



Results Update

21 July 2023

BUY

Share Price: SEK45.1

Target Price: SEK109.0 (112.0)

Hansa Biopharma

Accelerating sales and news flow in H2(23e)

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Record Idefirix sales in Q2 but costs higher than expected

Idefirix sales were SEK30m in Q2, up from SEK14m in Q1 and 50% above our SEK20m estimate. Total revenues amounted to SEK37m versus our SEK30m estimate. The operating loss was SEK229m for the quarter versus our SEK178m estimate due to higher costs from clinical development, inflation, and FX. In the US registrational study, 76 patients have been enrolled, and enrolment continues to randomise a total of 64 patients. Hansa still targets complete randomisation in H2(23). Enrolment has been completed in the Ph I trial with next generation IgG cleaving enzyme HNSA5487 designed to enable repeat dosing.

Germany and the UK to drive acceleration in sales in H2(23e)

We raise cost estimates following Q2, while Idefirix assumptions are left unchanged. We are growing increasingly confident that we are at or close to an inflection point in the uptake of Idefirix in Europe. Pricing and reimbursement have now been secured in 13 EU countries, including the top five markets. Following the publication of ESOT guidelines last year, national guidelines have recently been implemented in key markets and a new Eurotransplant programme to enable allocation of organs also to highly sensitised patients was implemented in June. We anticipate that these changes should accelerate the uptake during H2(23.) We are also encouraged by the recent approval of Idefirix in Australia, covering both deceased and living donors, which should contribute to growth from H1 (23e) when access is secured.

News flow intensifying in H2(23) – large upside potential if management delivers

Hansa expects top-line results from the Ph II study in GBS, full Ph II AMR data and 5-year data in kidney transplantation in H2. We think the data read outs will be important to add confidence in the long-term potential of Idefirix and the technology platform. After years of disappointing progress with both the uptake of Idefirix and with clinical development, we see significant upside potential in the stock should management deliver on the expected uptake and news flow in H2(23). We reiterate BUY but trim our SOTP-based TP to SEK109 (112).

Changes in this report

| | From | To | Chg |
|----------------|--------|--------|------|
| EPS adj. 2023e | -13.18 | -15.11 | -15% |
| EPS adj. 2024e | -7.85 | -9.39 | -20% |
| EPS adj. 2025e | -5.38 | -6.96 | -29% |

Upcoming events

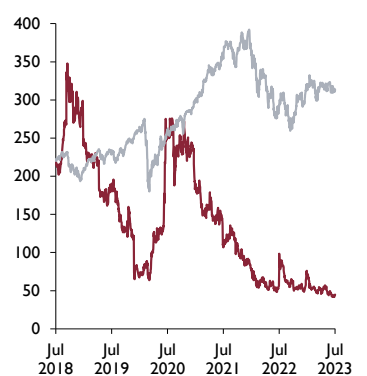
Key facts

| | |
|-------------------------|-------------------|
| No. shares (m) | 55.0 |
| Market cap. (USDm) | 240 |
| Market cap. (SEKm) | 2,480 |
| Net IB Debt. (SEKm) | 131 |
| Adjustments (SEKm) | 0 |
| EV (2023e) (SEKm) | 2,611 |
| Free float | 100.0% |
| Avg. daily vol. ('000) | 136 |
| Risk | High Risk |
| Fiscal year end | December |
| Share price as of (CET) | 20 Jul 2023 17:29 |

Key figures (SEK)

| | 2022 | 2023e | 2024e | 2025e |
|---------------------|---------|---------|---------|--------|
| Sales | 154 | 173 | 381 | 608 |
| EBITDA | -584 | -781 | -611 | -440 |
| EBIT | -587 | -783 | -614 | -443 |
| EPS | -12.23 | -15.11 | -9.39 | -6.96 |
| EPS adj. | -12.23 | -15.11 | -9.39 | -6.96 |
| DPS | 0.00 | 0.00 | 0.00 | 0.00 |
| Sales growth Y/Y | 356% | 12% | 120% | 60% |
| EPS adj. growth Y/Y | +chg | -chg | +chg | +chg |
| EBIT margin | -380.1% | -453.0% | -161.1% | -72.8% |
| P/E adj. | n.m. | n.m. | n.m. | n.m. |
| EV/EBIT | neg. | neg. | neg. | neg. |
| EV/EBITA | neg. | neg. | neg. | neg. |
| EV/EBITDA | neg. | neg. | neg. | neg. |
| P/BV | 4.1 | neg. | neg. | neg. |
| Dividend yield | 0.0% | 0.0% | 0.0% | 0.0% |
| FCF yield | -21.2% | -34.6% | -20.7% | -15.3% |
| Equity/Total Assets | 35.9% | -27.1% | -234.0% | 342.7% |
| ROCE | -53.3% | -82.7% | n.m. | 188.8% |
| ROE adj. | -89.3% | -437.4% | 106.7% | 41.0% |
| Net IB debt/EBITDA | 1.3 | -0.2 | -1.2 | -2.9 |

Share price -5Y



— Hansa Biopharma
— OMX Stockholm_PI (Se) (Rebased)

