



Regeneus Ltd (RGS)

Generating revenue from stem cell treatments - 30 September 2013

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

Research Summary

This report is current at the date of publishing. Please speak with your advisor about updates to or the currency of this report.

Regeneus Ltd (RGS) successfully listed on the ASX on 19 September 2013 after raising A\$10.5M in an IPO at A\$0.25/sh. RGS is commercialising cell-based therapies for conditions such as arthritis in humans and animals. The company's human products are currently used in 4 specialist clinics and its animal products in 70 veterinary clinics in Australia, and generated revenue of A\$1.7M in FY13. We expect RGS to grow revenue to A\$5M by FY15 by increasing the penetration of the Australian market, and by launching its human HiQCell product in overseas markets with a similar regulatory environment to Australia. The company also has an extensive pipeline of additional products. We initiate coverage with a SPECULATIVE BUY recommendation and a 12-month price target of A\$0.40/sh, which we set at a 40% discount to our A\$0.69/sh base case valuation.

SPECULATIVE BUY
0.5X

CURRENT PRICE A\$0.27

TARGET PRICE A\$0.40

BBY Analysts

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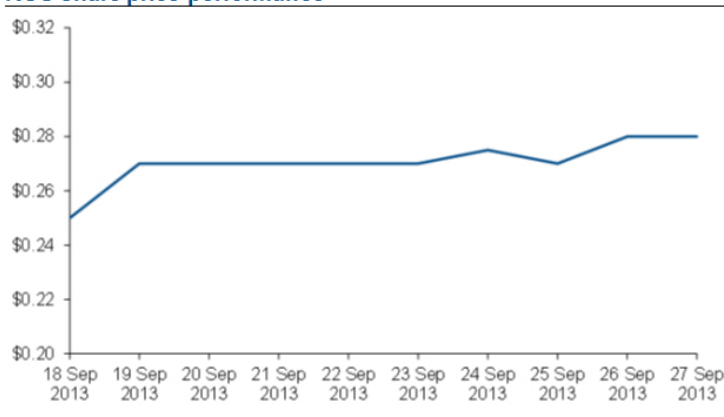
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RGS share price performance



Contact your BBY advisor for valuation metrics including the company's financials such as Price-to-Earnings Ratio (PE), Dividend Returns and Return on Equity (ROE).