

30 June 2021

Price	SEK 2.93
Fair value	SEK 7
Market capitalisation	SEK 1,314 million
Enterprise value	SEK 1,204 million
12m high/low	SEK 5.75 / SEK 2.82
Avg. daily volume	3.9m
Bloomberg / Reuters	OASM.SS / OASM.ST
Exchange	Stockholm
Adviser	Yes
Next results (Q2)	19 August 2021

Top 5 Shareholders

Per Arwidsson	24.8%
Avanza Pension	6.6%
Mastan AB (Håkan Lagerberg)	2.1%
Nordnet Pension Insurance	1.7%
Swedbank Insurance	1.5%

Analysts

Dr Joseph Hedden (Biotechnology & Pharma)
joseph@rxsecurities.com +44 (0) 207 993 8244

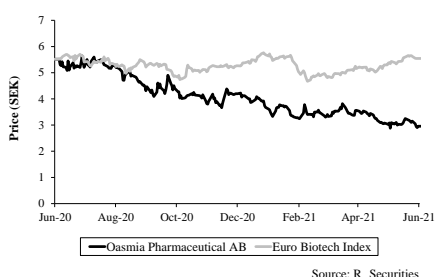
Dr Samir Devani
samir@rxsecurities.com +44 (0) 207 993 8210

Michael King (Medical Technology)
michael@rxsecurities.com +44 (0) 207 993 8249

Corporate Broking

Julian Burn-Callander
julian@rxsecurities.com +44 (0) 207 993 8210

Share price performance (1 year)



Oasmia Pharmaceutical AB

Cantrixil Phase I data published in peer-reviewed journal

Oasmia Pharmaceutical has announced that results from a Phase I study of its potential first-in-class cancer stem cell-targeting chemotherapy cantrixil in ovarian cancer have been published in the peer-reviewed journal, [Cancers](#). In this trial, patients with advanced, relapsed ovarian cancer received cantrixil monotherapy in three-week cycles (cycles 1–2) via intraperitoneal (IP) administration and then in combination with intravenous chemotherapy (Cycles 3–8). Safety (see below) and efficacy data for the overall trial population are in line with results previously reported at AACR in April – the maximum-tolerated dose (MTD) was determined to be 5mg/kg and in 16 patients evaluable for efficacy, monotherapy yielded a stable disease (SD) rate of 56% while combination with chemotherapy produced an objective response rate (ORR) of 19% comprised of one patient with a complete response (ongoing after three years) and two partial responses. As previously noted, this compares favourably to historical ORRs of ~10% in trials of other drugs. A further six patients had SD and median progression-free survival was 13.1 weeks. We believe the key incremental new information is a post-hoc analysis of data from sub-populations of platinum-resistant (PR, relapse less than six months from last platinum chemotherapy) and platinum-refractory (PRF, do not respond to first-line platinum therapy). In the 11 evaluable PR and PRF patients combined, PFS was improved to 19.4 weeks and in PRF patients alone (n=3) PFS was higher still at 23.8 weeks. While this is a cut of data from a relatively small trial, we believe this finding is encouraging as it is supportive of cantrixil's MOA of targeting chemotherapy-resistant cancer stem cells, which accumulate in these patients. We continue to believe the results merit a Phase II trial, which Oasmia is planning for 2022. The authors raise the possibility of targeting patients undergoing debulking surgery and/or patients at their first line of therapy in a future study. We maintain our BUY rating and fair value of SEK 7/share.

➤ **Cantrixil safety and tolerability data** – the MTD of 5mg/kg was established with dose-limiting toxicity of ileus (blockage in the intestine). The most common treatment-related adverse events (AEs) were abdominal pain (48%), vomiting (40%), fatigue (36%) and nausea (28%), and the investigators commented that it was difficult to establish whether cantrixil had a role in these or whether AEs were due to the IP port. Overall, three patients withdrew from the study due to AEs. There were no clinically meaningful changes in mean clinical laboratory measurements for haematology, serum biochemistry, or urinalysis.

Key financial data (MSEK) – IFRS

Y/E 31 Dec	2020A*	2021E	2022E	2023E	2024E
Revenue	0.5	11.3	29.0	29.9	63.5
EBITDA	(102.6)	(124.9)	(131.0)	(125.1)	(101.4)
Net Income	(140.3)	(158.0)	(164.6)	(159.5)	(136.6)
EPS (SEK)	(0.3)	(0.4)	(0.4)	(0.4)	(0.3)
Net Cash	207.4	51.8	(74.2)	(194.3)	(290.8)

Source: Rx Securities estimates ; *1 May 2020 to 31 December 2020, in January 2021 Oasmia's financial year-end changed from 30 April to 31 December

Consensus	2021E	2022E	2023E	2024E
Revenue	14.6	41.2	54.2	82.2
EBITDA	(125.0)	(109.9)	(105.3)	(90.1)

Source: Bloomberg

Rx Securities (www.rxsecurities.com) is authorised and regulated by the Financial Conduct Authority

This document is a marketing communication and is not independent research prepared in accordance with legal requirements designed to promote the independence of investment research. Please see our disclaimer and MiFID II statement on page 2 for further information.

Important Disclosures

I, Joseph Hedden, hereby certify that the views about the companies and their securities discussed in this report are accurately expressed and I have not received and will not receive direct or indirect compensation in exchange for expressing specific recommendations or views in this report.

