

# Cereno Scientific

## Phase II calling for CS014 after Phase I success

Clinical trial update

Healthcare

17 July 2025

Cereno Scientific [reported](#) positive Phase I readouts for CS014, its novel HDAC inhibitor, paving the way for Phase II studies in idiopathic pulmonary fibrosis (IPF). The candidate demonstrated favourable safety and tolerability in healthy volunteers and no serious treatment-related adverse events (all were mild and transient). Notably, CS014 achieved plasma levels exceeding the projected threshold required for reverse remodelling of pulmonary vascular and fibrosis, supporting its disease-modifying potential. Given the top-line readouts, we expect the Phase II initiation plans to stay on track for H126, with potential partnering discussions in the interim. We raise our probability of success (PoS) for CS014 to 20% (10% previously), resulting in our valuation upgrading to SEK5.0bn or SEK17.7 per share (from SEK4.5bn or SEK16.0 per share previously).

Year end	Revenue (SEKm)	PBT (SEKm)	EPS (SEK)	DPS (SEK)	P/E (x)	Yield (%)
12/23	0.0	(46.4)	(0.20)	0.00	N/A	N/A
12/24	0.0	(98.1)	(0.35)	0.00	N/A	N/A
12/25e	0.0	(94.8)	(0.34)	0.00	N/A	N/A
12/26e	0.0	(83.4)	(0.30)	0.00	N/A	N/A

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

## CS014 deemed safe; path clears for Phase II

The CS014 Phase I trial, conducted in two parts (single and multiple ascending oral doses) evaluated safety, tolerability, pharmacokinetics and pharmacodynamics of CS014 in 48 healthy volunteers. The single ascending dose (n=30) part of the study was completed in February 2025, while the multiple ascending dose portion (n=18) concluded in April. [Top-line results](#) from the trial demonstrated favourable safety and tolerability (no volunteers withdrew from the study and side effects were mild with no serious adverse events), which is a key consideration for patients with IPF. The readouts also indicated that CS014's blood plasma levels exceeded the projected range required to affect disease modification. This is a key takeaway, in our view, as it validates CS014's positioning as it approaches Phase II in IPF patients.

## IPF, a progressive condition with unmet need

IPF is a serious chronic lung disease, characterised by the progressive thickening of lung tissue, eventually leading to fibrosis and scarring. Around 30–50k new cases are diagnosed in the US each year, with life expectancy limited to three to five years (five-year survival rate of c 45%). While two drugs are currently approved for IPF, Esbriet (pirfenidone) and Ofev (nintedanib), they are associated with severe side effects and tolerability issues, and neither is considered disease-modifying (halting or reversing symptoms). This offers a potentially sizeable opportunity for Cereno, should CS014 continue to demonstrate disease-modifying signals in upcoming clinical studies.

## Valuation: SEK5.0bn or SEK17.7 per share

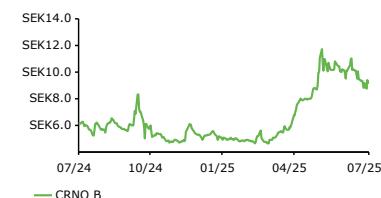
Following the positive Phase I results, we raise our PoS for CS014 to 20% (from 10% previously). Our valuation increases to SEK5.0bn or SEK17.7 per share (from SEK4.5bn or SEK16.0 per share previously).

Healthcare

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Price	SEK9.25
Market cap	SEK2,682m
Net cash/(debt) at 31 March 2025	SEK(103.4)m
Shares in issue	282.3m
Free float	93.0%
Code	CRNO B
Primary exchange	NGM
Secondary exchange	N/A

## Share price performance



%	1m	3m	12m
Abs	(6.7)	32.7	50.8
52-week high/low	SEK11.9	SEK4.7	

## Business description

Cereno Scientific is a clinical-stage biotech based in Sweden, focused on the development of innovative, effective and safe treatments for indications with high unmet needs. Lead asset CS1 is an HDAC inhibitor that acts as an epigenetic modulator. Cereno reported positive top-line results from the Phase IIa study in pulmonary arterial hypertension in September 2024. Second asset CS014, a proprietary NCE and HDACi, is being developed for idiopathic pulmonary fibrosis, and preclinical asset CS585 is likely to target rare thrombosis-related indications.

## Next events

Q225 interim report	August 2025
CS1 Phase IIb trial launch	H126
CS014 Phase II trial launch	H126

## Analysts

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## Valuation

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**Exhibit 1: Cereno's rNPV valuation**

Asset	Indication	Development phase	Launch	Peak sales (\$m)	Peak sales year	NPV (SEKm)	Probability	rNPV (SEKm)	rNPV/share (SEK)
CS1	PAH	Phase IIb-ready	2031	2,043	2038	9,077.7	45%	4,085.0	14.5
CS014	IPF	Phase I	2032	2,123	2042	5,107.3	20%	1,021.5	3.6
<b>Total</b>						14,185.0		5,106.4	18.1
Net debt at 31 March 2025								(103.4)	(0.4)
<b>Valuation</b>								<b>5,003.0</b>	<b>17.7</b>

Source: Edison Investment Research. Note: The per share valuation is calculated on shares outstanding of 282m.

