MaxCyte

Broadened scope for current MCY-M11 Phase I study

18 August 2020

- MaxCyte's existing MCY-M11 Phase I dose-escalation trial will be expanded into a new parallel cohort of patients, to include preconditioning regimens, with two new clinical sites added. A total of 27 patients will be enrolled across the existing and new parallel cohorts.
- MCY-M11 is an anti-mesothelin CAR-PBMC cell therapy candidate and the lead programme in MaxCyte's proprietary CARMA platform. It is being studied in a Phase I dose-escalation using intra-peritoneal delivery to treat patients with relapsed/refractory ovarian cancer and malignant peritoneal mesothelioma. Promising initial results from the first three dose cohorts were presented at this year's ASCO (virtual) meeting, confirming no dose-limiting toxicities or treatment related serious adverse events and rapid one day manufacturing. A fourth dose cohort began in March 2020.
- Current study entry criteria exclude patients who have had any preconditioning chemotherapy, with the new cohort specifically including patients who have the typical cyclophosphamide preconditioning regimen prior to MCY-M11 infusion. Although part of the original study, this cohort will also be progressed and evaluated separately from the no-preconditioning patient group.
- The new cohort will be recruited at two new clinical sites, Massachusetts General Hospital/Harvard Medical School and Hackensack University Medical Center, which join the existing sites at the National Cancer Institute at the National Institutes of Health and Washington University in St. Louis. The distinction of these clinical sites provides useful validation of the quality the MCY-M11 programme.

Trinity Delta view: The broadening of the existing MCY-M11 Phase I dose escalation to patients who have been preconditioned and for multiple treatment cycles augers well for the quality of, and regulatory support for, the data being generated currently. This study expansion has been made possible by the clean safety profile demonstrated by MCY-M11 to date and has the potential to further enhance the efficacy of MaxCyte's lead CARMA programme. We note that the next MCY-M11 data point, preliminary clinical data from the no-preconditioning cohorts, is expected in H220.

Clinical progress of MCY-M11 and the operational progress of CARMA Cell Therapies should bolster MaxCyte's plans for this wholly-owned subsidiary to be self-funded by end-2020.

We detailed the strength of the MaxCyte investment case in our May 2020 Outlook, and currently value the company at £260m or 340p/share. The core business is valued at £158m or 206p/share (£83m or 108p/share for recurrent revenues; £49m or 64p/share for potential milestones), with CARMA Cell Therapies at £103m (134p/share). MaxCyte has continued to make steady progress in executing its strategic plan, despite COVID-19 related headwinds, and we expect to revisit our valuation assumptions following release of H120 results in mid-September.

Price	335.0p
Market Cap	£258.5m
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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