


Update: News comment

2025-05-06

Xintela: Licensing deal with EQGen Biomedical

- Q&A with EQGen's founders Willem Scheele, CMO and Grant Senner, CEO
- License fee of MUSD 1 and shares in EQGen worth MUSD 3
- Our model suggests a fair value of SEK 1.43 per share

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Stock ticker:	XINT
Industry:	Biotech
Listed on:	Nasdaq First North
Latest share price (SEK):	0,40
Market cap (MSEK):	224,0
Enterprise Value (MSEK):	207,3
Total number of shares (M):	567,0
- of which free float (M):	173,6
VHCF fair value per share	
DCF model	SEK 1.43
Xintela	
Address:	Scheeletorget 1 223 81 Lund
Webpage:	xintela.com
CEO:	Evy Lundgren-Åkerlund
Main owners (27 Mars 2025)	Capital (%)
Flerie AB	61,5
Avanza Pension	4,5
AB Svedala Finans	1,3
Per Åke Oldentoft	1,1
Nordnet Pensionsförsäkring	1,1
Share price history (SEK)	
	
	— Xintela — OMXSPI
	-1m -3m -12m
Change (%)	4,0 -1,3 45,2
52 w k range (Low /Hi) - SEK	0.24 / 0.60
Source: Västra Hamnen Corporate Finance	

Xintela and **EQGen Biomedical** (EQGen) have entered a licensing and collaboration agreement regarding *EQSTEM*, Xintela's stem cell product for the treatment of joint disease in horses, dogs and other animals.

The agreement allows EQGen global rights to EQSTEM and other stem cell products for veterinary musculoskeletal indications. In exchange, Xintela will receive a licensing fee of MUSD 1 and shares in EQGen corresponding to MUSD 3 in conjunction with the external financing of EQGen. Additionally, Xintela will receive variable royalties of up to a low double-digit percentage on future sales.

The companies will collaborate on the clinical, regulatory and commercial development of EQSTEM, with initial focus on horses.

An initial deposit of MUSD 0.4 will enable Xintela to set up a GMP process for EQSTEM manufacturing. Xintela will provide services for the development of the GMP manufacturing process, quality management and the initial manufacturing of EQSTEM on a full cost compensation basis. The terms are in line with Xintela's ambition within advanced therapy medicinal products (ATMPs) and entail an improvement in cash flow and cost coverage.

The companies will also prepare for a technology transfer to start producing EQSTEM in the US. No timetable has yet been announced for the development process. According to the Q&A below, the companies discuss product development and the design of a proof-of-concept study. The parties will initiate a dialogue with regulators to clarify what data is required for approval.

We will revise our time plan and assumptions when more details of the development plan are revealed. In our sum of the parts valuation, we currently assign EQSTEM a value of SEK 0.17 per share, corresponding to an equity value of MSEK 98.

Table 1: Sum of the parts valuation, SEK per share

OA	0.73
VLU	0.30
EQSTEM	0.17
TNBC	0.12
GBM	0.12
Sum	1.43

Source: Västra Hamnen Corporate Finance

EQSTEM as a disease-modifying treatment

Degenerative joint disease is debilitating, progressive and painful. Osteoarthritis (OA) is the most common reason for lameness in horses. Existing treatments are targeting inflammation and pain management, and there are no true disease-modifying osteoarthritis drugs (DMOADs) yet available. Xintela and EQGen have the ambition to develop EQSTEM as such a treatment.

Q&A with EQGen Biomedical's Executive Management

Västra Hamnen contacted EQGen Biomedical's founders **Willem Scheele**, MD, CMO, and CEO **Grant Senner**, MD, for a comment on the license and development agreement.

Dr. Scheele, could you tell us a little about EQGen Biomedical?

