

Positive phase 2 trial for new cystic fibrosis drug

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IP Group portfolio company, Enterprise Therapeutics, has announced positive results from its Phase 2 trial for ETD001, its lead candidate for the treatment of cystic fibrosis. Enterprise is an on-balance-sheet direct investment in which IP Group was an early investor. CEO Greg Smith said, “*this is a highly encouraging clinical milestone for Enterprise Therapeutics.*”

There is some way to go before commercialisation, and IP Group has not commented on the impact this trial result might have on its valuation of Enterprise. We would expect some commentary in this regard with interim results in September 2026. However, successful trials such as this typically increase the probability of reaching commercialisation, and hence valuation. At this stage of clinical trial success, it is relatively common for large pharma companies to show interest in investment or some form of partnership arrangement.

Trial success for initial target population, potential for wider use

With cystic fibrosis (CF), the lungs become congested with mucus leading to difficulty in breathing. Existing treatments address this (CFTR modulator treatment), but there is a cohort of people with CF who do not benefit – around 10% of the CF population. This was the target population of the recent phase 2 trial. While the absolute number of people with CF is not vast (c. 100,000 globally), drug treatments are extremely expensive, so this is a potentially substantive commercial opportunity.

The trial evaluated the efficacy, safety, tolerability and pharmacokinetics (how the body affects a drug after it is taken) of inhaled ETD001 ([more detail from Enterprise Therapeutics here](#)). The primary efficacy outcome was achieved. Data demonstrated a clinically meaningful improvement in lung function over a 28-day period compared to placebo. The results also showed ETD001 is overall well-tolerated with adverse events consistent with those expected in this patient population. **Enterprise now plans to advance ETD001 into longer-duration Phase 2b clinical trials.**

Additionally, there may be potential to provide benefits to those with CF who are receiving CFTR treatment i.e. use on top of CFTR treatment may improve overall treatment efficacy for the other 90% of the CF population. **Enterprise plans to initiate clinical trials in these populations too.**

Company Data

EPIC	IPO.L
Price (last close)	65.2p
52 weeks Hi/Lo	66p/43p
Market cap	£576m
NAV/share	110p
Avg. daily volume	3,662k

Share Price, p



Source: Investing.com

Description

IP Group was founded in 2001 and is listed on the main market of the LSE. It invests in companies underpinned by IP and scientific innovation, across HealthTech, DeepTech, CleanTech. Investments are sourced via partnerships with universities (incl. Oxford, Cambridge, Imperial & UCL), research institutions and other networks.

The on-balance-sheet portfolio value is >£0.9bn, with >£0.5bn managed for 3rd parties. The portfolio has produced 4 unicorns and realised >£1.1bn.

Next event

H1-26 results Sep 2026

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Summary historic financials

Year end 31 Dec, £m	FY20A	FY21A	FY22A	FY23A	FY24A	FY25A
Net Asset Value (NAV)	1,332	1,738	1,376	1,190	953	975
NAV per share (p)*	125	167	133	115	98	110
Share price discount to NAV*	(1%)	(26%)	(58%)	(49%)	(45%)	(47%)
Cash invested during period	(65)	(104)	(94)	(74)	(63)	(71)
Cash proceeds during period	191	214	28	39	183	68
Net portfolio profit/(loss)	232	497	(309)	(161)	(195)	64
Third-party AUM	542	587	697	651	678	557
Fee & other income**	6.2	13.6	7.1	5.9	5.5	7.4
Group profit/(loss) after tax	185	449	(345)	(174)	(207)	67
EPS, basic (p)	17.5	42.3	(33.0)	(16.5)	(20.0)	7.2
Dividends (p)	0	1.20	1.26	0.51	0	0
Dividend yield***	0%	1.2%	1.0%	0.9%	0%	0%
Share buybacks	0	27	8	0	30	46
Share buybacks (% of market cap)***	0%	2.1%	1.4%	0.0%	5.6%	8.8%

Source: Company Historic Data. *Based on share count/share price/market cap at end of period. **Other income includes licensing & patent income. ***Based on share price/market cap at beginning of period.

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