High/Low (12M) SEK90.7/41.7

| Perf. | 3M | 6M | 12M | YTD |
|-------|------|-------|-------|-------|
| Abs. | -1.3 | -36.5 | -54.2 | -8.5 |
| Rel. | 0.7 | -35.5 | -60.8 | -14.6 |

For exclusive use of Klaus Sindahl, Hansa Biopharma Source: Carnegie Research, FactSet, Millstream & company data

Performance & valuation

Price relative to market – 1Y



— Hansa Biopharma
— OMX Stockholm PI (Se)

Source: FactSet

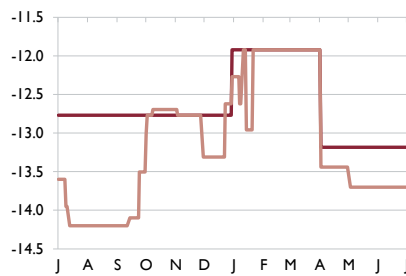
Price relative to sector – 1Y



— Hansa Biopharma
— Healthcare

Source: FactSet

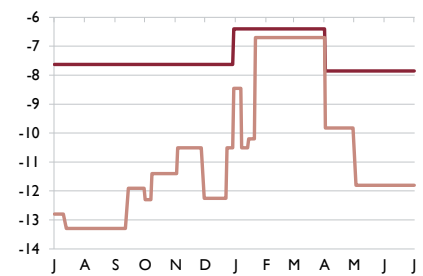
Adj. EPS expectations – 2023e



— Carnegie
— Consensus

Source: Carnegie Research & FactSet

Adj. EPS expectations – 2024e



— Carnegie
— Consensus

Source: Carnegie Research & FactSet

Performance

| snapshot | 1M | 3M | 12M | YTD |
|------------------------|------|------|-------|------|
| Hansa Biopharma % | -3.3 | -1.3 | -54.2 | -8.5 |
| Peer group % | n.a. | n.a. | n.a. | n.a. |
| Carnegie Health Care % | -5.1 | -3.7 | 21.1 | 11.1 |
| OMXSPI % | -0.9 | -2.0 | 6.6 | 6.1 |
| MSCI Nordic % | -0.5 | -2.3 | 9.0 | 5.3 |
| MSCI Europe % | 0.8 | -1.5 | 10.7 | 8.6 |
| S&P 500 % | 3.3 | 9.8 | 14.5 | 18.1 |
| MSCI World % | 2.6 | 7.2 | 13.1 | 15.7 |

Source: FactSet

Valuation

| snapshot | 2022 | 2023e | 2024e | 2025e |
|----------------|--------|--------|--------|--------|
| P/E | n.m. | n.m. | n.m. | n.m. |
| P/E adj. | n.m. | n.m. | n.m. | n.m. |
| EV/EBITDA | neg. | neg. | neg. | neg. |
| EV/EBITA | neg. | neg. | neg. | neg. |
| P/BV | 4.09 | neg. | neg. | neg. |
| P/BV ex. GW | 4.09 | neg. | neg. | neg. |
| Dividend yield | 0.0% | 0.0% | 0.0% | 0.0% |
| FCF yield | -21.2% | -34.6% | -20.7% | -15.3% |

Source: Carnegie Research

Hansa Biopharma

Carnegie estimates

| SEKm | 2022 | | | | 2023 | | | | 2021 | 2022 | 2023e | 2024e |
|----------------------------|------|------|------|------|------|------|------|------|------|------|-------|-------|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3e | Q4e | | | | |
| Revenues | 30 | 26 | 67 | 31 | 24 | 37 | 48 | 64 | 34 | 154 | 173 | 381 |
| Cogs | -11 | -5 | -18 | -5 | -10 | -19 | -10 | -14 | -15 | -38 | -51 | -38 |
| Gross profit | 19 | 21 | 49 | 26 | 15 | 18 | 39 | 51 | 18 | 116 | 122 | 343 |
| SG&A costs | -80 | -90 | -83 | -82 | -103 | -129 | -110 | -125 | -327 | -336 | -468 | -477 |
| R&D costs | -71 | -93 | -90 | -92 | -93 | -115 | -105 | -115 | -231 | -346 | -428 | -470 |
| Other income/expenses | -3 | -6 | -15 | 3 | -1 | -2 | -3 | -3 | -7 | -21 | -9 | -9 |
| EBIT | -135 | -168 | -140 | -145 | -182 | -228 | -180 | -193 | -547 | -587 | -783 | -614 |
| Net financials | -3 | -2 | -14 | -2 | -23 | -23 | -2 | -2 | -1 | -21 | -48 | -48 |
| PTP | -138 | -170 | -154 | -147 | -205 | -251 | -181 | -194 | -548 | -609 | -832 | -662 |
| Tax | 0 | 0 | -1 | -1 | 0 | 0 | 0 | 0 | 0 | -1 | 0 | 146 |
| Net profit | -138 | -170 | -154 | -147 | -205 | -251 | -181 | -194 | -548 | -610 | -832 | -517 |
| Revenue per segment | | | | | | | | | | | | |
| Product sales | 24 | 20 | 23 | 20 | 14 | 30 | 38 | 54 | 15 | 87 | 136 | 319 |
| Licence income/other | 6 | 7 | 44 | 10 | 10 | 7 | 10 | 10 | 19 | 68 | 37 | 62 |

