



BBY Research - 01 August 14

Regeneus Ltd

RGS A\$0.29 **TARGET PRICE** A\$0.77 ▼ **SPECULATIVE BUY** 0.0X

Author: Dennis Hulme

Contact Client Sales & Solutions

Phone: 1800 551 212

Email: css@bby.com.au

Regeneus Ltd is a regenerative medicine company that is commercialising cell-based therapies for treating conditions such as arthritis, in humans and animals.

Pipeline development speeds ahead, sales to pick up in FY15

Regeneus Ltd's (RGS) quarterly update revealed that the company is doing an impressive job with its pipeline of stem cell and cancer vaccine products, but it is not yet generating significant growth from its currently marketed stem cell products. We expect this to change in FY15, with commercial sales of its canine cancer vaccine to commence in Australia in the current quarter, and HiQCell to be launched in Singapore in 4Q CY14. The key value drivers are its off-the-shelf stem cell products and cancer vaccines for veterinary and human applications – all 4 products will be in clinical trials by end 2015. Two small randomised trials of CryoShot in dogs with arthritis which report in 4Q CY14 will be important milestones. Separately, RGS disclosed it will require additional funding by 2Q CY15. We lower our risked DCF valuation and price target slightly to A\$0.80/sh (from A\$0.83/sh) on lower uptake of HiQCell therapy and later overseas launch of canine CryoShot. Maintain Speculative Buy.

Don't forget you can get your Research via our Research Portal.

[Click here](#) to subscribe.

BBY Technical View - as at 01/08/2014

Short Term	Downtrend	Resistance	\$0.415
Long Term	Downtrend	Support	\$0.239

For enquiries, please email research@bby.com.au

This Research has been prepared and issued by BBY Ltd and remains the property of BBY Ltd. No material contained in this Research may be reproduced or distributed without prior written approval of BBY, except as allowed by the Copyright Act. This Research is current at the date of publishing. For updates or further information regarding this research, please contact your advisor. BBY does or seeks to undertake business with companies covered in its research and therefore, Investors should consider this report as only a single factor in making their investment decisions. For explanations regarding ratings and other important disclosures, please refer to the disclosure section at the end of this document.

[Click here](#) for important disclosures and disclaimers relating to this communication. This electronic mail may contain general securities advice or personal securities recommendations which, while believed to be accurate at the time of publication, are not appropriate for all persons or accounts.

Persons or entities considering any advice or recommendations should contact a BBY advisor with any additional questions regarding whether or not the recommendations given are suitable to the person's investment objectives, financial situation and particular needs. From time to time, BBY, its officers, directors, associates and the writer of this report may hold a position in the securities covered. BBY does not accept liability (other than statutory liability) for any errors or omissions or for loss or damage incurred as a result of a person or entity acting in reliance on this document or any attachments.