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QuickView

Verici Dx

Immunodiagnostics for kidney transplants

Verici Dx is an immunodiagnostics company focused on the development of tests for the kidney transplantation market. These tests use next-generation RNA sequencing to create a defined risk profile for transplant patients, allowing the tailoring of immunosuppressive therapy and identification of rejection events. The company has two lead products, the pre-transplant test Clarava, and a post-transplant early prognostic called Tuteva, both of which are in clinical validation trials. A third product, Protega, is under development for the prediction of fibrosis and long-term graft failure. Data for these trials are expected to be reported in Q122, with plans in place to commercialise both products quickly afterwards.

Strong need for kidney transplant diagnostics

Globally, approximately 95,000 kidney transplants are performed each year, with an estimated 37–50% of subjects displaying evidence of a post-transplant rejection event. Clinical acute rejection (cAR, 10–15%) occurs in the first year post-transplantation and can be treated with a change in immunosuppressive therapy. Subclinical acute rejection (subAR, 27–40%) or silent rejection usually occurs within one year of transplantation and often goes unnoticed due to the lack of surveillance biopsy programmes in transplant centres. Verici Dx aims to develop tests to understand how a patient's immune system is likely to respond to organ transplantation and the risk of both cAR and subAR events, as well as long-term damage from fibrosis.

Pre- and post-transplant testing

Verici Dx's technology is licensed from Mount Sinai and underpinned by the extensive scientific research of Professor Barbara Murphy. Clarava uses blood-based, RNA immunophenotyping to deliver a pre-transplant risk profile of early acute rejection and can provide a tailored immunosuppressive therapy strategy. Clarava is a first-of-its-kind prognostic and, if approved, currently has no competition on the market. The company's second product, Tuteva, provides real-time, post-transplant prognostics to identify acute cellular rejection, including hard-to-detect subAR. Current post-transplant standards of care focus on identifying organ damage after it has occurred, often through painful and expensive biopsies.

Close to commercialisation

As of January 2022, Clarava and Tuteva have completed testing requirements in clinical validation trials, with results expected to be published in Q122. In preparation for commercialisation, Verici Dx gained a Clinical Laboratory Improvement Amendments certificate of registration in July 2021 to allow its state-of-the-art test labs in Tennessee to start operations if clinical validation results allow commercialisation. In January 2022, Verici Dx also obtained a Current Procedural Terminology code, a key component for US reimbursement, for Clarava and Tuteva. The last reported cash position (December 2021) was $10.3m and management expects to begin generating revenue in 2022, both of which should support further development of the Verici Dx platform..

Healthcare

20 January 2022

Price	**49p**
Market cap	**£69m**

Share price graph

Share details

Code	VRCI
Listing	AIM
Shares in issue	141m

Business description

Verici Dx is a biotechnology company focused on the development of immuno-diagnostic tests for kidney transplantation. Two tests are in clinical validation trials: Clarava, for pre-transplantation immune profiling, and Tuteva, which tests for rejection events post-transplant.

Bull

- Clear market opportunity supported by demand from both clinicians and researchers.
- Very little, if any, competition for Clarava and Tuteva.
- Plans for commercialisation in 2022 well underway, pending clinical validation.

Bear

- Company is subject to research and development risk.
- The COVID-19 pandemic may affect clinical validation timelines.
- If commercialisation is slower than expected, the company could require further funding before reaching break-even/profitability.

Analyst

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