Source: Company data and Carnegie Research

Valuation and risks

We rate Hansa BUY. Our recommendation is based on a sum-of-parts valuation. Based on our estimates, we arrive at a fair value of SEK109 (112). Please see our model assumptions and risks to our case below.

| Project | Launch | Probability | Peak sales (USDm) | Valuation approach | NPV (SEKm) | NPV/peak sales | NPV/share (SEK) | Next catalyst |
|---|--------|-------------|-------------------|--------------------|--------------|----------------|-----------------|---|
| Idefirix (Kidney transplant, EU5) | 2020 | 100% | 81 | DCF, WACC 10% | 1,584 | 1.9 | 29 | EU roll-out to accelerate H2(23) |
| Idefirix (Kidney transplant, US) | 2026e | 85% | 127 | DCF, WACC 10% | 971 | 0.7 | 18 | Complete Ph II/III randomization H2(23) |
| Idefirix (AMR) | 2027e | 50% | 92 | DCF, WACC 12% | 358 | 0.4 | 7 | Full Ph II data H2(23) |
| Idefirix (Anti-GBM) | 2027e | 70% | 76 | DCF, WACC 12% | 362 | 0.5 | 7 | Continued enrollment of Ph III H2(23) |
| Idefirix (GBS) | 2028e | 40% | 336 | DCF, WACC 12% | 998 | 0.3 | 18 | Ph II safety data H2(23), efficacy 2024 |
| Idefirix - Sarepta Therapeutics (gene-therapy) | 2027e | 30% | 124 | DCF, WACC 12% | 1,006 | 0.8 | 18 | Start Ph I during 2023 |
| Tech platform/line extensions (gene therapy, solid/cell tx) | | | | Peer benchmark | 1,000 | | 18 | Additional gene-therapy deals |
| Unallocated costs (21-24e) | | | | | -642 | | -12 | |
| Enterprise Value (EV), SEKm | | | | | 5,637 | | | |
| Net Cash YE2022 | | | | | 734 | | 13 | Funded into 2025e |
| Return to NovaQuest on USD 70m principle | | | | | -350 | | -6 | Repayments 24-28e with 2x Cap |
| Total NPV | | | | | 6,020 | | 109 | |

Source: Carnegie Research and company data

Assumptions

For Idefirix, we currently model total non-risk adjusted peak sales of USD836m across several different indications, including transplantation (highly sensitised kidney transplantation, AMR), rare autoimmune diseases (GBS and anti-GBM) and as an enabler for gene therapy in patents with neutralising antibodies. We model launch probabilities of 30–85% across indications in clinical development to reflect the risk of not reaching the market. To capture the uncertainty in commercial execution (penetration, pricing and reimbursement risks) and the risk of future competition, we discount future risk adjusted cash flows by a WACC of 10–12%. We have assigned a value of SEK1bn to the technology platform, including potential future use in gene therapy and the next generation IgG cleaving enzymes, based on a peer benchmark approach

Risks

Key risks include a failure to achieve adequate market access in key markets and a failure to gain approval for indications that are in clinical development. Until the company is cash-flow positive, it is dependent on external capital for funding. The current cash position should fund operations into 2025, according to the company. Idefirix is available under the conditional approval pathway in Europe, and full approval is conditional on good Phase III study results.

Carnegie's Sustainability Scorecard

Carnegie total ESG peer rating: 47%

Taxonomy eligible: No

Sustainability as a business driver

The pharmaceutical and biotechnology industry has transformed medicine and plays a crucial role in global health today. There is a strong connection between the health of patients, business, the workforce, communities, and the planet, and each of these affects one another. Sustainability in the pharma and biotech industry is defined by access to healthcare, environmental protection, ethics, and transparency. Hansa Biopharma strives to create sustainable value by developing drugs that can give people a better and longer life.

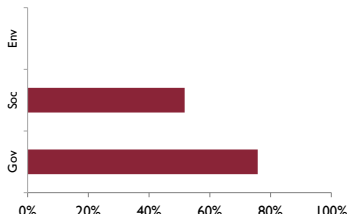
Sustainability targets and achievements

Hansa Biopharma's operations are conducted in compliance with regulatory guidelines and industry standards that naturally integrate many of the most important sustainability issues. The company's sustainability work focuses on conducting clinical development in compliance with ethical rules and guidelines, considering the environmental impact of both Hansa Biopharma's operations and those of its suppliers.

Sustainability related risks and past incidents

The pharmaceutical and biotechnology industry's main sustainability-related risks are related to access/affordability, ethics/social and environmental protection. The industry is highly regulated with laws and regulations on interactions with patients, healthcare professionals, society, customers, and business partners.

