MaxCyte

Apeiron licence broadens the MaxCyte opportunity

8 July 2020

- MaxCyte has entered into a clinical and commercial licence agreement with Apeiron Biologics AG, a private biotech company based in Vienna. This non-exclusive licence is now the 11th such deal and, in common with the prior licences, the financial terms are not disclosed. However, MaxCyte will receive development and approval milestone payments, in addition to sales-based payments and additional licensing fees.
- Apeiron will use MaxCyte's proprietary flow electroporation technology and ExPERT platform for its APN401 programme, a siRNA-based cell therapy currently in clinical development for various solid tumours. APN401, their lead Cbl-b checkpoint inhibitor candidate, has completed the Phase I stage successfully and is set to enter Phase II trials.
- APN401 inhibits Cbl-b, a novel class of intracellular checkpoint targets, with the aim of activating both the adaptive (T cells) and innate (NK cells) anti-tumour responses. APN401 transiently silences Cbl-b mRNA ex vivo in autologous peripheral blood mononuclear cells (PBMCs). These engineered autologous PBMCs are then reinfused into the patient with the entire procedure conducted in an ambulatory setting.
- MaxCyte's ExPERT electroporation technology is particularly suited to such clinical applications. The whole manufacturing process, from blood collection through to patient infusion of the finished product, can be completed within a day in the clinical setting. This contrasts with the current viral engineered CAR-T therapies that can take between seven and 15 days.
- Eleven clinical and commercial licencing deals have been signed in the past 18 months alone, with potential pre-commercialisation milestones now exceeding $800m. Clearly the deals are backend-weighted, with the most significant potential payments dependent on the programme reaching approval, but, even if only a small number were to succeed, these would transform MaxCyte's medium- and longer-term revenues.

Trinity Delta view: The succession of clinical and commercial deals highlights how MaxCyte is establishing itself as the clear leader in non-viral cell modification. Its proven flow electroporation platform is increasingly at the heart of the new generation of gene-edited and cell therapies. The significant partnerships with many of the leading gene editing and cell therapy companies (including Kite Pharma, CRISPR Therapeutics, Editas Medicine and Allogene Therapeutics) provide important industry validation, and the growing portfolio of licences covering diverse product candidates increases the likelihood of meaningful future milestone receipts. MaxCyte's investment case is detailed in our recent Outlook note. Our valuation is £242m ($315m) or 422p/share, with the core business recurrent revenues accounting for £83.8m (146p/share), risk-adjusted potential milestones for £48.6m (85p/share), and the CARMA platform for a more speculative £102.9m (179p/share).

Price	200.5p
Market Cap	£153.6m
Primary exchange	AIM London
Sector	Healthcare
Company Code	MXCT MXCL
Corporate client	Yes

Company description:

MaxCyte uses its patented flow electroporation platform to transfect a wide array of cells. Revenues arise from sale and lease of equipment, disposables, and licence fees from an impressive client list. Additionally, a novel mRNA mediated CAR technology, known as CARMA, is being explored in various cancers, including solid tumours.

Analysts

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