R_x Securities publishes investment recommendations, which reflect the analyst's assessment of a stock's potential absolute total return. Our research offers 3 recommendations: BUY stocks are expected to have an absolute total return of at least 20%. HOLD stocks are expected to have an absolute total return of between 0-20%. SELL stocks are those which expect to produce a negative return. The time horizon for which the recommendation is deemed valid is 12 months unless otherwise specified in the particular research.

Information relating to any company or security is for information purposes only and should not be interpreted as a solicitation to buy or sell any security or to make any investment. The Information in this communication has been compiled from sources believed to be reliable but it has not been independently verified. No representation is made as to its accuracy or completeness, no reliance should be placed on it and no liability is accepted for any loss arising from reliance on it. All expressions of opinion are subject to change without notice. Opinion may be personal to the author and may not reflect the opinions of R_x Securities Ltd ('R_xS').

R_xS's Research publications are not for Retail Clients as defined by the Financial Conduct Authority ('FCA'). The information contained in research publications are obtained from various sources believed to be reliable, but have not been independently verified by R_xS. R_xS does not warrant the completeness or accuracy of such information and does not accept any liability with respect to the accuracy or completeness of such information, except to the extent required by applicable law. Research publications are for information purposes only and shall not be construed as an offer or solicitation for the subscription or purchase or sale of any securities, or as an invitation, inducement or intermediation for the sale, subscription or purchase of any securities, or for engaging in any other transaction. Research publications are not for private individuals. Any opinions, projections, forecasts or estimates in research reports are those of the author only, who has acted with a high degree of expertise. They reflect only the current views of the author at the date of the report and are subject to change without notice. R_xS has no obligation to update, modify or amend any publication or to otherwise notify a reader or recipient of a publication in the event that any matter, opinion, projection, forecast or estimate contained herein, changes or subsequently becomes inaccurate, or if research on the subject company is withdrawn. The analysis, opinions, projections, forecasts and estimates expressed in research reports were in no way affected or influenced by the issuer. The authors of research publications benefit financially from the overall success of R_xS. The investments referred to in research publications may not be suitable for all recipients. Recipients are urged to base their investment decisions upon their own appropriate investigations that they deem necessary. Any loss or other consequence arising from the use of the material contained in a research publication shall be the sole and exclusive responsibility of the investor and R_xS accepts no liability for any such loss or consequence. In the event of any doubt about any investment, recipients should contact their own investment, legal and/or tax advisers to seek advice regarding the appropriateness of investing. Some of the investments mentioned in research publications may not be readily liquid investments. Consequently it may be difficult to sell or realize such investments. The past is not necessarily a guide to future performance of an investment. The value of investments and the income derived from them may fall as well as rise and investors may not get back the amount invested. Some investments discussed in research publications may have a high level of volatility. High volatility investments may experience sudden and large falls in their value which may cause losses. International investing includes risks related to political and economic uncertainties of foreign countries, as well as currency risk. To the extent permitted by applicable law, no liability whatsoever is accepted for any direct or consequential loss, damages, costs or prejudices whatsoever arising from the use of research publications or their contents.

R_xS has written procedures designed to identify and manage potential conflicts of interest that arise in connection with its research business. Chinese Wall procedures are in place between the research analysts and staff involved in corporate finance to ensure that price sensitive information is handled according to applicable laws and regulations.

R_x Securities has received compensation from this company for the provision of advisory services within the previous twelve months.

United Kingdom: Research publications are for persons who are Eligible Counterparties or Professional Clients only and is exempt from the general restriction in section 21 of the Financial Services and Markets Act 2000 on the communication of invitations or inducements to engage in investment activity on the grounds that it is being distributed in the United Kingdom only to persons of a kind described in Articles 19(5) (Investment professionals) and 49(2) (High net worth companies, unincorporated associations etc.) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended). It is not intended to be distributed or passed on, directly or indirectly, to any other class of persons. Any investments to which the research publications relate are available only to such persons, and other classes of person should not rely on the research publications. For the purpose of UK regulation, R_xS produces both independent and non-independent research which is a marketing communication under the FCA Conduct of Business rules and has not been prepared in accordance with the legal requirements to promote independence of investment research nor is it subject to the prohibition on dealing ahead of the dissemination of investment research. However, the firm does have procedures in place to manage conflicts which may arise in the production of research, please refer to R_xS research policy, which, inter alia, prevents dealing ahead. The research and conflicts of interest policies can be obtained from the Compliance Officer at R_xS. Authorised and regulated by the Financial Conduct Authority No. 741031. Registered in England & Wales No. 08995119. The registered address is 23 Austin Friars, London. EC2N 2QP. Tel: +44 (0)20 7993 8210.

EU Investors: This communication is issued by R_x Securities ('R_xS'). R_xS is authorised and regulated in the United Kingdom by the Financial Conduct Authority in connection with its distribution and for the conduct of designated investment business in the European Economic Area. MiFID II Compliance Statement: R_xS Research is paid for by our corporate clients and, as such, falls within the scope of 'minor non-monetary benefits'. Furthermore, R_xS is not inducing the reader of our research to trade through us, since R_xS does not undertake trade execution.

US Persons: R_xS is not a registered broker-dealer in the United States of America and therefore is not subject to US rules regarding the preparation of research reports and the independence of research analysts. This research report is provided for distribution in the United States solely to "major US institutional investors" as defined by Rule 15a-6 under the Securities Exchange Act of 1934.

Other countries: Laws and regulations of other countries may also restrict the distribution of this report. Persons in possession of Research publications should inform themselves about possible legal restrictions and observe them accordingly.