



Biotech Daily

Tuesday August 21, 2018

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH DOWN: BIONOMICS UP 10%; OSPREY DOWN 9%**
- * **STARPHARMA REVENUE UP 34% TO \$5m, LOSS DOWN 32% TO \$10m**
- * **ANALYTICA CLAIMS PERICOACH INCONTINENCE 'SIGNIFICANCE'**
- * **TGA GRANTS SUDA GMP FACILITY STATUS**
- * **GENETIC TECHNOLOGIES 'INVITED TO DISCUSS CHINA ENTRY'**
- * **CRESO: PHARMACARE UK MARIJUANA CANNAQIX DISTRIBUTOR**

MARKET REPORT

The Australian stock market fell 0.96 percent on Tuesday August 21, 2018 with the ASX200 down 60.6 points to 6,284.4 points.

Ten of the Biotech Daily Top 40 stocks were up, 21 fell, seven traded unchanged and two were untraded.

Bionomics was the best, up 4.5 cents or 10 percent to 49.5 cents with 1.1 million shares traded.

Opthea climbed 7.4 percent; LBT and Reva rose more than four percent; Dimerix and Nanosonics were up more than two percent; Airxpanders and Impedimed improved more than one percent; with Cochlear, CSL, Cynata and Pro Medicus up by less than one percent.

Osprey led the falls, down two cents or 8.7 percent to 21 cents with 239,140 shares traded.

Neuren and Uscom fell more than five percent; Actinogen, Factor Therapeutics, Medical Developments and Optiscan lost more than three percent; Avita, Mesoblast, Oncosil, Prana and Universal Biosensors shed more than two percent; Ellex, Pharmaxis and Prescient were down more than one percent; with Clinuvel, Polynovo, Resmed, Sirtex, Starpharma, Telix and Volpara down by less than one percent.

STARPHARMA HOLDINGS

Starpharma says that revenue for the year to June 30, 2018, was up 34.1 percent to \$4,884,000 with net loss after tax down 32.4 percent to \$10,285,000.

Starpharma said that revenue was predominately royalty, licencing and customer revenue including milestone payments from Mundipharma under the Vivagel BV for bacterial vaginosis licence for Europe, Asia, South America, the Middle East and Africa, along with \$1,072,000 in interest on cash deposits (BD: May 3, Jun 27, 2018).

The company said that net tangible asset backing per share fell 17.65 percent to 14.0 cents at June 30, 2018.

Starpharma said that diluted loss per share fell 25.0 percent from 4.0 cents last year to 3.0 cents, but earnings per share from the sale of its agricultural chemicals business provided diluted earnings of 6.0 cents per share (BD: Jun 14, 2017).

Starpharma said it had cash and cash equivalents of \$51.3 million at June 30, 2018 compared to \$61.2 million at June 30, 2017.

Starpharma fell half a cent or 0.4 percent to \$1.13.

ANALYTICA

Analytica says a 160-patient, eight-week trial of its version-3 intra-vaginal Pericoach pelvic floor exercise system reduces incontinence with “statistical significance”.

Analytica said that a total of up to 160 women participated in the “challenge” with all being measured for pelvic floor strength.

The company said that 37 women provided bladder diaries to allow an analysis of bladder leakage.

Analytica said the technology measured pelvic floor strength with sensors which showed “week-on-week improvement in strength with nearly a third [of users] on average having at least a 50 percent improvement in strength resulting in predictive improvement by week five ($p = 0.004$)”.

The company said that user-reported bladder diary entries were used to analyze leakage episodes and volume, with leakage episodes measured by the number of events per week and volume recorded using descriptors such as “light” or “full bladder”, mapped to an equivalent volume.

Analytica said that more than 60 percent of women who used the device for at least three weeks reported “a highly significant reduction in leakage episodes (30 percent reduction, $p = 0.0059$) and volume (30 percent reduction, $p = 0.0017$) by week three and beyond”.

The company said that by week eight, more than 75 percent of the 37 respondents reported at least an 80 percent reduction in both leakage volume and number of episodes. Analytica said that Pericoach combined a structured mobile telephone application-based exercise program to remind users to complete exercises regularly, with sensors to monitor and assist with the correction of pelvic floor contractions.

The company said the technology asked women to record information about urinary habits and surveyed users on their quality of life in the application.

