EDISON

Spotlight — flash

Sareum Holdings

New collaboration cements focus on CNS

Sareum has announced a strategic collaboration with Receptor.AI, a 'techbio' company harnessing generative AI to accelerate drug discovery across a range of targets, including TYK2. Sareum had previously reported positive signals from early preclinical testing of six of its TYK2/JAK1 compounds, three of which showed meaningful penetration of the blood-brain barrier, including one with strong drug concentration in the brain. We see this collaboration as a logical extension of the company's efforts in establishing JAK inhibitors (in particular TYK2) as a potentially disease-modifying treatment for neuroinflammatory conditions such as Parkinson's disease (PD) and multiple sclerosis (MS). While Receptor.AI will focus on drug discovery (brain-penetrating, isoform-selective compounds) using its AI-powered in-silico platform, Sareum will oversee subsequent testing, with full ownership of IP rights. First results from the collaboration are expected by end CY25 and will be a key upcoming catalyst for the company. The market has reacted positively to the news, with the stock trading 9% higher at market close on 12 August.

Janus kinase (JAK) inhibitors play a pivotal role in signalling downstream of cytokine receptors, and the TYK2 and JAK1 isoforms in particular mediate the signalling of cytokines such as IL-6, IL-12, IL-23 and IFN-α/β, which are implicated in neuroinflammation. A selective, brain-penetrant TYK2/JAK1 inhibitor has the potential to offer a novel, oral, non-biologic alternative in target conditions like PD and MS. We are therefore encouraged by Sareum's collaboration with Receptor.AI and expect it to accelerate the company's efforts in targeting central nervous system (CNS) conditions, with optimised TYK2/JAK1 inhibitors that have the ability to cross the blood-brain barrier. While JAK inhibitors have seen considerable success in other autoimmune conditions, neuroinflammatory conditions remain under explored, with Biohaven's BHV-8000 the only TYK2/JAK1 inhibitor in late-stage clinical development for PD.

Under the terms of the agreement, Receptor.AI will apply its AI-powered in-silico platform to design brain-penetrating, isoform-selective compounds, while Sareum will retain full IP ownership and lead subsequent preclinical testing including compound synthesis, laboratory testing, drug profiling and toxicity. Management expects discovery efforts to commence imminently with initial results by end CY25, representing a potential near-term catalyst for Sareum. A successful outcome could expand the strategic scope of Sareum's pipeline into high-value CNS indications, complementing its existing autoimmune focus.

Sareum's lead asset is the dual TYK2/JAK1 inhibitor, SDC-1801, which is undergoing toxicology studies (completion by Q4 CY25), ahead of Phase II trials, with psoriasis expected to be the initial focus.

Historical financials

Year end	Revenue (£m)	PBT (£m)	EPS (p)	P/E (x)
6/21	0.0	(1.7)	(2.30)	N/A
6/22	0.0	(2.6)	(3.20)	N/A
6/23	0.0	(4.0)	(4.70)	N/A
6/24	0.0	(4.6)	(4.20)	N/A

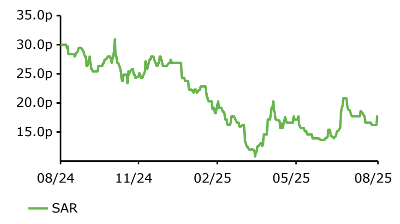
Source: Company data

Healthcare

13 August 2025

Price	**18.00p**
Market cap	**£24m**

Share price performance



Share details

Code	SAR
Listing	AIM
Shares in issue	135.4m
Net cash/(debt) at 31 December 2024	£4.1m

Business description

Sareum Holdings is a UK-based company specialising in small molecule kinase inhibitors. Its lead programmes are TYK2/JAK1 inhibitors, SDC-1801 for autoimmune diseases and SDC-1802 for cancer. SDC-1801 is expected to be Phase II-ready by Q4 CY25. Other programmes include the CHK1 inhibitor SRA737, for which Sareum acquired the licence in March 2025, corresponding to a 63.5% economic interest (27.5% held previously).

Bull points

- SDC-1801's dual TYK2/JAK1 selectivity provides competitive edge to peers, pending clinical validation.
- First-in-class potential for SDC-1802 and SRA737 in multiple cancer indications.
- Approval of Sotyktu provides regulatory feasibility for TYK2 inhibitors.

Bear points

- Potential funding challenges due to partnering delays affecting clinical progress of assets.
- Safety/efficacy profile of TYK2/JAK1 inhibitors needs to be proved in larger trials.
- Markets sought by SDC-1801 and SDC-1802 are highly competitive.

Analysts

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