ESG rating – share of best peer score



Potential and incidents

| | |
|---------------------|---------------|
| Sust. driven growth | Fair |
| Past incidents | Insignificant |

Exposure to negative impact industries

| | |
|--------------|----|
| Fossil fuels | 0% |
| Weapons | 0% |
| Tobacco | 0% |
| Pornography | 0% |
| Alcohol | 0% |
| Gambling | 0% |

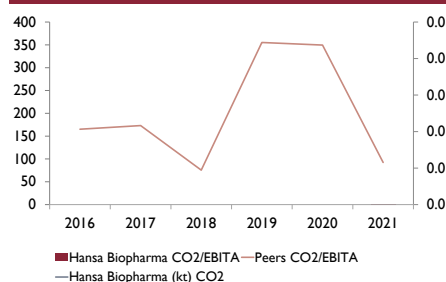
Source tables and graph above: Carnegie Research

ESG Key Facts

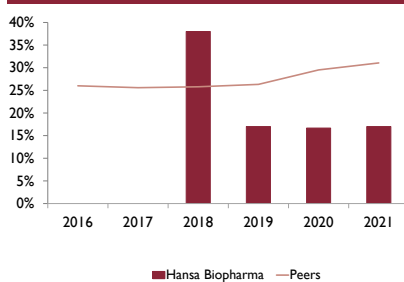
| | |
|--|----------|
| Science-based CO2 reduction targets | No |
| Science-based CO2 neutrality target yr | na |
| Non-renewable energy cons. (%) | na |
| % women (board/senior exec/total) | 33/17/60 |
| Employee turnover rate (%) | 8.7% |
| Absenteeism rate (%) | na |
| Accident frequency (per mill. hours) | na |
| Board meetings (number/attendance) | 11/98% |
| Sustainability committee | No |
| Sust. performance in incentive prog. | Yes |
| Existence of a whistleblowing system | Yes |
| Taxonomy eligible revenue | na |

