

Update: Report Q1 2025

2025-04-28

Lipum: Focusing on financing phase II

- The clinical study report published
- A financing round is expected in Q2
- Our model suggests a fair value of SEK 16.29 per share

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Stock ticker:	LIPUM
Industry:	Biotech
Listed on:	Nasdaq First North
Latest share price (SEK):	15,20
Market cap (MSEK):	322,4
Enterprise Value (MSEK):	317,7
Total number of shares (M):	21,2
- of which free float (M):	12,1
VHCF fair value per share	
DCF model	SEK 16,3
Lipum	
Address:	Tvistevägen 48C 907 36 Umeå
Webpage:	lipum.se
CEO:	Ola Sandborgh
Main owners (30 sep 2024)	Capital (%)
Flerie Invest AB	56,8
Craafordska Stiftelsen	6,1
Försäkringsbolaget Avanza Pension	6,0
Nordnet Pensionsförsäkring AB	5,7
Christian von Koenigsegg	3,4
Share price history (SEK)	
	
	-1m -3m -12m
Change (%)	-4,0 5,6 86,2
52 w k range (Low /Hi) - SEK	5.85 / 20.80
Source: Västra Hamnen Coporate Finance	

The clinical study report of Lipum's phase I study with SOL-116 was published in April. In line with the topline data, the complete findings strongly support further clinical development of the drug candidate. The company is now planning the phase II study in rheumatoid arthritis (RA), expected to start in Q1 2026.

Essential for the development is securing the funding. By the end of Q1, Lipum's cash holdings amounted to MSEK 4.26. We anticipate a rights issue being announced shortly, in accordance with CEO **Ola Sandborgh's** statement in the recent financial report.

Other activities include the production of SOL-116, which progresses as planned. In Q3, the results from the collaboration with **Karolinska Institutet** will be announced. Lipum and **Age Labs** have received **Eurostars** funding for the development of a method that could become a companion diagnostic for SOL-116 in RA. Sandborgh mentioned the potential of this project in the latest [webcast](#).

Once the financing round is completed, we will revise our assumptions and update our timeline. Our risk-adjusted DCF model suggests a fair value of SEK 16.29 per share, corresponding to a market cap of MSEK 345.

Lately, Lipum's share price has been affected by the general market uncertainty driven by geopolitical issues. Since the day before announcing the topline data, Lipum's market cap of MSEK 377 has declined by 15 per cent to around MSEK 322.

Table 1: Sensitivity analysis

		Sensitivity analysis (value per share, SEK)				
WACC		LOA				
		4,8%	9,8%	14,8%	19,8%	22,4%
	18,2%	6,78	13,62	20,45	27,28	30,83
	19,2%	6,06	12,15	18,23	24,31	27,47
	20,2%	5,44	10,86	16,29	21,72	24,54
	21,2%	4,89	9,74	14,60	19,45	21,98
	22,2%	4,40	8,75	13,11	17,46	19,72

Strong support for further development

The clinical study report has been published

The data from the phase I study show that SOL-116 is safe and tolerable, with no serious adverse events. The pharmacokinetic data show predictable and favourable properties, supporting a once-monthly dosing regimen. Further, the drug candidate showed low immunogenicity. Exploratory objectives included measuring the impact of SOL-116 on bile salt-stimulated lipase (BSSL) concentrations in the blood. The data confirmed BSSL suppression.

In conclusion, the phase I results strongly support advancing SOL-116 to a phase II proof-of-concept study. The ambition is to initiate this study in Q1 2026, according to the management.

Until then, the company will be busy with several activities.

Production of SOL-116 is underway

Since last year, Lipum has collaborated with **NorthX Biologics** for the production of the study material. The process advances according to plan.

The mode of action study is nearing its end

The two-year project with **Karolinska Institutet** exploring SOL-116's mode of action and the role of BSSL in inflammatory processes is nearing its end. The results are expected in Q3 2025.

Development of a Eurostars-funded project

Development of a companion diagnostic

Together with **Age Labs**, Lipum has the ambition to find biomarkers for the early detection of RA and estimate the risk of developing the disease. The project could lead to a companion diagnostic that would help patients receive an effective treatment sooner. The project has been granted funding from **Eurostars**, amounting to half of the budgeted cost of approximately MEUR 1.9.

