of 2%, and an EBITDA margin post-2030 of about 50%. Important triggers for the share could be CE certification and new orders for IQwave, results from clinical trials using IQwave in the coming years, and commercialization of vetIQure. It is reasonable that today's valuation does not pay much attention to the potential, since delays and additional capital requirements must be seen as par for the course in this type of investment. Our conclusion is that the share is not overvalued based on the scenario we have applied, and that the potential in the long run may be high. However, this is matched by a high level of risk. The clearest driver for the share will be sales growth, which could lead to black numbers on the bottom line.

### Sales



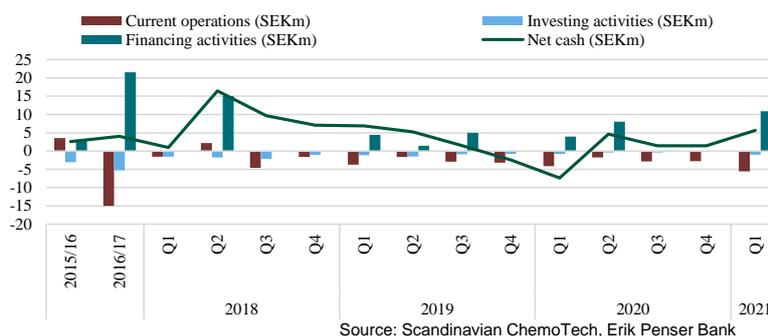
### EBITDA



### Capitalized in the short term

Scandinavian ChemoTech will probably require additional capital in the coming years. Following an injection of approximately SEK 13.6 million through warrants in Q1 2021 and new net borrowing of SEK 4.5 million this year, the company has capital that will last until 2022, but further expansion will probably require additional capital injections.

### Cash flow and liquidity (SEKm)



### Very large upside from a real breakthrough

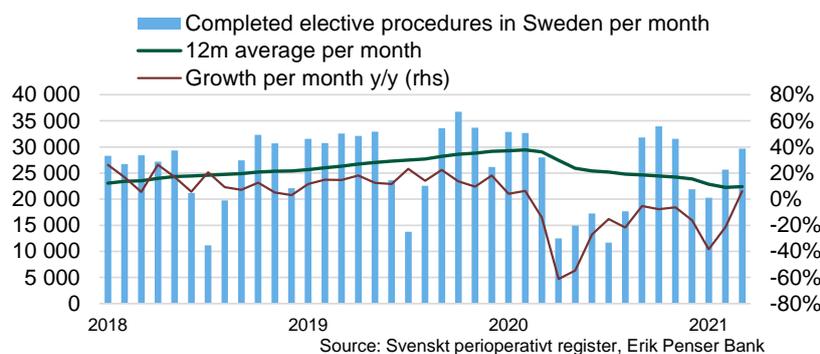
We calculate cautiously in our forecasts when it comes to future sales levels, largely due to the general observation that development often takes longer than expected. If we put these thoughts to one side and sketch out a scenario in which IQwave makes a widespread breakthrough in the global market for breast cancer treatments, then the upside is significant. In a scenario where IQwave, within a five-year period, takes 5% of the world market, which includes a total of about 2.3 million diagnoses per year, and each unit is used 20 times a year, this would mean sales of about

1,000 units per year for five years, to then gradually reach a replacement rate of about 500 units per year, based on an installed base of 5,000 units. This scenario would mean a valuation of approximately SEK 700 per Scandinavian ChemoTech share, which indicates the large upside that is hypothetically possible in a very positive scenario. This scenario would probably also have an effect on the perceived risk, resulting in a lower required return and further upside to the valuation. However, we emphasize that this is not our explicit forecast.

## Delayed surgery a major problem in the wake of Covid-19

The number of surgical operations performed has been strongly impacted since the beginning of 2020. In terms of levels in Sweden, the trend before Covid-19 broke out had been very stable, but at the start of 2020 the number of elective procedures fell sharply. The trend remained negative at the end of 2020, while the number of operations in March 2021 was higher than the previous year for the first time since the outbreak of Covid-19.