- EQGen Biomedical was founded to deliver next-generation products in veterinary medicine and to optimise the health of animals globally. We are primarily focused on the great medical need to treat joint disease in horses. We have also recognised the possibility of expanding to dogs and other animals.
- We have a management team with extensive experience and expertise in the field. Our CEO, Grant Senner, is a physician and entrepreneur with several leading positions in biotechnology and healthcare. Wendy Vaala, a renowned expert in equine and companion animals, is our Chief Veterinarian Officer. Wendy was formerly Director Strategic Development and Innovation - Companion Animal and Equine at Merck Animal Health. I am the company's Chief Medical Officer and have over 30 years of experience in the bone and cartilage field and clinical drug development for human medicine.
- We are very enthusiastic about this collaboration and see great potential in Xintela's technology.

How would EQSTEM change the situation for horses suffering from OA?

- Today, veterinarians and horse owners are referred to symptom-relieving treatments, as there are no true DMOADs on the market.
- Earlier studies with EQSTEM show reduced cartilage damage, bone sclerosis, and reduced pain. We aim to develop a cost-effective, off-the-shelf, true DMOAD for veterinarian medicine, without the need for blood or tissue harvest from patients and requiring no product preparation. This would radically change the situation for horses suffering from OA and other joint diseases. Our primary focus is on horses, but we have an ambition to expand our treatment to dogs and other animals.

Could you quantify the potential of a successful DMOAD for horses?

- In the US alone, there are around 10 million horses, and about 60 to 65 per cent develop lameness. Of these horses, approximately 55 percent have OA.
- If we could provide a treatment that stops the progression of a disease that causes many horses to retire from performance and other activities, I would say that the demand is large, regardless of geographical region.

Dr. Grant, what steps are required before launching EQSTEM?

- Before launch, we need to achieve proof-of-concept. In dialogue with the regulatory entities, we will also plan for a pivotal study to achieve market approval.
- As a small company, we are open to partnerships for later-stage development. We have the competence and experience in-house to carry out such a study, and will assess the situation in due time.

Could you tell us anything about EQGen's financial situation?

- EQGen is currently raising additional funds to accelerate program development. We believe that a critical inflexion point for company value exists concurrent with proof of concept studies, and we are actively working to maximise the chance of that technical and regulatory success.

What happens next in the collaboration?

- We are currently discussing an appropriate plan for product development. Xintela will be assigned to initially manufacture EQSTEM in its GMP facility in Lund and assist with quality management. Eventually, we aim to carry out a technology transfer to manufacture EQSTEM in the US.

Income Statement - Annual Data

kSEK	2023	2024	2025e	2026e	2027e	2028e	2029e	2030e
Net revenues	78	4 215	0	0	0	0	52 800	184 800
Other revenues	0	0	0	0	0	0	0	0
Total revenues	78	4 215	0	0	0	0	52 800	184 800
Cost of goods sold	0	0	0	0	0	0	-5 280	-18 480
Research and development cost	-46 239	-33 221	-73 250	-179 850	-367 400	-304 850	-351 100	-270 525
Sales expenses	-4 871	-3 263	-2 944	-2 944	-2 944	-2 944	-17 312	-55 440
Personnel expenses	-7 919	-7 178	-7 268	-7 268	-7 268	-7 268	-6 274	-9 240
Other operating income	1 729	0	0	0	0	0	0	0
Other operating expenses	-15	0	0	0	0	0	0	0
EBITDA	-57 237	-39 447	-83 462	-190 062	-377 612	-315 062	-327 166	-168 885
Amortisation & depreciation	0	0	-146	-119	-97	-79	-64	-52
EBIT	-57 237	-39 447	-83 608	-190 181	-377 709	-315 141	-327 230	-168 937
Financials, net	-1 129	-2 087	0	0	0	0	0	0
EBT	-58 366	-41 534	-83 608	-190 181	-377 709	-315 141	-327 230	-168 937
Taxes	4 284	2 344	0	0	0	0	0	0
Net profit	-54 082	-39 190	-83 608	-190 181	-377 709	-315 141	-327 230	-168 937
Earnings per share (SEK)	-0,15	-0,07	-0,13	-0,29	-0,57	-0,47	-0,49	-0,25
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
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