In the Q1 webcast, Sandborgh touched upon the potential of a successful companion diagnostic. We recognise the opportunity, but we do not yet include any cash flows from the collaboration. The project is in its early stages, and we will assess its progress as it evolves. Being awarded a grant from Eurostars underlines its potential.

Financing activities in Q2 2025

Financial update

Financially, Lipum ended the quarter with cash holdings of MSEK 4.3, and an operating cash flow of MSEK -12.4. The company has used the loan facility of MSEK 20 provided by **Flerie**, mainly for the manufacturing process of SOL-116. The loan will be repaid by September 30 2025.

As previously guided by Sandborgh, we expect a financing round to be completed in Q2. The size and conditions are yet to be announced. In our model, we include a capital raise of at least MSEK 100 to fund the upcoming study and other activities.

Upcoming activities in 2025

As accounted for in our previous comment, the company will carry out several value-enhancing activities during 2025:

- ✓ Completing the phase I study
- Raising funds for the phase II study
- Complete production of the drug candidate
- Reporting results from the mode of action project with Karolinska Institutet
- Appointing a contract research organisation to carry out the study
- Submitting the application for the phase II study

A fair value of SEK 16.29 per share

We also note from the webcast that Lipum is in discussions with potential partners and has currently signed non-disclosure agreements with eight companies.

In summary, our model suggests a fair value of SEK 16.29 per share, corresponding to a market cap of MSEK 345.

Income Statement - Annual Data

TSEK	2023	2024	2025e	2026e	2027e	2028e	2029e	2030e
Net revenues	0	0	0	0	0	0	0	0
Other revenues	165	909	492	0	0	0	0	0
Total revenues	165	909	492	0	0	0	0	0
Cost of goods sold	0	0	0	0	0	0	0	0
Research and development cost	-30 300	-47 491	-20 839	-27 692	-27 692	-27 692	-209 423	-270 000
Personnel expenses	-6 872	-8 426	-7 721	-10 378	-11 233	-12 159	-13 162	-14 247
Sales expenses	0	0	0	0	0	0	0	0
Other operating income	0	0	0	0	0	0	0	0
Other operating expenses	-207	-164	-34	0	0	0	0	0
EBITDA	-37 214	-55 172	-28 102	-38 070	-38 926	-39 852	-222 585	-284 247
Amortisation & depreciation	-40	-48	-33	-30	-33	-37	-41	-45
EBIT	-37 254	-55 220	-28 135	-38 100	-38 959	-39 888	-222 625	-284 291
Financials, net	76	-296	-2 193	-65	0	0	0	0
EBT	-37 178	-55 516	-30 328	-38 166	-38 959	-39 888	-222 625	-284 291
Taxes	0	0	0	0	0	0	0	0
Net profit	-37 178	-55 516	-30 328	-38 166	-38 959	-39 888	-222 625	-284 291
Earnings per share (SEK)	0,00	-1,29	-1,43	-1,80	-1,84	-1,88	-10,50	-13,40
Growth (%)								
Net revenues	na	na	na	na	na	na	na	na
EBITDA	na	na	na	na	na	na	na	na
EBIT	na	na	na	na	na	na	na	na
Net profit	na	na	na	na	na	na	na	na
Of revenues (%)								
EBITDA margin	neg	neg	neg	neg	neg	neg	neg	neg
EBIT margin	neg	neg	neg	neg	neg	neg	neg	neg
EBT margin	neg	neg	neg	neg	neg	neg	neg	neg
Profit margin	neg	neg	neg	neg	neg	neg	neg	neg
Personnel costs	neg	neg	neg	neg	neg	neg	neg	neg
Total OPEX	neg	neg	neg	neg	neg	neg	neg	neg
Profitability (%)								
ROE	neg	neg	neg	neg	neg	neg	neg	neg
ROIC	neg	neg	neg	neg	neg	neg	neg	neg