Source: Carnegie Research & company data

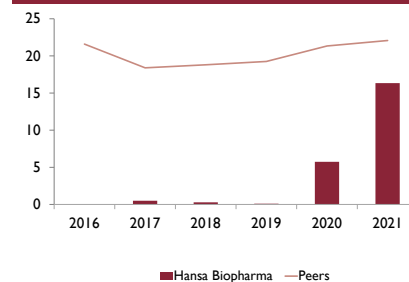
Carbon emissions



Senior executives, % women



Compensation gap, CEO vs employees



Source: Carnegie Research & company data

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Financial statements

| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023e | 2024e | 2025e |
|----------------------------------|-------------|-------------|-------------|-------------|--------------|--------------|--------------|-------------|-------------|---------------|
| Profit & loss | | | | | | | | | | |
| Sales | 3 | 3 | 3 | 3 | 6 | 34 | 154 | 173 | 381 | 608 |
| COGS | 0 | 0 | -1 | -1 | -1 | -15 | -38 | -51 | -38 | -61 |
| Gross profit | 2 | 3 | 2 | 3 | 5 | 18 | 116 | 122 | 343 | 547 |
| Other income & costs | -112 | -178 | -247 | -361 | -425 | -563 | -700 | -902 | -954 | -987 |
| EBITDA | -110 | -175 | -245 | -358 | -420 | -544 | -584 | -781 | -611 | -440 |
| Depreciation PPE | 2 | 2 | 2 | 2 | 1 | 1 | 1 | 1 | 1 | 1 |
| Other amortisation | 0 | 0 | 0 | 0 | 2 | 2 | 2 | 2 | 2 | 2 |
| EBITA | -111 | -176 | -246 | -360 | -423 | -547 | -587 | -783 | -614 | -443 |
| GW amortisation & Impairment | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| EBIT | -111 | -176 | -246 | -360 | -423 | -547 | -587 | -783 | -614 | -443 |
| Net interest | 0 | -1 | -2 | 0 | 2 | -1 | -21 | -48 | -48 | -48 |
| Other financial items | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Share of earnings in ass. comp. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| EAFI | -111 | -177 | -248 | -360 | -421 | -548 | -609 | -832 | -662 | -491 |
| Other EO items | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Pre-tax profit | -111 | -177 | -248 | -360 | -421 | -548 | -609 | -832 | -662 | -491 |
| Taxes | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 146 | 108 |
| Post-tax minorities interest | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Net profit | -111 | -177 | -248 | -360 | -421 | -548 | -609 | -832 | -517 | -383 |
| EO & Impairment adjustments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Tax on EO items | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Adj.Net profit | -111 | -177 | -248 | -360 | -421 | -548 | -609 | -832 | -517 | -383 |
| Sales growth Y/Y | -61.4% | 33.5% | -2.4% | 0.0% | 81.7% | 455.6% | 355.9% | 11.9% | 120.4% | 59.6% |
| EBITA growth Y/Y | -chg | -chg | -chg | -chg | -chg | -chg | -chg | -chg | +chg | +chg |
| EBITDA margin | na | na | na | na | na | na | -378.3% | -451.4% | -160.4% | -72.3% |
| EBITA margin | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm |
| Tax rate | na | na | na | na | na | na | na | na | 22.0% | 22.0% |
| Cash flow | | | | | | | | | | |
| EBITDA | -110 | -175 | -245 | -358 | -420 | -544 | -584 | -781 | -611 | -440 |
| Net financial items | 0 | -1 | -2 | 0 | 2 | -1 | -21 | -48 | -48 | -48 |
| Non cash adjustments | 4 | 12 | 13 | 14 | 111 | 86 | 104 | 0 | 0 | 0 |
| Change in NWC | 12 | 13 | 29 | 10 | 17 | -21 | -21 | -29 | 0 | 0 |
| Paid taxes | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 146 | 108 |
| Operating cash flow (OCF) | -95 | -150 | -205 | -335 | -290 | -481 | -523 | -858 | -514 | -380 |
| CAPEX PPE | -1 | -2 | -2 | -3 | 0 | -2 | -3 | 0 | 0 | 0 |
| CAPEX other intang. assets | 0 | 0 | 0 | -1 | 0 | 0 | 0 | 0 | 0 | 0 |
| Net cash flow (NCF) | -96 | -153 | -207 | -338 | -291 | -484 | -526 | -858 | -514 | -380 |
| Other investments/Divestments | -45 | 5 | -385 | -9 | 0 | 0 | 0 | 0 | -100 | -150 |
| Dividend paid | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Share issues & buybacks | 178 | 515 | 432 | 0 | 1,071 | 0 | 398 | 0 | 0 | 0 |
| Other non-cash adjustments | 0 | 0 | 0 | -38 | 178 | -4 | -518 | 0 | 0 | 0 |
| Change in LT non-IB liabilities | 0 | 0 | 0 | 0 | 0 | 0 | 728 | 0 | 0 | 0 |
| Decrease in net IB debt | 37 | 368 | -160 | -385 | 958 | -488 | 82 | -858 | -614 | -530 |
| Balance sheet | | | | | | | | | | |
| Goodwill | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other fixed intangible assets | 37 | 34 | 33 | 33 | 31 | 29 | 47 | 49 | 51 | 53 |
| PPE | 3 | 4 | 6 | 6 | 5 | 6 | 8 | 9 | 110 | 261 |
| Shares & participations | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other fixed financial assets | 15 | 19 | 40 | 9 | 5 | 35 | 28 | 28 | 28 | 28 |
| Other fixed assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Fixed assets | 54 | 56 | 79 | 48 | 41 | 70 | 83 | 85 | 188 | 341 |
| Inventories | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 30 | 30 | 30 |
| Receivables | 3 | 8 | 8 | 15 | 16 | 53 | 108 | 108 | 108 | 108 |
| Other current assets | 40 | 35 | 419 | 419 | 238 | 238 | 0 | 0 | 0 | 0 |
| Cash & cash equivalents | 214 | 581 | 439 | 182 | 1,139 | 651 | 1,496 | 611 | -8 | -807 |
| Current assets | 257 | 624 | 866 | 616 | 1,393 | 942 | 1,605 | 748 | 129 | -669 |
| Total assets | 311 | 681 | 945 | 664 | 1,435 | 1,013 | 1,687 | 834 | 317 | -328 |
| Shareholders' equity | 284 | 631 | 860 | 563 | 1,242 | 758 | 606 | -226 | -742 | -1,125 |
| Minorities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-ordinated loans | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Convertibles | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Deferred tax | 1 | 1 | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other IB & Non IB provisions | 0 | 6 | 12 | 7 | 78 | 84 | 57 | 35 | 35 | 35 |
| LT IB debt | 1 | 0 | 0 | 0 | 0 | 0 | 763 | 763 | 763 | 500 |
| LT non-IB liabilities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| LT liabilities | 1 | 6 | 13 | 8 | 78 | 84 | 820 | 798 | 798 | 535 |
| ST IB debt | 0 | 0 | 0 | 5 | 4 | 7 | 7 | 7 | 7 | 7 |
| Payables | 6 | 33 | 26 | 39 | 56 | 72 | 106 | 106 | 106 | 106 |
| Other ST non-IB liabilities | 19 | 11 | 46 | 51 | 54 | 92 | 148 | 148 | 148 | 148 |
| Current liabilities | 26 | 44 | 72 | 94 | 115 | 171 | 262 | 262 | 262 | 262 |
| Total liabilities | 311 | 680 | 945 | 664 | 1,434 | 1,013 | 1,687 | 834 | 317 | -328 |