kSEK	2023	2024	2025e	2026e	2027e	2028e	2029e	2030e
Receivables in subsidiaries	0	0	0	0	0	0	0	0
Prepaid costs & accrued income	1 126	1 907	2 064	2 234	2 419	2 618	2 834	2 640
Inventories	398	715	774	838	907	982	1 062	7 522
Tax claims	4 347	257	0	0	0	0	0	0
Other short-term receivables	3 066	3 092	3 347	3 623	3 921	4 245	4 595	15 840
Accounts receivables	97	1 361	0	0	0	0	0	0
Cash and cash equivalents	7 809	16 680	26 760	136 456	258 566	343 203	515 711	324 021
Total current assets	16 843	24 012	32 945	143 151	265 813	351 047	524 201	350 023
Shares in subsidiaries	0	0	0	0	0	0	0	0
Tangible assets	1 358	786	640	521	425	346	282	230
Intangible assets	194	0	0	0	0	0	0	0
Financial assets	0	0	0	0	0	0	0	0
Total fixed assets	1 552	786	640	521	425	346	282	230
Total assets	18 395	24 798	33 586	143 672	266 237	351 393	524 483	350 253
Accounts payable	7 483	2 837	3 071	3 324	3 598	3 895	4 216	15 840
Short term tax liabilities	84	0	0	0	0	0	0	528
Short term debt	0	0	0	0	0	0	0	0
Other short term liabilities	4 214	24 586	16 586	16 586	16 586	16 586	16 586	0
Accrued cost & prepaid income	2 234	3 325	3 486	3 501	3 501	3 500	3 500	2 640
Total current liabilities	14 015	30 748	23 143	23 411	23 685	23 981	24 301	19 008
Long term liabilities	0	0	0	0	0	0	0	0
Total equity	4 380	-5 950	10 442	120 261	242 553	327 412	500 182	331 245
Total equity and liabilities	18 395	24 798	33 587	143 672	266 237	351 393	524 483	350 253

Source: Västra Hamnen Corporate Finance

Cash flow statement

kSEK	2023	2024	2025e	2026e	2027e	2028e	2029e	2030e
Operating activities	-47 653	-35 458	-83 462	-190 062	-377 612	-315 062	-327 166	-168 885
Changes in working capital	-5 464	14 303	-6 458	-242	-278	-301	-326	-22 805
Investing activities	-104	0	0	0	0	0	0	0
Financing activities	51 790	29 613	100 000	300 000	500 000	400 000	500 000	0
Cash flow for the period	-1 430	8 458	10 080	109 696	122 110	84 637	172 508	-191 690
Beginning cash balance	8 343	7 809	16 267	26 348	136 043	258 153	342 790	515 298
Ending cash balance	7 809	16 267	26 348	136 043	258 153	342 790	515 298	323 608

Source: Västra Hamnen Corporate Finance

Income Statement - Quarterly Data

kSEK	Q3 2024	Q4 2024	Q1 2025e	Q2 2025e	Q3 2025e	Q4 2025e	Q1 2026e	Q2 2026e
						x		
Net revenues	2 822	1 090	0	0	0	0	0	0
Other revenues	0	0	0	0	0	0	0	0
Total revenues	2 822	1 090	0	0	0	0	0	0
Cost of goods sold	0	0	0	0	0	0	0	0
Research and development cost	-7 563	-9 417	-1 975	-1 975	-34 650	-34 650	-34 650	-48 400
Sales expenses	-870	-736	-736	-736	-736	-736	-736	-736
Personnel expenses	-1 769	-1 817	-1 817	-1 817	-1 817	-1 817	-1 817	-1 817
Other operating income	0	0	0	0	0	0	0	0
Other operating expenses	8	0	0	0	0	0	0	0
EBITDA	-7 372	-10 880	-4 528	-4 528	-37 203	-37 203	-37 203	-50 953
Amortisation & depreciation	0	0	-39	-37	-35	-34	-32	-30
EBIT	-7 372	-10 880	-4 567	-4 565	-37 238	-37 237	-37 235	-50 983
Financials, net	-678	-832	0	0	0	0	0	0
EBT	-8 050	-11 712	-4 567	-4 565	-37 238	-37 237	-37 235	-50 983
Taxes	253	1 307	0	0	0	0	0	0
Net profit	-7 797	-10 405	-4 567	-4 565	-37 238	-37 237	-37 235	-50 983
Earnings per share (SEK)	-0,01	-0,02	-0,01	-0,01	-0,06	-0,06	-0,06	-0,08
Y-o-Y Growth (%)								
Net revenues	na	1297,4%	-100,0%	-100,0%	-100,0%	-100,0%	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
Total OPEX	neg	neg	neg	neg	neg	neg	neg	neg
Profitability (%)								
ROE	neg	neg	neg	neg	neg	neg	neg	neg
ROIC	21,7%	38,2%	14,8%	14,8%	181,6%	181,2%	181,1%	248,8%