Analytica’s chairman Dr Michael Monsour said “women can expect to have noticeable improvement in continence symptoms in just a few weeks”.

The company said the data was analyzed by an unnamed independent US-based bio-statistician and it planned to submit data for publication in urological and woman’s health journals.

Analytica said the Pericoach version-3 was released in May (BD: May 5, 2017).

Analytica was up 0.1 cents or 16.7 percent to 0.7 cents with 2.8 million shares traded.

SUDA PHARMACEUTICALS

Suda says the Australian Therapeutic Goods Administration has awarded a good manufacturing practice licence for therapeutic goods.

Suda said the licence allowed it to carry out chemical and physical pharmaceutical testing and release for supply of therapeutic goods within the licenced categories of non-sterile solutions, sprays and active pharmaceutical ingredients.

The company said the licence was internationally recognized and in conjunction with its International Organization for Standardization's ISO 9001:2015 accreditation, confirmed it was "working to the world's most stringent pharmaceutical standards".

Suda said the licence provided further commercial opportunities allowing the company to carry out activities for itself and its partners that previously would be contracted to a third party.

Suda executive chairman Stephen Carter said the licence was "the result of four years work and adds a significant commercial advantage to the company for its formulation laboratory".

"The achievement of a GMP licence is a significant milestone for any pharmaceutical company and will provide an advantage to our [business development] team in their negotiations," Mr Carter said.

Suda was up 0.1 cents or 20 percent to 0.6 cents with 11.5 million shares traded.

GENETIC TECHNOLOGIES

Genetic Technologies says it has been "invited by representatives of the Hainan Government to discuss market entry into China".

Genetic Technologies said that representatives of the Chinese industrial park development and operations company Hainan Ecological Smart City Group had invited the company to visit the Hainan medical pilot zone to review and discuss opportunities for market entry into China through the Hainan Free Trade Zone initiative.

The company said that the invitation came from the Beijing Zishan Health Consultancy showing "the potential for growth presented by the proposed joint venture" announced last week (BD: Aug 16, 2018).

Genetic Technologies said that the Hainan Boao Lecheng International Medical Tourism Pilot Zone was "a world-leading green city project" integrating medical services, pharmaceuticals, scientific research, rehabilitation, senior care and tourism in an area dedicated to energy conservation and environmental protection.

The company said that the Zone was located on the east of Hainan Province, an island off the coast of Southern China.

The company said that discussions with the Hainan Ecological Smart City Group were part of an official review process to evaluate the feasibility of offering its genetic risk assessment tests in China.

Genetic Technologies said that companies approved to operate in China as part of the Hainan Free Trade Zone initiative could take advantage of significant tax benefits, subsidies and investment, along with privileges for stem cell and cutting-edge research projects for clinical applications, as well as a relaxation of controls over certain medical approvals to encourage foreign capital investment and business operations.

Genetic Technologies executive chairman Dr Paul Kasian said the company was "honored to receive this invitation from representatives of the Hainan government to discuss how we can participate in the medical pilot zone".

Genetic Technologies was up 0.1 cents or 9.1 percent to 1.2 cents with 17.2 million shares traded.

CRESO PHARMA

Creso says it has appointed the London-based Pharmcare Europe to market and distribute its marijuana-based food additive Cannaqix in the UK.

Creso said that the cannabidiol (CBD) Cannaqix was an “organic full spectrum hemp extract with CBD, vitamins and zinc ... developed to reduce stress and to support mental and nervous functions”.

Creso chief executive officer Dr Miri Halperin Wernli said “cannabis evolves to consumer branded products with varying delivery methods to suit everyone's different preferences and needs”.

“With Cannaqix we offer consumers a safe and effective certified food supplement with CBD which has broad market access without the need for medical prescription,” Dr Halperin Wernli said.

Creso said the Pharmcare distribution would be implemented by Naturopathica, a European umbrella brand under Pharmcare, with shops in Asia, America and Europe. The company said it was also expanding its sales through the Belfast-based Precision Health through its internet sales platform.

Earlier this year, Creso signed a non-exclusive deal with Precision Health to market and distribute Cannaqix in the UK (BD Jan 21, 2018).

Creso was up nine cents or 16.4 percent to 64 cents.