

GENEURO

Price EUR8.29

GeNeuro and Servier put in place ANGEL-MS

Fair Value EUR18,2 (+120%)

BUY

Bloomberg	GNRO.FP
Reuters	GNRO.PA
12-month High / Low (EUR)	13.0 / 4.6
Market Cap (EURm)	122
Avg. 6m daily volume (000)	5.20

	1 M	3 M	6 M	31/12/15
Absolute perf.	56.1%	13.1%	-15.4%	-36.2%
Healthcare	2.6%	-8.3%	-9.3%	-15.2%
DJ Stoxx 600	4.8%	-1.4%	0.6%	-5.8%

	2015	2016e	2017e	2018e
P/E	x	x	x	x
Div yield (%)	%	%	%	%

ANALYSIS

- GeNeuro and Servier have announced today that they have reached an agreement to launch an extension study to the ongoing phase II trial called CHANGE-MS for those of the 260 patients who are candidates to go on with an additional two years of treatment with GNBAC1 to treat and control their RRMS. This new trial will start in April 2017 when the first patient recruited in CHANGE-MS will have ended its 12-month treatment period in CHANGE-MS. Although it was not formally announced before, this news makes full sense in the context of RRMS which is a chronic and slowly progressing disease because this is with time that one better measures the impact of a drug in terms of efficacy and in particular in terms of disease progression towards disability. It makes all the more sense that GNBAC1 is testing the hypothesis of targeting the disease more upfront than other existing therapies and so relapse rates are not necessarily the best measures of efficacy and time will permit to see if the drug has an influence on remyelination. Last but not least, we have seen in real life that recent and innovative drugs in MS have penetrated nicely but have not fully replaced old Copaxone and interferons and that's mainly because the latter are safe and have demonstrated efficacy over long periods of time. So, accumulation of long-term data is key to gain traction in the market and this would influence payers too.
- Like CHANGE-MS, ANGEL-MS will be fully paid by Servier under the terms of the agreement between the two companies.

VALUATION

- No change.

NEXT CATALYSTS

- By year-end 2016: IND to start small phase II in SPMS in the US - [Click here to download document](#)

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Distribution of stock ratings

BUY ratings 72%

NEUTRAL ratings 0%

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