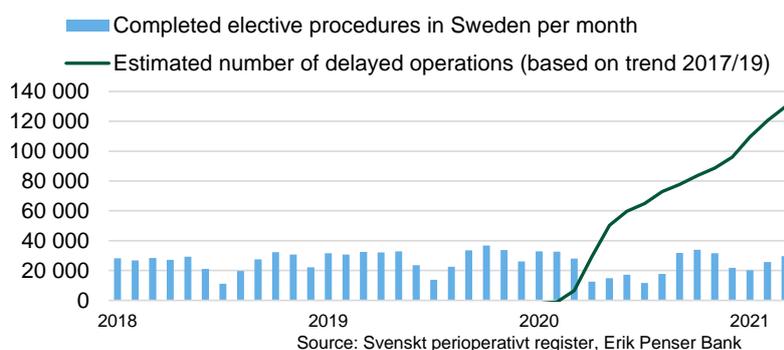
### Completed elective procedures in Sweden



### Surgical backlog is growing

Assuming that the stable trend in elective surgery before Covid-19 realistically describes the underlying need, which we believe is reasonable, this gives a picture of the surgical backlog that has accumulated over the past year, resulting in serious suffering for patients. At the end of March 2021, our estimate is that the number of delayed procedures since January 2020 in Sweden alone amounted to approximately 130,000.

### Delayed surgical procedures



### The situation is global, and restrictions still pose a future risk

The specific figures in the example above refer to Sweden. However, the situation applies to a greater or lesser extent in the rest of the world. Overall, volumes appear to have been around 70–80% during the second half of 2020. These lower volumes also hit the healthcare industry hard, and as an example delayed operations were estimated to cost US healthcare providers USD 50 billion per month in 2020. The pressure on the industry to improve the safety and efficacy of care is obvious. Improved access to elective care may serve as a positive trigger for many shares that have been negatively affected in the health care sector in the wake of Covid-19. This has also affected development projects, and remains a clear risk in terms of the ability to complete clinical trials and to conduct commercial sales efforts on time.

## Shareholders, board and management

### Shareholders

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Scandinavian ChemoTech's largest shareholder Mohan Frick, CEO and co-founder of the company, who controls 10.6% of the capital and 20.9% of the votes. Then comes private individual Martin Jerndal with 5.5% of the capital and 4.4% of the votes. The third largest individual shareholder in terms of capital is Hellers Medical AB with 3.8% of the capital and 6.1% of the votes. Other shareholders include Avanza Pension and Swedbank Försäkring, with 7.4% and 4.3% of the capital respectively.

### Board of directors

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The current board of Scandinavian ChemoTech is presented below.

#### **Lars Hedbys, Chairman**

Elected 2020. Other positions include Chairman and Co-Founder IAMPatient AB, Chairman Asgar Therapeutics and Director CanImGuide, RhoVac AB, Cell Invent AB, Immodulate Pharma, and co-founder of multiple companies. Previous directorships have included Chairman of Lund Life Science Incubator.

#### **Rolf Ehrnström, Director**

Elected 2020. Other positions include CSO Immunovia AB, Director Gradientech AB and Fluimedix A/S, CEO and Owner Reomics AB, and Partner in Ventac Partners and Ventac Capital.

#### **Robin Sukhia, Director**

Elected 2020. Other positions include Secretary General and President Sweden-India Business Council (SIBC) and Secretariat to ISBLRT – India Sweden Business Leaders' Roundtable. Previous work has included roles within Vesper Group.

#### **Bengt Engström, Director**

Elected 2020. Other positions include Chairman QleanAir AB and Nordic Flanges AB and Director Bure Equity AB, ScanCI OY, ScandiNova Systems AB, KTH Executive School AB and Real Holding AB. Bengt is also CEO of BEngström AB and BEngström Förvaltning AB. Bengt was previously CEO of Duni AB. Previous work includes posts at Scandinavian Executive AB, Advania AB, Prevas AB, Crem International AB, Chambers Group AB, ScanCI Sweden AB, Partnertech AB and others.

