

Miragen bets everything on Viridian



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While the markets rewarded Miragen's decision to buy Viridian with an 80% stock price jump, the move looks like the last roll of the dice for the troubled company. Earlier this month Miragen said it would halt development of cobomarsen, its microRNA treatment for cutaneous T-cell lymphoma and T-cell leukaemia – one of the few assets in its pipeline that had attracted sales forecasts from analysts. This bad news followed December's major restructuring, which saw Miragen cull staff and trim back R&D efforts to reduce costs. Today's acquisition of Viragen brings much-needed new pipeline projects, but also dilution for remaining Miragen shareholders given that the transaction was paid for via a stock swap. Miragen investors are now left with just 12% of the combined company. Miragen announced further dilution in the form of a \$91m private placement to fund development of its new lead compound, VRDN-001, an insulin-like growth factor-1 receptor MAb in development for thyroid eye disease. For those eyeing Miragen stock hoping for further gains, it might be worth remembering that this is a company that has yet to deliver on any of its pipeline projects and is now pivoting into an unfamiliar area.

Miragen Therapeutics share price (NASDAQ: MGEN)