Source: Västra Hamnen Corporate Finance

Balance Sheet - Annual Data

TSEK	2023	2024	2025e	2026e	2027e	2028e	2029e	2030e
Accounts receivables	0	0	0	0	0	0	0	0
Prepaid costs & accrued income	374	37 426	28 324	30 658	33 186	35 921	38 882	42 087
Inventories	0	0	0	0	0	0	0	0
Tax claims	0	0	0	0	0	0	0	0
Other short-term receivables	1 313	1 303	1 369	1 482	1 604	1 736	1 879	2 034
Cash and cash equivalents	10 226	6 632	70 907	28 605	687 277	644 844	419 468	132 199
Total current assets	11 913	45 361	100 599	60 745	722 066	682 501	460 229	176 320
Shares in subsidiaries	0	0	0	0	0	0	0	0
Tangible assets	197	147	145	160	177	196	216	238
Intangible assets	0	0	0	0	0	0	0	0
Financial assets	0	0	0	0	0	0	0	0
Total fixed assets	197	147	145	160	177	196	216	238
Total assets	12 110	45 508	100 745	60 906	722 244	682 697	460 445	176 559
Accounts payable	4 100	7 690	3 574	3 869	4 188	4 533	4 907	5 311
Short term tax liabilities	515	69	3	3	4	4	4	5
Short term debt	0	10 000	0	0	0	0	0	0
Other short term liabilities	230	177	151	141	139	139	139	139
Accrued cost & prepaid income	932	3 708	3 480	3 390	3 370	3 366	3 366	3 366
Total current liabilities	5 777	21 644	7 208	7 403	7 700	8 042	8 416	8 820
Long term liabilities	1 761	1 868	1 868	0	0	0	0	0
Total equity	4 572	21 996	91 668	53 502	714 543	674 655	452 030	167 738
Total equity and liabilities	12 110	45 508	100 745	60 906	722 244	682 697	460 445	176 559

Source: Västra Hamnen Corporate Finance

Cash flow statement

TSEK	2023	2024	2025e	2026e	2027e	2028e	2029e	2030e
Operating activities	-38 423	-55 361	-30 295	-38 136	-38 926	-39 852	-222 585	-284 247
Changes in working capital	195	-31 174	4 601	-2 253	-2 352	-2 526	-2 731	-2 955
Investing activities	-188	0	-31	-45	-50	-55	-61	-67
Financing activities	13 833	82 915	90 000	-1 868	700 000	0	0	0
Cash flow for the period	-1 430	-3 620	64 275	-42 302	658 672	-42 433	-225 376	-287 269
Beginning cash balance	8 343	10 226	6 606	70 881	28 579	687 251	644 818	419 442
Ending cash balance	10 226	6 606	70 881	28 579	687 251	644 818	419 442	132 173

Source: Västra Hamnen Corporate Finance

Income Statement - Quarterly Data

TSEK	Q3 2024	Q4 2024	Q1 2025	Q2 2025e	Q3 2025e	Q4 2025e	Q1 2026e	Q2 2026e
Net revenues	0	0	0	0	0	0	0	0
Other revenues	109	486	492	0	0	0	0	0
Total revenues	109	486	492	0	0	0	0	0
Cost of goods sold	0	0	0	0	0	0	0	0
Research and development cost	-48	-23 552	-16 862	-1 299	-1 325	-1 352	-6 923	-6 923
Sales expenses	-1 669	-2 489	-2 193	-1 789	-1 842	-1 897	-2 518	-2 568
Sales expenses	0	0	0	0	0	0	0	0
Other operating income	0	0	0	0	0	0	0	0
Other operating expenses	-12	-63	-34	0	0	0	0	0
EBITDA	-1 620	-25 618	-18 597	-3 088	-3 168	-3 249	-9 441	-9 491
Amortisation & depreciation	-12	-12	-12	-7	-7	-7	-7	-7
EBIT	-1 632	-25 630	-18 609	-3 095	-3 175	-3 256	-9 448	-9 499
Financials, net	-48	-97	-401	-1 531	-131	-131	-65	0
EBT	-1 680	-25 727	-19 010	-4 625	-3 305	-3 387	-9 514	-9 499
Taxes	0	0	0	0	0	0	0	0
Net profit	-1 680	-25 727	-19 010	-4 625	-3 305	-3 387	-9 514	-9 499
Earnings per share (SEK)	-0,08	-1,21	-0,90	-0,22	-0,16	-0,16	-0,45	-0,45
Y-o-Y Growth (%)								
Net revenues	na	na	na	na	na	na	na	na
EBITDA	na	na	na	na	na	na	na	na
EBIT	na	na	na	na	na	na	na	na
Net profit	na	na	na	na	na	na	na	na
Of revenues (%)								
EBITDA margin	neg	neg	neg	neg	neg	neg	neg	neg
EBIT margin	neg	neg	neg	neg	neg	neg	neg	neg
EBT margin	neg	neg	neg	neg	neg	neg	neg	neg
Profit margin	neg	neg	neg	neg	neg	neg	neg	neg
Personnel costs	neg	neg	neg	neg	neg	neg	neg	neg
Total OPEX	neg	neg	neg	neg	neg	neg	neg	neg
Profitability (%)								
ROE	neg	neg	neg	neg	neg	neg	neg	neg
ROIC	neg	neg	neg	neg	neg	neg	neg	neg