#### **Mohan Frick, Director**

Elected 2015. Mohan is CEO of Scandinavian ChemoTech. Other positions include Chairman of subsidiary Scandinavian Meditech and Fricks Property & Equity Invest AB. Mohan was previously a member of the Advisory Board for the Billion Minds Foundation.

## **Executive Management**

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Scandinavian ChemoTech's executive management consists of:

### **Mohan Frick**

CEO of Scandinavian ChemoTech since 2015. Mohan is also a Director of the company.

### **Urban Widén**

COO of Scandinavian ChemoTech since 2021. Urban Widén has experience from the commercial side as a head of subsidiary within AstraZeneca. Urban also has experience from both operational roles and board roles in entrepreneur-driven companies.

### **Eva Ståhl Wernersson**

Quality Assurance & Regulatory Affairs Manager. Eva has a Master's Degree in Chemical Engineering and a Doctorate in Engineering. Eva has had a long career in medical technology and has also worked in various manufacturing companies with development and quality.

### **Ashim Purohit**

Executive Management and Chairman of subsidiary Scandinavian Meditech, India. Ashim has almost 30 years of experience in customer service, sales and marketing. Ashim also currently works with consulting.

### **Anders Johnsson**

Business Area Director Animal Care. Anders has 30 years of experience in leading positions in organization, sales and marketing. In addition to the work within Scandinavian ChemoTech, Anders is a Director of Bamboo Group AB (Yggdrasil Group) and founder and owner of XCell Solution AB.

## ESG

Overall, Scandinavian ChemoTech's business operations do not have any direct environmental impact beyond the manufacture of its products and the disposable materials used. The company is not covered by the requirement to prepare a sustainability report. Scandinavian ChemoTech contributes socio-economically and socially by meeting the demand for cost-effective cancer treatment and alternative treatment methods. With a more efficient use of socio-economic resources and healthcare facilities, the environment is saved and human suffering and serious cancers can be alleviated and cured.

### Environment

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Treatment with Scandinavian ChemoTech's products does not have a significant environmental impact. The machine itself is used for several years and only its sterile treatment kits are disposable items. The company's IQwave product makes it possible to perform the treatment on an outpatient basis, which is an advantage for both the patient and the environment. Hospital stays contribute to a large part of public sector's emissions and through shorter stays, emissions can be reduced and healthcare facilities can be utilized optimally. The IQwave product is most often used in palliative care for pain relief, which can potentially reduce the number and duration of hospital stays and the use of pain relief medication. This means that the product can reduce other palliative care interventions that in turn would have had a significantly greater environmental impact.

### Social

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Scandinavian ChemoTech provides a great societal benefit by assisting society with high-tech and digital solutions to save lives, alleviate palliative care, optimize patient health and reduce care costs in cancer treatment. Because its IQwave product only affects the tumour area, the rest of the body is spared and thus chemotherapy-related side effects and hospital stays can be reduced. The company also has a clear goal to develop cost-effective treatments available to cancer patients where other treatments are not available for medical or financial reasons.

### Governance

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Scandinavian ChemoTech publishes information in accordance with the EU Market Abuse Regulation (MAR), other legislation and First North's rules. Several of the company's products are in the process of being CE certified and its sterile treatment kits have already received CE approval. The company has also received EU patents for its technical platform for dynamic electroporation. Prior to the publication of interim reports, year-end reports or annual reports, a silent period is observed for 30 days, and if the company otherwise makes decisions or if events that are deemed to be significant occur, the company shall immediately publish the matter. No trading may take place in the share by insiders during this period. It should be noted that in addition to the usual insiders, the company's personnel are also covered by the 30-day rule. The company's board consists of five men.