Source: Carnegie Research & company data

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Share data & key ratios

| Per share data (SEK) | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023e | 2024e | 2025e |
|------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|--------------|--------------|
| Adj. no. of shares in issue YE (m) | 35.10 | 37.81 | 39.96 | 40.03 | 44.47 | 44.47 | 55.03 | 55.03 | 55.03 | 55.03 |
| Diluted no. of Shares YE (m) | 35.10 | 37.81 | 39.96 | 40.03 | 44.47 | 44.47 | 55.03 | 55.03 | 55.03 | 55.03 |
| EPS | -3.29 | -4.67 | -6.38 | -9.00 | -9.96 | -12.32 | -12.23 | -15.11 | -9.39 | -6.96 |
| EPS adj. | -3.29 | -4.67 | -6.38 | -9.00 | -9.96 | -12.32 | -12.23 | -15.11 | -9.39 | -6.96 |
| CEPS | -3.29 | -4.67 | -6.38 | -9.00 | -9.96 | -12.32 | -12.23 | -15.11 | -9.39 | -6.96 |
| DPS | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| BVPS | 8.08 | 16.7 | 21.5 | 14.1 | 27.9 | 17.0 | 11.0 | -4.10 | -13.49 | -20.44 |
| BVPS ex. GW | 8.08 | 16.7 | 21.5 | 14.1 | 27.9 | 17.0 | 11.0 | -4.10 | -13.49 | -20.44 |
| NAVPS | 8.08 | 16.7 | 21.5 | 14.1 | 27.9 | 17.0 | 11.0 | -4.10 | -13.49 | -20.44 |
| NIBDPS | -6.48 | -15.84 | -11.95 | -4.51 | -25.59 | -14.63 | -13.30 | 2.39 | 13.6 | 23.4 |
| Valuation | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023e | 2024e | 2025e |
| P/E YE | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm |
| P/E adj. YE | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm |
| P/E average | neg. | neg. | neg. | neg. | neg. | neg. | neg. | neg. | neg. | neg. |
| P/E adj. average | neg. | neg. | neg. | neg. | neg. | neg. | neg. | neg. | neg. | neg. |
| P/CEPS YE | neg. | neg. | neg. | neg. | neg. | neg. | neg. | neg. | neg. | neg. |
| P/BV YE | 14.41 | 14.96 | 12.86 | 5.96 | 8.61 | 5.21 | 4.47 | neg. | neg. | neg. |
| P/BV ex. GW YE | 14.41 | 14.96 | 12.86 | 5.96 | 8.61 | 5.21 | 4.47 | neg. | neg. | neg. |
| Dividend yield YE | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Dividend Payout Ratio | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| EV/EBIT YE | neg. | neg. | neg. | neg. | neg. | neg. | neg. | neg. | neg. | neg. |
| EV/EBITA YE | neg. | neg. | neg. | neg. | neg. | neg. | neg. | neg. | neg. | neg. |
| EV/EBITA adj. YE | neg. | neg. | neg. | neg. | neg. | neg. | neg. | neg. | neg. | neg. |
| EV/Sales YE | >50 | >50 | >50 | >50 | >50 | >50 | 12.8 | 15.1 | 8.5 | 6.2 |
| EV/EBITDA YE | neg. | neg. | neg. | neg. | neg. | neg. | neg. | neg. | neg. | neg. |
| Share price YE | 117 | 250 | 277 | 83.9 | 240 | 88.8 | 49.2 | 45.1 | | |
| Share price high | 132 | 258 | 348 | 299 | 276 | 236 | 98.4 | 76.3 | | |
| Share price low | 19.4 | 105 | 199 | 65.1 | 63.6 | 82.7 | 48.1 | 41.7 | | |
| Share price average | 62.0 | 171 | 254 | 180 | 172 | 136 | 61.9 | 52.1 | | |
| Margins | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023e | 2024e | 2025e |
| Gross margin | 91.6% | 93.6% | 72.7% | 74.5% | 83.7% | 54.5% | 75.1% | 70.3% | 90.0% | 90.0% |
| EBITDA margin | na | na | na | na | na | na | -378.3% | -451.4% | -160.4% | -72.3% |
| Adj. EBITDA margin | na | na | na | na | na | na | -378.3% | -451.4% | -160.4% | -72.3% |
| EBITA margin | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm |
| Adj. EBITA margin | na | na | na | na | na | na | -376.5% | -449.8% | -159.6% | -71.9% |
| Pre-tax margin | na | na | na | na | na | na | -393.9% | -480.9% | -173.8% | -80.7% |
| Net margin | na | na | na | na | na | na | -393.9% | -480.9% | -135.5% | -63.0% |
| Adj. net margin | na | na | na | na | na | na | -393.9% | -480.9% | -135.5% | -63.0% |
| Profitability | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023e | 2024e | 2025e |
| ROE | -44.9% | -38.6% | -33.3% | -50.6% | -46.6% | -54.8% | -89.3% | -437.4% | 106.7% | 41.0% |
| Adj. ROE | -44.9% | -38.6% | -33.3% | -50.6% | -46.6% | -54.8% | -89.3% | -437.4% | 106.7% | 41.0% |
| Adj. ROCE pre-tax | -44.7% | -38.2% | -32.7% | -49.5% | -44.0% | -50.4% | -53.3% | -82.7% | nm | 188.8% |
| Adj. ROIC aft-tax | -283.6% | -701.0% | -1423.0% | -1982.8% | -7482.8% | -8887.3% | -1588.5% | -1065.2% | -338.3% | -127.2% |
| Adj. ROA pre-tax | -40.4% | -34.9% | -30.0% | -44.1% | -39.3% | -44.3% | -44.7% | -65.5% | -114.1% | 8756.5% |
| FCF yield | -3.9% | -6.1% | -8.3% | -13.6% | -11.7% | -19.5% | -21.2% | -34.6% | -20.7% | -15.3% |
| Capital eff./Solv. | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023e | 2024e | 2025e |
| Inventories / Sales | 0.0% | 0.0% | 0.0% | 0.0% | 1.6% | 0.7% | 0.6% | 17.4% | 7.9% | 4.9% |
| Receivables / Sales | 132.0% | 235.9% | 239.1% | 436.4% | 258.8% | 156.8% | 69.6% | 62.2% | 28.2% | 17.7% |
| Payables / Sales | 251.3% | 945.4% | 780.2% | 1151.6% | 924.9% | 213.9% | 68.9% | 61.5% | 27.9% | 17.5% |
| NWC / Sales | -28.4% | -399.4% | -634.2% | -628.2% | -529.1% | -88.0% | -5.5% | 9.6% | 8.2% | 5.1% |
| Asset turnover | 0.01 | 0.01 | 0.00 | 0.00 | 0.01 | 0.03 | 0.11 | 0.14 | 0.66 | -109.70 |
| Sales / Capital invested | 0.07 | 0.14 | 0.20 | 0.19 | 1.09 | 5.56 | 4.22 | 2.37 | 2.72 | 2.27 |
| OCF / Capex | -96.10 | -68.23 | -86.46 | -124.00 | -987.41 | -200.58 | -165.60 | nm | nm | nm |
| Capex / Sales | 38.2% | 63.9% | 70.5% | 80.4% | 4.8% | 7.1% | 2.0% | 0.0% | 0.0% | 0.0% |
| Capex / Depreciation PPE | -0.63 | -1.41 | -1.52 | -1.74 | -0.37 | -3.00 | -3.95 | 0.00 | 0.00 | 0.00 |
| Dividend payout ratio | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% |
| Equity / Total assets | 91% | 93% | 91% | 85% | 87% | 75% | 36% | -27% | -234% | 343% |
| Net IB debt / Equity | -80% | -95% | -56% | -32% | -92% | -86% | -121% | -58% | -101% | -114% |
| Net IB debt / EBITDA | 2.1 | 3.4 | 2.0 | 0.5 | 2.7 | 1.2 | 1.3 | -0.2 | -1.2 | -2.9 |
| EBITDA / Net interest | n.m. | n.m. | n.m. | 4712.1 | 217.2 | n.m. | n.m. | n.m. | n.m. | n.m. |
| EBITA / Net interest | n.m. | n.m. | n.m. | 4732.6 | 218.6 | n.m. | n.m. | n.m. | n.m. | n.m. |
| Balance sheet data | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023e | 2024e | 2025e |
| Net IB debt | -228 | -599 | -478 | -181 | -1,138 | -651 | -732 | 131 | 751 | 1,286 |
| Net working capital (NWC) | -3 | -24 | -18 | -24 | -41 | -19 | 2 | 31 | 31 | 31 |
| Capital employed (CE) | 285 | 637 | 873 | 575 | 1,324 | 848 | 1,433 | 579 | 63 | -583 |
| Capital invested (CI) | 36 | 13 | 21 | 15 | -4 | 16 | 57 | 89 | 192 | 344 |
| Enterprise value YE (EV) | 3,862 | 8,834 | 10,583 | 3,176 | 9,553 | 3,299 | 1,977 | 2,611 | 3,230 | 3,766 |

