



Biotech Daily

Wednesday August 29, 2012

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH EVEN: PRIMA UP 11%, PATRYS DOWN 8%**
- * **SIRTEX REVENUE UP 19% to \$87m, PROFIT UP 49% TO \$17m**
- * **TISSUE THERAPIES RAISES \$1m FROM NEW UNNAMED INVESTOR**
- * **PROBIOTEC REVENUE DOWN 10% TO \$66m, PROFIT UP 112% to \$1.2m**
- * **CBIO MEETS TOMORROW FOR INVERSEON MERGER TO INVION**
- * **SCIGEN H1 REVENUE UP 13% TO \$8m, TURNAROUND \$3.8m PROFIT**
- * **BRAITLING, AUSTRALIAN LENDERS TAKE 5% OF MAYNE PHARMA**

MARKET REPORT

The Australian stock market slipped 0.07 percent on Wednesday August 29, 2012 with the S&P ASX 200 down 3.0 points to 4,356.4 points.

Thirteen of the Biotech Daily Top 40 stocks were up, 13 fell, five traded unchanged and nine were untraded. All three Big Caps were up.

Prima was the best, up 1.5 cents or 11.1 percent to 15 cents with 14.5 million shares traded.

Acrux and Allied Health climbed more than seven percent; Alchemia, Benitec and Impedimed were up more than six percent; Clinuvel was up 4.8 percent; Anteo, Biota, Heartware, Mesoblast, Tissue Therapies and Viralytics rose more than one percent; with Cochlear, CSL and Resmed up by less than one percent.

PatrYS led the falls, down 0.2 cents or 8.0 percent to 2.3 cents with 94,000 shares traded.

Cellmid lost 5.6 percent; Neuren fell 4.2 percent; Avita, Genetic Technologies, Phosphagenics and Sunshine Heart were down three percent or more; Prana shed 2.9 percent; Universal Biosensors was down 1.7 percent; with Pharmaxis, Reva, Sirtex and Starpharma down by less than one percent.

SIRTEX MEDICAL

Sirtex says that revenue for the 12 months to June 30, 2012 was up 18.7 percent to \$86,575,000 with net profit after tax up 49.0 percent to \$17,103,000.

Sirtex said dose sales were up 23 percent with US dose sales up 32 percent to deliver \$57 million revenue, with Europe up four percent returning \$22 million and Asia Pacific dose sales up 37 percent for \$4 million in revenue.

The company said it expected strong growth in all markets to continue in 2013.

Sirtex said a fully franked 7.0 cents dividend was paid for the previous financial year on October 21, 2011 and a dividend for the year to June 30, 2012 was to be determined.

The company said that net tangible asset backing per share was up 9.7 percent to 103.0 cents and diluted earnings per share was up 48.0 percent to 30.2 cents for the year to June 30, 2012 compared to 20.4 cents for the previous corresponding period.

Sirtex said it had \$13,447,000 in cash and cash equivalents at June 30, 2012, compared to \$42,915,000 at the end of the previous financial year.

Sirtex fell two cents or 0.3 percent to \$7.48.

TISSUE THERAPIES

Tissue Therapies says it has raised \$1,110,000 through a private placement of 3,000,000 shares at 37 cents each to an unnamed new strategic investor.

Tissue Therapies said the investment was about 1.7 percent of its issued capital.

The company said the new shareholder had "extensive commercial interests in South America" with a network of commercial contacts South America, the US and Europe.

Tissue Therapies said the funds would be used "to proceed immediately with finalization of FDA clinical trial submissions as well as preparation for applications for approval for sale in other regions including South America."

Tissue Therapies was up half a cent or 1.2 percent to 41.5 cents.

PROBIOTEC

Probiotec says revenue for the 12 months to June 30, 2012 was down 10 percent to \$66,465,000 with a net profit after tax up 112 percent to \$1,249,000.

Probiotec said sales revenue was "impacted by the discontinuance of a number of non-core and loss making operations and a decline in sales of the group's weight loss ranges".

The company said its pharmaceuticals and consumer sector including Gold Cross, David Craig, Lomotil and Vermox, as well as weight loss and nutrition products fell 6.8 percent to \$35,706,162.

Probiotec said contract manufacturing revenue was up 4.4 percent to \$17,514,134.

The company said it sold its Milton brand for a profit of \$1.8 million and reduced net debt by \$4.7 million.

Probiotec said net tangible assets per share at June 30, 2012 was up one percent to 664.5 cents and diluted loss per share was down 87.8 percent to 1.9 cents, compared to the previous year's 15.6 cents.