## Risks

The business risk factors that Scandinavian ChemoTech has identified in the annual report are summarized below:

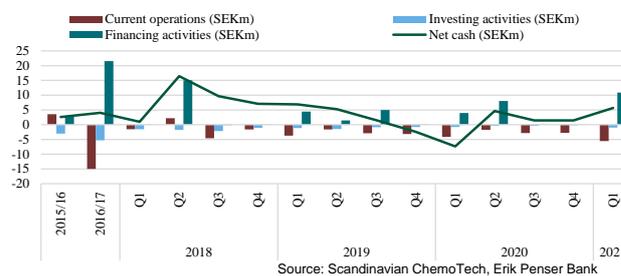
- Competence
- Product development
- Intellectual property
- Sales
- Competition
- Financing
- Political risks
- Currency risk

In our assessment, most of these risks should be taken into account if making an investment in Scandinavian ChemoTech. In the first instance, Scandinavian ChemoTech must validate its technology through clinical trials, which affects competence, product development and financing. For a company in this phase, financing is critical, which means that any delays are likely to lead to additional capital requirements with a risk of dilution for existing shareholders. All risk factors are also relevant to the commercialization phase that has begun. Cancer care competition for healthcare budgets globally is fierce, and political risks and considerations may also be relevant in the long run.

## Company data

Largest shareholders	Votes	Capital
Mohan Frick	20,91%	10,59%
Avanza Pension	5,91%	7,35%
Martin Jerndal	4,39%	5,45%
Swedbank Försäkring	3,44%	4,27%
Övriga	65,35%	72,34%
Chairman		Lars Hedbys
CEO		Mohan Frick
CFO		-
Investor relations		Mohan Frick
Website		<a href="http://www.chemotech.se">www.chemotech.se</a>

## Cash flow and liquidity (SEKm)



## Income statement

	2018	2019	2020	2021E	2022E	2023E
Nettoomsättning	1,2	0,6	0,1	0,0	4,7	12,0
Aktiverat arbete	3,9	4,1	1,3	1,3	1,3	1,3
Övriga rörelseintäkter	0,0	0,2	0,0	0,0	0,0	0,0
Råvaror och förnödenheter	0,0	0,0	0,0	0,0	-0,9	-2,2
Övriga externa kostnader	-8,3	-12,0	-6,8	-10,0	-13,0	-13,0
Personalkostnader	-3,8	-3,1	-3,7	-4,0	-7,0	-7,0
Avskrivningar	-1,2	-1,8	-1,9	-2,0	-2,0	-2,0
Övriga rörelsekostnader	0,0	0,0	0,1	0,0	0,0	0,0
<b>Rörelseresultat före av/nedskrivningar (EBITDA)</b>	<b>-7,1</b>	<b>-10,1</b>	<b>-8,9</b>	<b>-12,7</b>	<b>-14,8</b>	<b>-8,9</b>
<b>Rörelseresultat (EBIT)</b>	<b>-8,2</b>	<b>-12,0</b>	<b>-10,8</b>	<b>-14,7</b>	<b>-16,8</b>	<b>-10,9</b>
Finansnetto	0,1	-0,4	-0,8	-1,1	-1,2	-1,2
<b>Resultat före skatt</b>	<b>-8,2</b>	<b>-12,3</b>	<b>-11,7</b>	<b>-15,8</b>	<b>-18,0</b>	<b>-12,1</b>
Skatt	0,0	0,0	0,0	0,0	0,0	0,0
<b>Periodens resultat</b>	<b>-8,2</b>	<b>-12,3</b>	<b>-11,7</b>	<b>-15,8</b>	<b>-18,0</b>	<b>-12,1</b>

