

# ReNeuron Group

## Open season on Exosome deals

Building on last year's business development activities, ReNeuron has announced its first collaboration based on its exosome platform which was introduced at its 2018 capital markets day. At that time, the whole exosome field was at an early research stage but ReNeuron's collaboration with a US-based biopharmaceutical company marks the fourth and latest in a series of exosome deals announced in the sector in less than a year.

Year end	Revenue (£m)	PBT* (£m)	EPS* (p)	DPS (p)	P/E (x)	Yield (%)
03/17	0.9	(18.2)	(0.49)**	0.0	N/A	N/A
03/18	0.9	(21.0)	(55.66)	0.0	N/A	N/A
13/19e	0.0	(22.0)	(55.17)	0.0	N/A	N/A
03/20e	0.0	(27.2)	(70.94)	0.0	N/A	N/A

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

Our [note](#) on ReNeuron's capital markets day (CMD) in July 2018 hinted at the potential for the exosome nanomedicine platform to enable ReNeuron to expand into targeted drug delivery. ReNeuron has now announced its first exosome collaboration which builds on last year's business development activities. The exosome collaboration with a US-based biopharmaceutical company involves an initial feasibility stage during which there will be no cash payments between the parties. If successful, this will be followed by a preclinical safety and efficacy stage which we expect will involve evaluation payments to ReNeuron.

ReNeuron's unveiling of its exosome nanomedicine platform at its CMD appeared to be the signal for the expression of a significant amount of interest in this type of technology by bigger pharmaceutical partners. The first of these transactions was Roche's (US\$36m in upfront payments) collaboration on PureTech's milk-derived exosome platform to enable the oral delivery of Roche's antisense oligonucleotide drug candidates. In that respect, ReNeuron's collaboration on the delivery of synthetic oligonucleotides is very similar theme to Roche's interest in PureTech's technology. These two transactions have bracketed the two other exosome collaborations by Qiagen on the use of exosomes to isolate nucleic acids and, the day before ReNeuron's announcement, the transaction between Codiak and Jazz Pharmaceuticals involving a US\$56m upfront payment for the development of exosome-based candidates to treat difficult to access oncology targets.

Exosome collaboration

Pharma & biotech

4 January 2019

**Price** 48.50p  
**Market cap** £15m

Net cash (£m) at 31 September 2019	30.7
Shares in issue	31.6m
Free float	100%
Code	RENE
Primary exchange	LSE AIM
Secondary exchange	N/A

### Share price performance



### Business description

ReNeuron is a UK biotech company developing allogeneic cell therapies. The first pivotal Phase IIb trial for CTX neural stem cells for chronic stroke disability is underway. Human retinal progenitor cells (hRPCs) are also being studied for RP (in Phase I/IIa).

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