

## ANGLE

### First custom CTC assay development contract

29 July 2021

- ANGLE has announced its first pharma services contract with a new customer for the development of two bespoke CTC assays to examine biomarkers of DNA damage repair (DDR). The first phase of the contract, worth c \$400k over 12-months, covers initial assay development at ANGLE's UK R&D facility followed by validation at its clinical laboratories.
- Under the contract, ANGLE will develop immunofluorescence (IF) assays using the Parsortix system to detect two specific protein markers expressed by CTCs and implicated in [DDR](#), an area of increasing focus in drug development. The assays, once validated, are expected to be used for longitudinal analysis in clinical trials, detecting target protein in four difficult to treat cancers: triple negative breast cancer (TNBC), prostate cancer (including metastatic and/or castration resistant), ovarian cancer (including high grade), and pancreatic cancer.
- Assuming successful development, the undisclosed customer, a well-funded clinical development company, intends to use the assay in a US/European clinical trial that is slated to begin in H222. This trial will incorporate longitudinal analysis of patient samples prior, during, and after investigational drug treatment, and is expected to generate further significant revenues for ANGLE. We note that the customer also is in discussion with ANGLE about other separate assay development projects.
- Importantly, on completion of assay development and validation, the new assays will remain under ANGLE's ownership and join its menu of existing pre-developed tests (such as the PD-L1 assay) that are available to other pharma customers. CTC analysis is a key tool in investigating protein markers on cancer cells, and is not subject to the limitations of ctDNA (circulating tumour DNA) liquid biopsy (which is not applicable to proteins) or tissue biopsies (unsuitable for longitudinal monitoring).

Price	111p
Market Cap	£259.9m
Primary exchange	AIM
Sector	Healthcare
Company Code	AGL
Corporate client	Yes

#### Company description:

ANGLE is a specialist diagnostics company. Its proprietary Parsortix technology can capture and harvest very rare cells, including CTCs (circulating tumour cells), from a blood sample. The FDA approval for its clinical use to guide precision cancer care will open up further multiple commercial opportunities.

**Trinity Delta view:** This first assay development contract marks another step in expanding ANGLE's pharma services offering, one of four commercial revenue streams for the Parsortix system. This business line provides analysis of CTCs for clinical trials from ANGLE's UK and US clinical laboratories. The new contract, coupled with the growing body of [translational research](#) demonstrating the utility of the Parsortix system in detecting novel drug targets expressed by CTCs as well as monitoring patient responses to treatment, provides important external endorsement of ANGLE's technology and capabilities. Additional pharma services contracts, corporate partnerships, and development of new assays and LDTs (lab developed tests) will all contribute to commercial momentum, with two H221 catalysts anticipated to represent major inflection points. The potential FDA clearance of Parsortix as a Class II medical device for harvesting of CTCs for subsequent analysis in metastatic breast cancer could occur in H221, with top line results of the ovarian cancer clinical verification study expected in Q421. Our DCF-based model values ANGLE at £570m (\$741m), or 244p/share.

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