The company said it had \$193,388 in cash and cash equivalents at June 30, 2012, compared to \$938,107 at June 30, 2011.

Probiotec was up two cents or 5.7 percent to 37 cents.

CBIO

CBio shareholders will vote tomorrow on the merger with Inverseon Inc to become Invion to develop clinical stage treatments for anti-inflammatory diseases (BD: Jul 2, 2012).

The resolutions include the San Francisco California-based Inversion acquiring 143,486,978 CBio shares, worth \$6,456,914 at today's closing price of 4.5 cents a share, giving Inverseon 37.5 percent of the combined entity.

Cbio has previously said that Inverseon would become a wholly-owned CBio subsidiary, and the final resolution is for the company to be renamed Invion.

Inverseon chairman Dr William Garner told Biotech Daily that the merged company would have a pipeline of five indications, with two separate phase II trials of the oral version of lead product INV102 for asthma and smoking cessation by the end of 2012.

CBio previously said that INV102 was a beta antagonist or beta-blocker known as nadolol and had been used in more than eight million people for high blood pressure, migraine and chest pain.

Dr Garner said there was an open investigational new drug application with the US Food and Drug Administration for the asthma trial and the company was "designing the smoking cessation study in preparation for talks with the FDA".

He said that Inversion was planning to report on the smoking cessation trial by mid-2014 and the asthma trial in 2015.

Dr Garner said there were plans for an inhaled version of INV102 for chronic bronchitis and cystic fibrosis.

He said the fifth indication was CBio's chaperonin 10 or XToll as a treatment for the autoimmune disorder Lupus.

Dr Garner said a pre-investigational new drug application had been filed with the FDA and a trial could begin by April 2013. aug 6 2012

XToll failed to meet its primary endpoint for rheumatoid arthritis in a phase IIa trial (BD: Aug 1, 2011) precipitating the creation of a shareholder action group and the removal of the then board.

CBio said in July that the two phase II trials were due to begin by October 2012, including a \$4.4 million phase II asthma study expected to be funded by the US National Institutes of Health.

CBio said at that time that should the merger be successful, Dr Garner would be the chief executive officer, Dr Mitchell Glass would be the chief medical officer, and along with former Chemgenex executive Dr James Campbell, would be executive directors.

CBio said Dr Craven would continue as chair, with Brett Heading and Warren Brown as non-executive directors.

CBio had \$4,186,000 in cash at June 30, 2012.

The notice of meeting proposed the issue of 76,607,225 shares to Inverseon, the approval of financial benefits, namely the 76,607,225 shares, to Inverseon's chairman Dr William Garner and director Dr Mitchell Glass, along with 66,879,753 shares to non-Inverseon associates (BD: Jul 3, 2012).

The meeting will vote to elect as directors Dr Garner, Dr Glass, Brett Heading and Dr James Campbell and change CBio's name to Invion.

The resolutions require a 50 percent vote to pass, with the exception of the name change which requires a 75 percent vote to pass.

According to ASX data, former director Dr Michael Monsour owned 5.91 percent of CBio at September 15, 2011, Himstedt & Co held 5.36 percent and Basildene Pty Ltd, a company associated with current director Warren Brown had reduced from 5.50 percent to 2.94 percent.

CBio fell 0.3 cents or 6.25 percent to 4.5 cents.

SCIGEN

Scigen says that revenue for the six months to June 30, 2012 is up 13 percent to \$US8,126,000 (\$A7,830,000) reversing a loss to a net profit after tax of \$US3,898,000. Scigen said the sale of its Israel operation and its 51 percent interest in a China joint venture returned \$US5,473,000.

The company said revenue growth came from a “stellar performance by our partner in Thailand and subsidiaries in Australia and Korea” with successful launches of its human growth hormone Scitropin A in Hong Kong, Vietnam and Malaysia, as medical devices in Thailand.

Scigen was untraded at 4.5 cents.

MAYNE PHARMA GROUP

Braitling Investments and the Australian Lenders Fund have become substantial shareholders in Mayne Pharma with the acquisition of 7,644,395 shares or 5.02 percent. The initial substantial shareholder notice said that the Sydney based Braitling and Australian Lenders acquired 2,265,246 shares between March 24, 2102 and August 24, 2012 for \$829,753 or 36.6 cents a share.

The notice said the registered shareholder was UBS Nominees.

Mayne Pharma was unchanged at 35 cents.