

BerGenBio

Leadership change

Martin Olin succeeds Richard Godfrey as CEO

BerGenBio (BGBIO) has announced the appointment of a new chief executive officer (CEO), Martin Olin, with effect from 8 September 2021. Martin Olin has more than two decades of executive experience in the pharmaceutical and biotechnology industry and previously served as CEO of Symphogen, a clinical-stage biotech developing monoclonal antibody based treatments for a variety of cancers, prior to [its acquisition by Servier in 2020](#). While the timing of this announcement does come as a surprise, we do not expect any disruptions to the current business strategy which the board has always been supportive of. Our [valuation of BGBIO is unchanged](#) at NOK4.91bn or NOK 55.8/share.

| Year end | Revenue (NOKm) | PBT* (NOKm) | EPS* (NOK) | DPS (NOK) | DPS (%) | Yield (%) |
|----------|----------------|-------------|------------|-----------|---------|-----------|
| 12/19 | 8.9 | (199.3) | (3.43) | 0.0 | N/A | N/A |
| 12/20 | 0.6 | (257.0) | (3.43) | 0.0 | N/A | N/A |
| 12/21e | 0.0 | (322.1) | (3.67) | 0.0 | N/A | N/A |
| 12/22e | 0.0 | (335.1) | (3.81) | 0.0 | N/A | N/A |

Note: *PBT and EPS are normalised, excluding amortisation of acquired intangibles, exceptional items and share-based payments.

After more than 12 years as CEO, Richard Godfrey is stepping down with immediate effect to pursue other business interests. Current chief financial officer, Rune Skeie, will assume the role of interim CEO until 8 September 2021.

BGBIO is focused on advancing the development of its [lead asset bemcentinib](#) (an oral, once-a-day, highly selective AXL inhibitor) which has generated encouraging efficacy data from Phase II studies in acute myeloid leukaemia (AML), non-small-cell lung cancer and COVID-19. BGBIO is now entering a critical phase as the planning for late-stage studies ramps up. Discussions with regulators are ongoing regarding a pivotal study in relapsed AML in combination with low-dose cytarabine, which could enable the potential approval and launch in 2024. BGBIO recently presented an update from the [ongoing Phase II trial](#) of this combination at [EHA](#) which highlighted durable responses in relapsed AML patients (overall response rate of 31%; 5/16), together with impressive median overall survival of 13.3 months (more than double historical survival data).

COVID-19 presents a potential opportunity to expedite bemcentinib's route to market in 2022. Discussions with regulators will determine the next steps following top-line data from two Phase II trials (combined data was recently [presented at ECCMID](#)). We expect an additional global Phase III study will be required before approval.

Pharma & Biotech

24 August 2021

Price **NOK22.2**
Market cap **NOK1,956m**

| | |
|---------------------------------|-------|
| Net cash (NOKm) at 30 June 2021 | 572.8 |
| Shares in issue | 88.0m |
| Free float | 60% |
| Code | BGBIO |
| Primary exchange | Oslo |
| Secondary exchange | N/A |

Share price performance



Business description

BerGenBio is a clinical-stage biopharmaceutical company developing innovative drugs for aggressive diseases, including immune-evasive, drug-resistant and metastatic cancers. It focuses on AXL inhibitors bemcentinib (small molecule) and tilvestamab (mAb).

Analysts

| | |
|-------------------|---------------------|
| Dr John Priestner | +44 (0)20 3077 5700 |
| Dr Susie Jana | +44 (0)20 3077 5700 |

healthcare@edisongroup.com

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