



Biotech Daily

Wednesday February 27, 2019

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH UP: IMUGENE, KAZIA UP 6%; AIRXPANDERS DOWN 7.5%**
- * **COMPUMEDICS H1 REVENUE UP 16% TO \$18.7m, PROFIT UP 27% TO \$811k**
- * **COGSTATE H1 REVENUE DOWN 17% TO \$15.5m, LOSS UP 436% TO \$3.9m**
- * **CYCLOPHARM REVENUE UP 2% TO \$13.4m, LOSS DOWN 98% TO \$35k**
- * **CRYOSITE H1 REVENUE UP 36% TO \$4m, PROFIT TO LOSS OF \$1.3m**
- * **REDHILL REVENUE UP 109% to \$11m, LOSS DOWN 15% TO \$54m**
- * **INVION H1 REVENUE UP 394,450% TO \$1.2m, LOSS UP 14% TO \$1.3m**
- * **MEMPHASYS TO RAISE \$3.64m, LISTS ON FRANKFURT EXCHANGE**
- * **DIMERIX TWO DMX-200 PHASE II TRIAL 'ON-TRACK'**
- * **REGAL FUNDS REDUCES TO 12.4% OF VISIONEERING**
- * **SG HISCOCK DILUTED TO 7% OF NEUROTECH**
- * **NIALL CAIRNS REPLACES CARDIEX CHAIRMAN DONAL O'DWYER**

MARKET REPORT

The Australian stock market was up 0.36 percent on Wednesday February 27, 2019, with the ASX200 up 21.9 points to 6,150.3 points. Fifteen of the Biotech Daily Top 40 stocks were up, 11 fell, 12 traded unchanged and two were untraded.

Imugene and Kazia were equal best, both up 6.25 percent to 1.7 cents and 51 cents, respectively, with 5.1 million shares and 8,901 shares traded, respectively. Oncosil climbed 6.1 percent; Antisense and Osprey were up five percent or more; Clinuvel and Medical Developments rose more than four percent; Ellex was up 3.5 percent; Cynata, Impedimed and Polynovo improved more than two percent; Actinogen, LBT and Pro Medicus rose more than one percent; with CSL and Volpara up less than one percent.

Airxpanders led the falls, down 0.3 cents or 7.5 percent to 3.7 cents with 286,640 shares traded. Cyclopharm lost 5.5 percent; Compumedics fell 4.3 percent; Dimerix, Opthea and Starpharma shed two percent or more; Resmed fell 1.1 percent; with Cochlear, Genetic Signatures, Mesoblast, Nanosonics, Neuren, and Paradigm down by less than one percent.

COMPUMEDICS

Compumedics says revenue for the six months to December 31, 2018 was up 16.2 percent to \$18,712,000 with net profit after tax up 26.5 percent to \$811,000.

Compumedics said revenue came from sales of its brain monitoring equipment and related services.

The company said diluted earnings per share was up 25 percent from 0.4 cents to 0.5 cents, with net tangible assets per share up 13.7 percent to 10.8 cents and it had cash and cash equivalents of \$4,287,000 at December 31, 2018 compared to \$2,948,000 at December 31, 2017.

Compumedics fell 1.5 cents or 4.3 percent to 33.5 cents.

COGSTATE

Cogstate says revenue for the six months to December 31, 2018 was down 17 percent to \$US11,107,900 (\$A15,478,303) with net loss after tax up 436.1 percent to \$US2,802,081 (\$A3,903,154).

Cogstate said the revenue primarily came from clinical trial contracts for its cognition measuring system and “the recent failure of Alzheimer’s disease clinical trials ... negatively impacted the clinical trials services industry including ... Cogstate”.

The company said diluted loss per share was up 60.9 percent to 1.7 US cents, net tangible assets per share was down 57.1 percent from 0.07 US cents to 0.03 US cents at December 31, 2018, and it had cash and cash equivalents of \$US4,064,926 at December 31, 2018 compared to \$US4,239,833 at December 31, 2017.

Cogstate fell 11.5 cents or 24.2 percent to 36 cents.

CYCLOPHARM

Cyclopharm says revenue for the 12 months to December 31, 2018 was up 1.6 percent to \$13,404,222 with net loss after tax down 97.7 percent to \$35,456.

Cyclopharm said the increased revenue came from sales and improved pricing of Technegas for the diagnosis of pulmonary embolism.

The company said that an unfranked interim dividend of 0.5 cents a share for shareholders on the record date of April 8 would be paid on April 15, 2019.

Cyclopharm said diluted loss per share was down 97.8 percent to 0.05 cents, with net tangible assets per security down from 21 cents to 18 cents.

The company said that it had cash and cash equivalents of \$5,854,959 at December 31, 2018 compared to \$8,689,676 at December 31, 2017.

Cyclopharm fell 6.5 cents or 5.5 percent to \$1.12.

CRYOSITE

Cryosite says revenue for the six months to December 31, 2018 was up 35.8 percent to \$3,952,761 and it turned net profit into a net loss after tax of \$1,319,510.

Cryosite said revenue came from annual storage plans of cord blood and tissue, clinical trial logistics and its Credo Shipper reusable packaging solution.

Cryosite said diluted loss per share was up 45 percent to 2.757 cents, net tangible assets per share turned from 4.3 cents to a negative 2.8 cents at December 31, 2018, and it had cash and cash equivalents of \$4,250,377 at December 31, 2018 compared to \$4,361,549 at December 31, 2017.

Cryosite was untraded at 4.1 cents.

REDHILL BIOPHARMA

Redhill says revenue for the year to December 31, 2018, was up 108.8 percent to \$US8,360,000 (\$A11,640,690) reducing net loss after tax by 14.8 percent to \$US38,820,000 (\$A54,054,030).