Source: Carnegie Research & company data

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Current rating system as of October 2011

Buy (B), upside of at least 10% to the target price and with an attractive risk/reward profile

Hold (H), neutral risk/reward profile or the stock is trading relatively near its target price

Sell (S), unattractive risk/reward profile and the stock is trading above its target price

Not rated (NR), Under review (UR), Under bid (UB). The investment rating, if any, has been suspended temporarily.

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Risk assessment

The risk assessment is based on the analyst's evaluation of the company's equity beta based on the business risk (asset beta) and financial risk (gearing).

Low risk estimated equity beta <0.75

Medium risk estimated equity beta 0.75 to 1.25

High risk estimated equity beta >1.25

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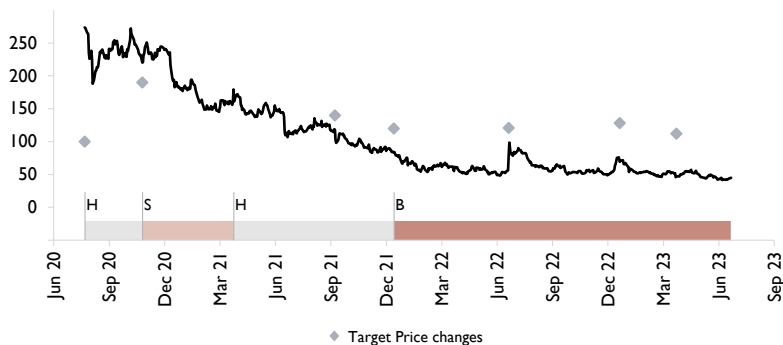
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Hansa Biopharma price, rating and target price history – 3y (HNSA.ST)

| Date | Rating | Target Price |
|-------------|--------|--------------|
| 21 Apr 2023 | Buy | SEK112.0 |
| 18 Jan 2023 | Buy | SEK128.0 |
| 19 Jul 2022 | Buy | SEK121.0 |
| 11 Jan 2022 | Buy | SEK120.0 |
| 06 Oct 2021 | Hold | SEK140.0 |
| 22 Apr 2021 | Hold | SEK190.0 |
| 22 Nov 2020 | Sell | SEK190.0 |



Our **Target Price Horizon** is 6–12 months

Source: Carnegie Research & FactSet

Company specific disclosures

The following disclosures relate to relationships between Carnegie Investment Bank AB (with its subsidiaries, "Carnegie") and the subject company.

