

DAILY EQUITY RESEARCH UPDATE

Healthcare

Core News

NOVO NORDISK | Neutral | FV DKK365 vs DKK 358

Oral semaglutide approved as Rybelsus in the US and to be priced as an injectable

- Rybelsus carries the same label as injectable GLP1s
- Instructions for administration to be more cumbersome
- Novo-Nordisk has to position it right into the portfolio

Analyst: Eric Le Berrigaud

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KORIAN | Buy - Top Picks | FV EUR42.5 vs EUR40

CMD feedback: Convincing, estimates adjusted on management guidance. FV upgraded

- Strong confidence in top-line growth of at least 8%
- EBITDA margin should continue to improve...
- ...as net profit
- An implicit upward revision of the OFCF

Analyst: Bruno de La Rochebrochard

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Headlines

TRANSGENE | Corporate | FV EUR6.5 | Encouraging clinical results for TG4001

- In view of poster presentation at ESMO regarding phase Ib trial conducted with TG4001, the abstract was released today. TG4001 is a therapeutic vaccine based on modified vaccinia Ankara (MVA) encoding for HPV 16 and IL-2.

- This phase Ib evaluate the safety of the combination TG4001+Avelumab in 2L HPV positive cancers (mainly Head & Neck but also anal, cervical or vaginal). TG4001 was administered subcutaneously.
- Nine patients were enrolled and for 3 out of 5 evaluable a trend to decreased circulating Treg (T regulatory lymphocytes) was observed. It will be interesting to have the detailed data for this parameter. Interestingly, in four patients (out of five evaluable), an increase of CD8 infiltration was observed and the percentage of PD-L1 positive cells doubled in low or moderate expressors. No dose-limiting toxicity and no serious adverse events have been observed
- These results are encouraging since they show a clearance of HPV 16 virus (80% of H&N cancers are HPV 16 positive) and because it appears that TG4001 could turn a "cold" tumor into a "hot" tumor (with infiltrating T cells). Phase II is in progress and interim results are expected in H1 2020.

3Q 2019 Healthcare Top Picks


NOVARTIS (Buy, FV CHF106), ROCHE HOLDING (Buy, FV CHF340), DBV TECHNOLOGIES (Buy, FV EUR46)

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