MaxCyte

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Maxcyte fighting cancer battle on two fronts via experimental targeted treatment and technology licensing deals

- Developing experimental targeted treatment for cancer
- First patient dosed in initial phase I trial in October 2017
- Trio of license deals for its Flow Electroporation Technology
- £10mln share placing to fund acceleration of growth strategy

What MaxCyte does:
MaxCyte Inc (LON:MXCT) is developing an experimental targeted cancer treatment but also licenses out the technology to larger biotechs and pharma companies, including the international giant Gilead Sciences Inc (NASDAQ:GILD), to aid their discovery process.

It is involved with 70 programmes, of which half are at the clinical stage of development.

MaxCyte's CARMA platform is being used to develop some of the first drug candidates that use the company's own immune system to fight solid tumours.

Its lead candidate, MCY-M11 is what's known as a chimeric antigen receptor, CAR therapy, which gives T-cells the new ability to target a specific protein.

T-cells are part of the immune system and circulate around our bodies, scanning for cellular abnormalities and infections.

MCY-M11 is a mesothelin targeting CAR that will be used to treat ovarian cancer and peritoneal mesothelioma, which forms around the tissue lining of the womb.

How is it doing:
In October 2018, MaxCyte saw the first patient dosed in an initial phase I trial using MCY-M11. A total of 15 women with relapsed or hard-to-treat forms of the disease will receive the drug, which is being assessed primarily for safety and whether it is well tolerated by those taking it.

In November 2018, MaxCyte announced a trio of commercial license deals for its Flow Electroporation Technology (FET) with US firms.

Flow Electroporation is used in gene editing and allows almost any molecule - such as DNA, RNA or proteins - to be delivered into any cell with minimal cell disturbance.

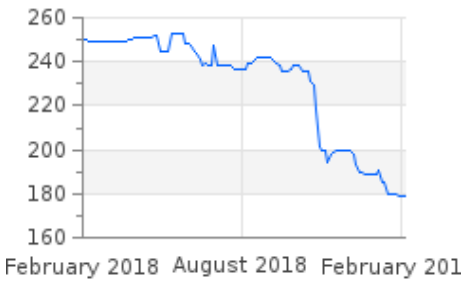
Under a research agreement, Maxcyte said Kite Pharma Inc - a subsidiary of US drugmaker Gilead - would use its FET platform to enable non-viral cell engineering.

Meanwhile, a clinical and commercial licence deal with Precision Biosciences will see it use MaxCyte's FET technology alongside its own ARCUS genome-editing platform.

Price: 178.5p

Market Cap: £91.63M

1 Year Share Price Graph



Share Information

Code:		MXCT
Listing:		AIM
52 week	**High**	**Low**
	254.00p	**175.00p**
Sector:		**Pharma & Biotech**
Website:		**www.maxcyte.com**

Company Synopsis:
We are a U. S. -based global company driving the acceleration of the discovery/development, manufacturing and commercialization of next-generation, cell-based medicines. We provide our patented, high-performance cell-engineering platform to biopharmaceutical partners engaged in drug discovery and development, biomanufacturing and cell therapy, including gene editing and immuno-oncology.

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That tie-up built on a research and clinical licence agreement the two already had. Under the new terms, MaxCyte will receive undisclosed milestone payments and technology access licensing fees.

Maxcyte's Flow Electroporation technology will also be used by CRISPR Therapeutics as part of its quest to develop new gene therapies for the treatment of cancer.

In this case, under a commercial license deal, CRISPR will use the technology to deliver its components into T-cells which attack the body's own cells that have been invaded by viruses or bacteria.

To help with the acceleration of its growth strategy, as well as executing "significant commercial opportunities", this week, Maxcyte raised £10mln via a share placing.

The cell-based medicines developer said around 5.8mln new shares were placed at a price of 170p each, an 8% discount to its closing price of 185p on the day before the placing.

The group said the funds would also be used to help expand the core customer base and instrument business, including new product development and applications in large-scale biopharmaceutical transient protein manufacturing, in addition to advancing the company's CARMA pipeline for the treatment of solid tumours, more specifically an intravenous administration programme.

What the boss says - Doug Doerfler:
"Since listing on AIM in 2016, we have continued to make significant progress across all areas of the business, supporting our biopharmaceutical partners in developing new classes of medicines for patients with inherited genetic diseases, infectious diseases and cancer."

"We've also made important progress with our high-value CARMA immuno-oncology platform, advancing MCY-M11, our wholly-owned lead therapeutic candidate, into the clinic in 2018 in our US-based Phase I clinical trial and validating our innovative one-day manufacturing process."

Inflection points:
In January, Maxcyte said its 2018 underlying earnings (EBITDA) are likely to show "an improvement on market expectations" after a bumper end to the year.

The group pointed out that revenues increased 19% year-on-year to US$16.7mln in the 12 months to December 31, with top-line growth of 25% in the second six months.

Combined potential milestone payments for deals signed are US$250mln, the company also said in its trading update.

Looking ahead, the company said expects it to maintain the momentum in 2019.

Blue Sky:
From 28 November 2018, Maxcyte simplified it's share structure, with all common stock to be held as unrestricted shares after merging its two separate classes of unrestricted and Regulation S restricted equity.

The move was intended to help both trading liquidity and transparency for shareholders.

Although Maxcyte shares dipped after the February share placing, at 180p each the group is currently valued at £92.40mln, well below the 300p-plus level reached in April 2017.

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No investment advice