Source: Västra Hamnen Corporate Finance

Balance Sheet - Quarterly Data

kSEK	Q3 2024	Q4 2024	Q1 2025e	Q2 2025e	Q3 2025e	Q4 2025e	Q1 2026e	Q2 2026e
Receivables in subsidiaries	0	0	0	0	0	0	0	0
Prepaid costs & accrued income	2 525	1 907	1 945	1 984	2 024	2 064	2 105	2 148
Inventories	599	715	729	744	759	774	789	805
Tax claims	1 226	257	0	0	0	0	0	0
Other short-term receivables	364	3 092	3 154	3 217	3 281	3 347	3 414	3 482
Accounts receivables	907	1 361	0	0	0	0	0	0
Cash and cash equivalents	1 338	16 680	14 004	109 379	63 965	26 760	289 535	238 496
Total current assets	6 959	24 012	19 832	115 323	70 028	32 945	295 844	244 931
Shares in subsidiaries	0	0	0	0	0	0	0	0
Tangible assets	929	786	747	709	674	640	608	578
Finacial assets	0	0	0	0	0	0	0	0
Intangible assets	0	0	0	0	0	0	0	0
Total fixed assets	929	786	747	709	674	640	608	578
Total assets	7 888	24 798	20 579	116 033	70 702	33 586	296 452	245 509
Accounts payable	5 318	2 837	2 894	2 952	3 011	3 071	3 132	3 195
Short term tax liabilities	0	0	0	0	0	0	0	0
Short term debt	0	0	0	0	0	0	0	0
Other short term liabilities	25 055	24 586	24 586	24 586	16 586	16 586	16 586	16 586
Accrued cost & prepaid income	3 188	3 325	3 616	3 578	3 427	3 486	3 527	3 504
Total current liabilities	33 561	30 748	31 096	31 115	23 023	23 143	23 245	23 285
Long term liabilities	0	0	0	0	0	0	0	0
Total equity	-25 672	-5 950	-10 517	84 917	47 679	10 442	273 207	222 224
Total equity and liabilities	7 889	24 798	20 579	116 033	70 702	33 586	296 452	245 509

Source: Västra Hamnen Corporate Finance

Cash flow statement

kSEK	Q3 2024	Q4 2024	Q1 2025e	Q2 2025e	Q3 2025e	Q4 2025e	Q1 2026e	Q2 2026e
Operating activities	-3 706	-10 405	-4 528	-4 528	-37 203	-37 203	-37 203	-50 953
Changes in working capital	4 610	-4 524	1 852	-97	-8 211	-1	-22	-86
Investing activities	0	0	0	0	0	0	0	0
Financing activities	0	29 111	0	100 000	0	0	300 000	0
Cash flow for the period	904	14 182	-2 676	95 375	-45 414	-37 204	262 775	-51 039
Beginning cash balance	445	1 338	16 680	14 004	109 379	63 965	26 760	289 535
Ending cash balance	1 338	16 680	14 004	109 379	63 965	26 760	289 535	238 496

Source: Västra Hamnen Corporate Finance

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