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Stock rating distribution in the previous 12 months

| Ratings | Carnegie coverage universe % of total | Investment banking services* % of total |
|---------|--|--|
| Buy | 57 | 69 |
| Hold | 37 | 31 |
| Sell | 5 | 0 |

*Investment banking services provided by Carnegie in the previous 12 months

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Hansa Biopharma Company Summary

21 July 2023

| Profit & loss | 2021 | 2022 | 2023e | 2024e | 2025e | Per share data | 2021 | 2022 | 2023e | 2024e | 2025e |
|-------------------------|-------|-------|-------|-------|--------|-----------------|--------|--------|--------|--------|--------|
| Sales | 34 | 154 | 173 | 381 | 608 | EPS | -12.32 | -12.23 | -15.11 | -9.39 | -6.96 |
| EBITDA | -544 | -584 | -781 | -611 | -440 | EPS adj. | -12.32 | -12.23 | -15.11 | -9.39 | -6.96 |
| EBITA | -547 | -587 | -783 | -614 | -443 | EPS adj. Growth | -chg | +chg | -chg | +chg | +chg |
| EBIT | -547 | -587 | -783 | -614 | -443 | CEPS | -12.32 | -12.23 | -15.11 | -9.39 | -6.96 |
| Pre-tax profit | -548 | -609 | -832 | -662 | -491 | DPS | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Net profit | -548 | -609 | -832 | -517 | -383 | BVPS ex. GW | 17.0 | 11.0 | -4.10 | -13.49 | -20.44 |
| Adj. net profit | -548 | -609 | -832 | -517 | -383 | NIBDPS | -14.63 | -13.30 | 2.39 | 13.6 | 23.4 |
| Balance sheet | 2021 | 2022 | 2023e | 2024e | 2025e | Ratios | 2021 | 2022 | 2023e | 2024e | 2025e |
| Total assets | 1,013 | 1,687 | 834 | 317 | -328 | P/E | nm | nm | nm | nm | nm |
| Shareholders' equity | 758 | 606 | -226 | -742 | -1,125 | P/E adj. | nm | nm | nm | nm | nm |
| Goodwill | 0 | 0 | 0 | 0 | 0 | P/BVPS | 2.6 | 4.1 | neg. | neg. | neg. |
| Net IB debt | -651 | -732 | 131 | 751 | 1,286 | P/BVPS ex. GW | 2.6 | 4.1 | neg. | neg. | neg. |
| Cash flow | 2021 | 2022 | 2023e | 2024e | 2025e | P/CEPS | neg. | neg. | neg. | neg. | neg. |
| EBITDA | -544 | -584 | -781 | -611 | -440 | EV/Sales | >50 | 11.31 | 15.10 | 8.48 | 6.19 |
| Operating cash flow | -481 | -523 | -858 | -514 | -380 | EV/EBITDA | neg. | neg. | neg. | neg. | neg. |
| Net cash flow (NCF) | -484 | -526 | -858 | -514 | -380 | EV/EBITA | neg. | neg. | neg. | neg. | neg. |
| Decrease in net IB debt | -488 | 82 | -858 | -614 | -530 | Dividend yield | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| | | | | | | FCF yield | -19.5% | -21.2% | -34.6% | -20.7% | -15.3% |

Company description

Hansa Biopharma is leveraging its proprietary enzyme technology platform to develop immunomodulatory treatments for rare immunoglobulin G (IgG) mediated autoimmune conditions, transplant rejection and cancer. Idefirix received conditional approval in Europe in 2020 for kidney transplantation in highly sensitised patients and is being developed for use in other indications including rare acute autoimmune indications. Hansa is also developing the next generation of IgG-cleaving enzymes, with lower immunogenicity, suitable for repeat dosing in relapsing autoimmune diseases and oncology. Hansa Biopharma is based in Lund, Sweden, and also has operations in other European countries and in the US.

Company miscellaneous

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 CFO Donato Spota
 IR Klaus Sindahl

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Major shareholders

| | Capital | Votes | | Capital | Votes |
|----------------------|---------|-------|------------------|---------|-------|
| Redmile group LLC | 13.0% | 13.0% | Nextobe AB | 4.8% | 4.8% |
| Handelsbanken fonder | 5.1% | 5.1% | Invesco | 4.4% | 4.4% |
| AP 4 | 4.9% | 4.9% | Olausson, Thomas | 4.1% | 4.1% |

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