

# Herantis Pharma

Sector: Biotech

## Our Q2 Comment

Redeye comments on the H1 report from Herantis Pharma. We provide a brief comment on the financials and highlight the most important events during the period.

## Financials

- The results for the half-year came in at EUR -7.9 (-4.5) million, with net revenues of EUR 0.0 (0.0). Cash flow from operating expenses were at EUR 5.5 (-4.8) million, largely aligned with expectations. Second to the operating expenses, a contributor to the result was a write down of the Lymfactin asset following inconclusive results. The cash position at the end of the period amounted to EUR 7.9 million, and Herantis guided during today's call that the company has a cash runway into mid-2022

## Past and Upcoming Milestones

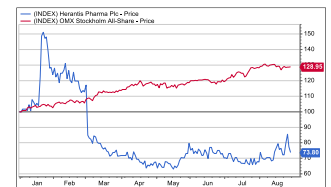
- During the first half of 2021, Herantis transformed into a pure play CNS company, following the inconclusive results in the Lymfactin phase II trial and subsequent strategic decision to focus its in-house resources on the central nervous system. We overall endorse this pivot and Herantis focus on assets within mainly Parkinson's disease (For further reading, read our initiation report from May)
- Another milestone for the company was the lead selection of candidate HER-096 in its xCNDF program. xCNDF is a smaller chemically engineered version of CNDF, designed to pass the blood-brain barrier while preserving the neuroprotective and proteostasis-altering properties of CNDF. Following the selection of HER-096, next step is further pre-clinical efficacy studies (H2 2021), IND enabling & toxicology programs (H1 2022). We continue to see xCNDF as an exciting complement to CNDF and believe that further positive progress could warrant an increased valuation of the compound
- For CNDF, Herantis has shifted away from invasive administration and is currently looking into non-invasive alternatives, including intranasal and subcutaneous methods. We expect Herantis to select a new method and formulation during H2 this year and we see that selection and data on blood-brain-barrier penetration will de-risk the development and thus be a positive trigger for the stock.

Overall, we are positive to the continued progress in the company and look forward to an interesting H2 for Herantis.

## FAIR VALUE RANGE

BEAR	BASE	BULL
5	27,5	70

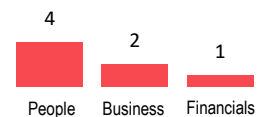
## HRNTS (BLUE) VERSUS OMXPI (RED)



## KEY STATS

Ticker	HRNTS
Market	First North

## REDEYE RATING



## ANALYSTS

Fredrik Thor

Fredrik.thor@redeye.se