

Chimeric Therapeutics Limited

Assembling a world-class team, partners and assets

Chimeric Therapeutics Limited (ASX:CHM) is a clinical-stage cell therapy company focused on the discovery, development and commercialisation of innovative and promising cell therapies. The group listed on the ASX in January 2021, raising \$35m at \$0.20/share for the licensing and initial development costs of CLTX CAR from the City of Hope in Los Angeles. The group has since raised \$14.4m at \$0.17/share and secured a further \$30m equity placement agreement with L1 Capital to continue the development of key assets. Since listing key assets have grown to include the third-generation CDH17 CAR T, in pre-clinical development for a range of solid tumours, and an option on the CORE-NK platform, which is an off-the-shelf natural killer (NK) cell platform. CAR T therapy is a personalised therapy involving the removal of a patient's own T-cells which are reengineered to fight a specific cancer and infused back into the same patient. NK cells are taken from a donor, reengineered, and kept on the shelf for use in any patient for a specific cancer, resulting in a less personalised but faster and more cost-effective treatment. There are currently five CAR T therapies approved by the FDA and available commercially including Yescarta® (subsets with lymphoma), Tecartus™ (subsets with lymphoma), Abecma™ (subsets with multiple myeloma), Breyanzi® (subsets with lymphoma) and Kymriah® (subsets with lymphoma and leukaemia).

Business model

CHM has assembled a world-class team focussed on the discovery, development and commercialisation of cell therapies. CHM initially licensed the CLTX CAR T from the City of Hope Cancer Centre in Los Angeles for the treatment of patients with recurrent glioblastoma, which is currently in a Phase I dosing trial, while other indications are being examined. CHM has also exclusively licensed the third-generation pre-clinical phase CDH17 CAR T from the University of Pennsylvania, the leading university for cell therapy patents for the treatment of gastrointestinal cancers and neuroendocrine tumours. Additionally, CHM entered an exclusive option to license the CORE-NK platform from Case Western Reserve University (CWRU), expanding the pipeline to four new Chimeric assets. The pipeline of therapies across multiple indications is aimed at mitigating the high risk associated with biotechnology discovery, development and commercialisation.

Rapid progress in diversifying portfolio since listing

Since listing in January 2021 with essentially a single product/single indication cell therapy (CLTX CAR T for recurrent GBM), CHM has been active in both business development and progressing its portfolio assets. The recurrent GBM trial has completed the manufacturing and quality release and is expanding from a single site to multiple sites. A three-year SRA with the University of Pennsylvania to further develop and understand CDH17 CAR T has been expanded to include manufacturing clinical-grade lentiviral vector. CHM is also progressing toward a Phase I clinical trial in neuroendocrine tumours and gastrointestinal adenocarcinomas. An option has been exercised to negotiate a licence for a clinically validated, off-the-shelf natural killer (NK) cell platform, offering an allogeneic option to the portfolio across four new-generation NK and CAR NK assets. An expansion of the pipeline across both autologous and allogeneic technologies, and from early pre-clinical to late Phase I clinical therapies, should broaden the appeal of the company to both investors and potential future partners.

Early-stage cell and gene therapy companies are peers

From an ASX perspective we see listed peers as early-stage cell and gene therapy companies, and would include the likes of Adalta (ASX:1AD), Exopharm (ASX: EX1), Nyrada (ASX:NYR) and Prescient Therapeutics (ASX:PTX). Internationally, there are a number of listed cell and gene therapy companies including Autolus Therapeutics (ATRA), Collectis (ALCLS), Celularity (CELU) and Mustang Bio (MBIO).

Pharmaceutical, Biotechnology & Life Sciences

9th September 2022

Share Details

ASX code	CHM
Share price (8-Sept)	\$0.105
Market capitalisation	\$44.7M
Shares on issue	425.2M
Net cash at 30-Jun-2022	\$12.7M
Free float	53.2%

Share Performance (12 months)



Upside Case

- Move to Phase II trial with CLTX CAR T
- Move to Phase I with CDH17 CAR T
- Addition of new indications across all programme

Downside Case

- Safety and/or efficacy concerns
- No IND approval for CDH17 CAR T
- Under-estimate the cost of development

Catalysts

- Entering Phase I with CDH17
- Securing CAR NK licence

Comparable Companies (Aust/NZ)

Adalta (ASX:AD1), Prescient Therapeutics (ASX:PTX)

Board and Management

Paul Hopper	Executive Chairman
Jennifer Chow	CEO & MD
Leslie Chong	Non-Executive Director
Lesley Russell	Non-Executive Director
George Matcham	Non-Executive Director
Cindy Elkins	Non-Executive Director
Dr Jason Litten	Chief Medical Officer
Eliot Bourk	Chief Business Officer

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FINANCIAL SERVICES GUIDE

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AFSL 456663

Effective Date: 6th May 2021

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- how we transact with you
- how we are paid, and
- complaint processes

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