## Balance sheet

	2018	2019	2020	2021E	2022E	2023E
<b>Tillgångar</b>						
Immateriella tillgångar	9,4	11,9	11,8	10,8	9,8	8,8
Materiella anläggningstillgångar	0,1	0,1	0,1	0,1	0,1	0,1
<b>Summa anläggningstillgångar</b>	<b>9,5</b>	<b>12,0</b>	<b>11,9</b>	<b>10,9</b>	<b>9,9</b>	<b>8,9</b>
Varulager	0,6	0,8	1,3	0,0	1,9	4,8
Kortfristiga fordringar	1,6	1,9	1,4	0,0	1,9	4,8
Kassa och bank	7,6	2,9	1,5	6,1	7,2	13,2
<b>Summa omsättningstillgångar</b>	<b>9,7</b>	<b>5,5</b>	<b>4,1</b>	<b>6,1</b>	<b>11,0</b>	<b>22,8</b>
<b>Summa tillgångar</b>	<b>19,2</b>	<b>17,5</b>	<b>16,0</b>	<b>17,0</b>	<b>20,8</b>	<b>31,7</b>
<b>Eget kapital och skulder</b>						
Eget kapital	16,1	9,7	9,2	6,9	8,9	16,8
<b>Summa eget kapital</b>	<b>16,1</b>	<b>9,7</b>	<b>9,2</b>	<b>6,9</b>	<b>8,9</b>	<b>16,8</b>
Finansiella skulder	0,4	5,3	0,1	10,1	10,1	10,1
<b>Summa långfristiga skulder</b>	<b>0,4</b>	<b>5,3</b>	<b>0,1</b>	<b>10,1</b>	<b>10,1</b>	<b>10,1</b>
Rörelseskulder	2,7	2,5	6,7	0,0	1,9	4,8
<b>Summa kortfristiga skulder</b>	<b>2,7</b>	<b>2,5</b>	<b>6,7</b>	<b>0,0</b>	<b>1,9</b>	<b>4,8</b>
<b>Summa eget kapital och skulder</b>	<b>19,2</b>	<b>17,5</b>	<b>16,0</b>	<b>17,0</b>	<b>20,8</b>	<b>31,7</b>

## Cash flow

	2018	2019	2020	2021E	2022E	2023E
Rörelseresultat	-8,2	-12,0	-10,8	-14,7	-16,8	-10,9
Justeringar	1,2	1,8	1,9	2,0	2,0	2,0
Erhållna / erlagda räntor	0,1	-0,4	-0,8	-1,1	-1,2	-1,2
Betald inkomstskatt	0,0	0,0	0,0	0,0	0,0	0,0
<b>Kassaflöde före förändringar av rörelsekapital</b>	<b>-7,0</b>	<b>-10,5</b>	<b>-9,7</b>	<b>-13,8</b>	<b>-16,0</b>	<b>-10,1</b>
Förändring av rörelsekapital	-1,5	-0,7	-1,8	-4,1	-1,9	-2,9
<b>Kassaflöde från den löpande verksamheten</b>	<b>-8,5</b>	<b>-11,2</b>	<b>-11,5</b>	<b>-17,8</b>	<b>-17,9</b>	<b>-13,0</b>
Förvärv av immateriella anläggningstillgångar			-1,8	-1,0	-1,0	-1,0
Förvärv av materiella anläggningstillgångar						
Försäljning av materiella anläggningstillgångar						
Investeringar / försäljningar i övriga företag						
<b>Kassaflöde från investeringsverksamheten</b>	<b>-4,1</b>	<b>-4,3</b>	<b>-1,8</b>	<b>-1,0</b>	<b>-1,0</b>	<b>-1,0</b>
Kassaflöde finansieringsverksamheten	15,5	10,8	12,0	23,4	20,0	20,0
<b>Kassaflöde från finansieringsverksamheten</b>	<b>15,5</b>	<b>10,8</b>	<b>12,0</b>	<b>23,4</b>	<b>20,0</b>	<b>20,0</b>
<b>Periodens kassaflöde</b>	<b>2,9</b>	<b>-4,7</b>	<b>-1,3</b>	<b>4,6</b>	<b>1,1</b>	<b>6,0</b>
Likvida medel vid periodens början	4,6	7,6	2,9	1,5	6,1	7,2
Kursdifferens i likvida medel	0,0	0,0	0,0			
Likvida medel vid periodens slut	7,6	2,9	1,5	6,1	7,2	13,2

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