EDISON

Cantargia

Clinical trial update

ASCO data do not disappoint

Pharma and biotech

Cantargia has announced a package of positive data to be presented at the American Society of Clinical Oncology (ASCO) 2022 annual meeting on 3–7 June. The company reported encouraging results for its lead IL1RAP antibody, nadunolimab (CAN04), in a Phase IIa trial in non-small cell lung cancer (NSCLC, CANFOUR), a Phase I/IIa trial in first-line pancreatic cancer (PDAC, CANFOUR) and a Phase Ib trial in combination with pembrolizumab (CIRIFOUR). While all new data are interim, and therefore maturing, we see this as positive news for the company and its clinical trial program. Markets reacted positively and at the time of writing Cantargia shares were up c 20% on the news.

Year end	Revenue (SEKm)	PBT* (SEKm)	EPS* (SEK)	DPS (SEK)	P/E (x)	Yield (%)
12/20	0.0	(173.1)	(1.94)	0.0	N/A	N/A
12/21	0.0	(370.3)	(3.70)	0.0	N/A	N/A
12/22e	0.0	(368.5)	(3.68)	0.0	N/A	N/A
12/23e	0.0	(369.1)	(3.68)	0.0	N/A	N/A

Note: *PBT and EPS are normalised, excluding amortisation of acquired intangibles, exceptional items and share-based payments.

Updated interim results of 30 patients from the Phase IIa CANFOUR study of CAN04 (nadunolimab) in combination with gemcitabine and cisplatin in NSCLC showed an overall response rate of 53%, above the 22–28% historically seen with chemotherapy only. This was supported by an 83% disease control rate, median progression-free survival (mPFS) of 6.8 months and overall survival (OS) of 13.7 months. While the data is still maturing, we see this as an encouraging sign for the CAN04/chemotherapy combination, given historical response rates.

Cantargia also reported promising interim results from the Phase I/IIa arm of the CANFOUR trial in PDAC. This extended interim analysis brings the number of patients assessed to 73. The combination of CAN04 with gemcitabine and nab-paclitaxel demonstrated an OS of 12.7 months and an mPFS of 7.2 months. Against historical averages for first-line gemcitabine and nab-paclitaxel treatment in PDAC (OS: 8.5 months, mPFS 5.5 months), we see this as a positive result for Cantargia.

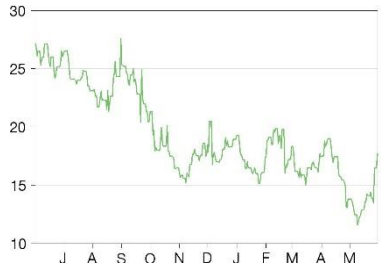
Finally, interim results from the CIRIFOUR study demonstrate the potential of CAN04 as an add-on to Keytruda in patients no longer responding to PD-(L)1 therapy. These results demonstrated a favourable safety profile for the combination in 15 solid tumour patients and disease control for at least 30 weeks. Again, the results are not mature so care must be taken when interpreting them, but we see this as yet another positive addition to the data package that will be presented by Cantargia at the upcoming ASCO Annual Meeting 2022.

31 May 2022

Price	**SEK16.2**
Market cap	**SEK1.62bn**

Net cash and short-term investments at end-March 2022	SEK443m
Shares in issue	100.2m
Free float	98%
Code	CANT
Primary exchange	Nasdaq Stockholm
Secondary exchange	N/A

Share price performance



Business description

Cantargia is a clinical-stage biotechnology company based in Sweden. It is developing two assets against IL1RAP, CAN04 and CAN10. CAN04 is being studied in several solid tumours with a main focus on NSCLC and PDAC. The most advanced trial is in Phase II.

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