**Exhibit 2: Financial summary**

Accounts: K3, Yr end: December 31, SEK:000s	2022	2023	2024	2025e	2026e
<b>PROFIT &amp; LOSS</b>					
<b>Net sales</b>					
Capitalised work for own account	57,538	49,277	80,903	55,000	170,000
Total revenues	57,538	49,277	80,903	55,000	170,000
Total operating expenses	(85,037)	(93,927)	(156,739)	(126,041)	(243,003)
R&D and other expenses	(76,620)	(71,152)	(128,675)	(93,405)	(208,789)
Of which - R&D expenses	(57,538)	(49,277)	(80,903)	(55,000)	(170,000)
Of which - other expenses	(18,899)	(21,658)	(46,880)	(37,504)	(37,879)
Personnel costs	(7,514)	(18,763)	(26,108)	(32,636)	(34,213)
Other operating items	(903)	(4,012)	(1,956)	0	0
Operating income (reported)	(27,499)	(44,650)	(75,836)	(71,041)	(73,003)
EBITDA (normalized)	(27,485)	(44,636)	(75,549)	(70,681)	(72,679)
Finance income/(expense)	(149)	(3,456)	(23,690)	(23,752)	(10,374)
Profit before tax (reported)	(27,649)	(48,106)	(99,526)	(94,792)	(83,377)
Profit before tax (normalised)	(27,649)	(46,436)	(98,106)	(94,792)	(83,377)
Income tax expense (includes exceptional)	(6)	0	0	0	0
Net income (reported)	(27,654)	(48,106)	(99,526)	(94,792)	(83,377)
Net income (normalised)	(27,654)	(46,436)	(98,106)	(94,792)	(83,377)
End of period number of shares, '000	137,515	233,775	281,702	281,702	281,702
Basic EPS (SEK)	(0.20)	(0.21)	(0.35)	(0.34)	(0.30)
Adjusted EPS (SEK)	(0.20)	(0.20)	(0.35)	(0.34)	(0.30)
<b>BALANCE SHEET</b>					
Intangible Assets	146,987	196,264	277,167	332,167	502,167
Fixtures, tools and installation	29	14	3,599	3,239	2,915
Other long-term receivables	10	9	10	10	10
Total non-current assets	147,025	196,287	280,775	335,415	505,092
Other receivables	1,248	1,124	2,880	2,202	2,795
Prepaid expenses and accrued income	335	407	2,540	2,540	2,540
Cash and bank balance	67,046	87,169	127,578	16,091	32,855
Total current assets	68,629	88,699	132,997	20,832	38,189
Accounts Payable	9,411	6,930	13,951	11,218	21,628
Other Current Liabilities	4,331	16,231	17,495	17,495	17,495
Short-term Debt	0	0	0	0	0
Total current liabilities	13,742	23,162	31,446	28,713	39,124
Long-term Debt	0	45,000	190,000	230,000	490,000
Other debt	400	400	400	400	400
Total non-current liabilities	400	45,400	190,400	230,400	490,400
Equity attributable to company	201,511	216,424	191,926	97,134	13,757
<b>CASH FLOW STATEMENT</b>					
Net profit	(27,654)	(48,106)	(99,526)	(94,792)	(83,377)
Depreciation	14	14	287	360	324
Translation difference	(90)	34	0	0	0
Accrued costs	450	777	6	0	0
Share based payments	0	1,671	1,420	0	0
Taxes paid	(4)	0	0	0	0
Movements in working capital	8,669	8,695	(5,609)	(2,055)	9,817
Cash from operations (CFO)	(18,615)	(36,915)	(103,422)	(96,487)	(73,236)
Purchase of intangible assets	(57,538)	(49,277)	(80,903)	(55,000)	(170,000)
Purchase of PPE	0	0	(3,871)	0	0
Cash used in investing activities (CFIA)	(57,538)	(49,277)	(84,774)	(55,000)	(170,000)
Loans received	0	45,000	245,000	50,000	500,000
Loan repayments	(5,000)	0	(90,000)	(10,000)	(240,000)
Equity issued	58,791	61,315	73,605	0	0
Other Financing Cash Flows	(226)	0	0	0	0
Cash from financing activities (CFF)	53,564	106,315	228,605	40,000	260,000
Cash and equivalents at beginning of period	89,635	67,046	87,169	127,578	16,091
Increase/(decrease) in cash and equivalents	(22,589)	20,123	40,409	(111,487)	16,764
Cash and equivalents at end of period	67,046	87,169	127,578	16,091	32,855
Net (debt)/cash	66,646	41,769	(62,822)	(214,309)	(457,545)

Source: Company documents, Edison Investment Research

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