Source: Västra Hamnen Corporate Finance

Balance Sheet - Quarterly Data

TSEK	Q3 2024	Q4 2024	Q1 2025	Q2 2025e	Q3 2025e	Q4 2025e	Q1 2026e	Q2 2026e
Accounts receivables	0	0	0	0	0	0	0	0
Prepaid costs & accrued income	483	37 426	26 690	27 224	27 768	28 324	28 890	29 468
Inventories	0	0	0	0	0	0	0	0
Tax claims	0	0	0	0	0	0	0	0
Other short-term receivables	52 624	1 303	1 290	1 316	1 342	1 369	1 396	1 424
Cash and cash equivalents	12 873	6 632	4 262	98 082	74 573	70 907	59 043	48 754
Total current assets	65 980	45 361	32 242	126 622	103 683	100 599	89 329	79 646
Shares in subsidiaries	0	0	0	0	0	0	0	0
Tangible assets	160	147	135	138	142	145	149	153
Financial assets	0	0	0	0	0	0	0	0
Intangible assets	0	0	0	0	0	0	0	0
Total fixed assets	160	147	135	138	142	145	149	153
Total assets	66 140	45 508	32 377	126 760	103 825	100 745	89 478	79 799
Accounts payable	3 906	7 690	3 368	3 435	3 504	3 574	3 646	3 719
Short term tax liabilities	260	69	3	3	3	3	3	3
Short term debt	10 017	10 000	20 000	20 000	0	0	0	0
Other short term liabilities	20	177	198	105	125	151	145	132
Accrued cost & prepaid income	2 428	3 708	3 954	2 988	3 270	3 480	3 423	3 290
Total current liabilities	16 631	21 644	27 523	26 531	6 902	7 208	7 217	7 143
Long term liabilities	1 761	1 868	1 868	1 868	1 868	1 868	107	0
Total equity	47 748	21 996	2 986	98 361	95 055	91 668	82 154	72 656
Total equity and liabilities	66 140	45 508	32 377	126 760	103 825	100 745	89 478	79 799

Source: Västra Hamnen Corporate Finance

Cash flow statement

TSEK	Q3 2024	Q4 2024	Q1 2025	Q2 2025e	Q3 2025e	Q4 2025e	Q1 2026e	Q2 2026e
Operating activities	-1 668	-25 608	-18 998	-4 619	-3 298	-3 380	-9 506	-9 491
Changes in working capital	-5 590	9 391	6 628	-1 551	-201	-275	-586	-679
Investing activities	0	0	0	-10	-10	-11	-11	-11
Financing activities	0	9 975	10 000	100 000	-20 000	0	-1 761	-107
Cash flow for the period	-7 258	-6 242	-2 370	93 820	-23 509	-3 666	-11 864	-10 288
Beginning cash balance	20 106	12 873	6 632	4 262	98 082	74 573	70 907	59 043
Ending cash balance	12 873	6 632	4 262	98 082	74 573	70 907	59 043	48 754

Source: Västra Hamnen Corporate Finance

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