The Tel Aviv, Israel-based Redhill said that the revenue primarily came from US sales of four gastro-intestinal speciality products, Donnatal, Enteragam, Mytesi and Esomeprazole Strontium, but the company had two Australia-originated drugs, RHB-104 and RHB-105, awaiting approval and RHB-106 out-licenced to Salix Pharmaceuticals.

In 2010, Redhill bought Myoconda (RHB-104), Heliconda (RHB-105) and Picoconda (RHB-106) from Sydney's Giaconda (BD: Aug 17, 2010).

The company said that diluted loss per share fell 34.6 percent to 0.17 US cents at December 31, 2018, with net tangible assets per share up 109.1 percent from 0.22 cents at June 30, 2013 to 0.46 cents at June 30, 2014.

Redhill said it had \$US29,005,000 in cash and cash equivalents at December 31, 2018, compared to \$US16,455,000 at December 31, 2017.

On the Nasdaq, Redhill fell 28 US cents or 3.6 percent to \$US7.52 (\$A10.47) with 99,879 shares traded.

INVION

Invion says revenue for the six months to December 31, 2018 was up 394,449.5 percent to \$1,171,812 with net loss after tax up 14.1 percent to \$1,322,326.

Invion said that previous revenue of \$297 came from interest on deposits but for the six months to December 31, 2018 it received revenue from the Hong Kong-based Cho Group under their research and development services agreement for the Photosoft light therapy for cancer licence.

In 2017, Invion acquired the Australia and New Zealand rights to Photosoft, with the Cho Group retaining the rest of the world rights to the technology and funding Invion's research and development work (BD: Aug 21, 2017).

The company said diluted loss per share fell 66.7 percent to 0.02 cents, with net tangible assets per share down 99.7 percent from 0.03 cents to 0.0001 cents at December 31, 2018.

Invion said that it had cash and cash equivalents of \$642,232 at December 31, 2018 compared to \$281,513 at December 31, 2017.

Invion was untraded at 1.6 cents.

MEMPHASYS

Memphasys says it has listed on the Frankfurt Stock Exchange and hopes to raise \$3.64 million in a one-for-two non-renounceable entitlement offer at two cents a share.

Memphasys said the offer for shareholders at a record date of about March 7, 2019 was fully underwritten by Patersons Securities.

The company said the funds would be used for further development of its Felix sperm separation device, working capital and the repayment of director loans.

Memphasys said it listed on the Frankfurt Stock Exchange so that European investors could trade shares in Euros and in their own time zone.

Memphasys was up 0.1 cents or 3.85 percent to 2.7 cents.

DIMERIX

Dimerix says its two trials of DMX-200 for focal segmental glomerulo-sclerosis and diabetic kidney disease are on-track with results expected in early 2020.

Dimerix said that the phase II trial of DMX-200 for focal segmental glomerulo-sclerosis (FGFS) had recruited seven of the intended 10 patients with enrolment “on-track” for dosing completion by the end of this year.

The company said that the phase IIb trial of DMX-200 for diabetic kidney disease had recruited 10 of 40 patients and enrolment was also on-track for dosing completion by the end of this year.

Dimerix chief executive officer Dr Nina Webster told Biotech Daily that recruitment was “more challenging for us because FGFS is an orphan drug”.

She said the company opened 10 sites in Australia hoping each would have at least one patient and, so far, seven of the 10 had been recruited.

Dr Webster said the global incidence of focal segmental glomerulo-sclerosis was 210,000 people of which 120,000 patients were in the US.

Dr Webster said that if recruitment was concluded as expected results would be available in “early 2020”.

The Dimerix media release said that “no serious adverse safety-related events have been reported to date in either trial”.

The company said that the two clinical studies were both double-blind, randomized, placebo-controlled, crossover studies, evaluating the safety and efficacy of DMX-200 in patients who are receiving Irbesartan, the current standard of care for both focal segmental glomerulo-sclerosis and diabetic kidney disease.

Dimerix said that multiple patients from 2017 phase II trial continue to be treated with DMX-200 via the Australian Therapeutic Goods Association’s special access scheme, which was “a strong indication of the benefits DMX-200 provides for patients in reducing proteinuria”.

Dimerix fell 0.2 cents or 2.3 percent to 8.5 cents.

VISIONEERING TECHNOLOGIES

Regal Funds Management says it has reduced its holding in Visioneering from 33,106,832 shares (13.44%) to 29,793,065 (12.39%).

The substantial shareholder notice said that Regal Funds sold the shares between August 29, 2018 and February 22, 2019, with the single largest sale of 402,446 shares for \$57,026.60 or 14.17 cents a share.

Visioneering fell 0.4 cents or four percent to 9.6 cents.

NEUROTECH INTERNATIONAL

SG Hiscock & Company says it has increased and been diluted in the Malta-based Neurotech from 9,660,403 shares (8.86%) to 17,327,070 (7.06%).

The substantial shareholder notice said SG Hiscock bought the shares in last month’s one-for-one renounceable rights issue at three cents a share, which raised \$783,689 of the hoped-for \$3.3 million (BD: Jan 29, Feb 25, 2019).

Neurotech was unchanged at 2.8 cents.

CARDIEX

Cardiex says it has appointed director Niall Cairns as interim chairman, replacing Donal O'Dwyer.

Cardiex said it would recruit a US based chairman in the coming months.

The company said that it had "sincere appreciation" for Mr O'Dwyer's 14 years' service to the company.

Cardiex fell 0.1 cents or 1.6 percent to six cents with 3.7 million shares traded.