Biotech Daily

Wednesday August 16, 2017

Daily news on ASX-listed biotechnology companies

*** ASX UP, BIOTECH EVEN: DIMERIX UP 10%, PRIMA DOWN 9%**

*** CSL RECORD REVENUE UP 13% TO $9b, PROFIT UP 8% TO $1.2b**

*** PRIMA EARNS $1.3m FRENCH R&D REBATE**

*** CANCER GENETICS BUYS VIVOPHARM FOR $15m CASH, SCRIP**

*** EPAT JOURNAL ARTICLE BACKS APPLICATION FOR PAIN RECOGNITION**

*** OPTISCAN AIMS AT CHINA, $1m NORTH AMERICAN REVENUE**

*** US EXTENDS PROTEOMICS PATENT TO ALL KIDNEY DISEASE**

*** ACTINOGEN ENROLS 1st UK PATIENT IN XANAMEM ALZHEIMER'S TRIAL**

*** BIONOMICS REVENUE UP 30% to $28m, LOSS DOWN 56% TO $7m**

*** TRENT BARRY, TRAOJ TAKE 7.7% OF SIENNA**

*** OVENTUS CEO NEIL ANDERSON FAMILY INCREASE, DILUTED TO 6%**

*** JARROD WHITE REPLACES HYDROPONICS CO SEC HENRY KINSTLINGER**

MARKET REPORT

The Australian stock market was up 0.48 percent on Wednesday August 16, 2017 with the ASX200 up 27.6 points to 5,785.1 points. Fifteen of the Biotech Daily Top 40 stocks were up, 14 fell, eight traded unchanged and three were untraded.

Yesterday's 9.1 percent worst, Dimerix, was today's best, up 0.1 cents or 10 percent to 1.1 cents with 5.7 million shares traded. Actinogen and Mesoblast climbed more than five percent; Benitec, Cellmid, Living Cell and Osprey improved four percent or more; Neuren and Orthocell were up more than three percent; both Avita and Reva rose 2.9 percent; ITL, Prana and Universal Biosensors were up more than one percent; with Cochlear and Sirtex up by less than one percent.

Yesterday's 9.5 percent best, Prima, led the falls, down 0.2 cents or 8.7 percent to 2.1 cents with five million shares traded. Psivida lost 7.9 percent; Viralytics fell 5.6 percent; Oncosil and Starpharma fell more than four percent; Opthea was down 3.6 percent; Admedus and Pro Medicus shed more than two percent; Acrux, Bionomics, Compumedics, CSL and Nanosonics were down more than one percent; with Airxpanders, Medical Developments and Resmed down by less than one percent.

CSL

CSL says that revenue for the year to June 30, 2017 was up 12.95 percent to $US6,922.8 million ($A8,849.1 million) with net profit after tax up 7.6 percent to $US1,337.4 million ($A1,709.5 million).

CSL said that sales were up in all regions with the exception of the UK which fell 22.2 percent to $US213.8 million, while US sales revenue was up 18.4 percent to $US2,850.8 million and Australian sales revenue increased 25.3 percent to $643.7 million.

CSL chief executive officer Paul Perreault told a teleconference that the company had launched three new products in 15 months, including Afstyla for haemophilia A, Idelvion for haemophilia B and Haegarda for hereditary angioedema.

Mr Perreault said that sales across all divisions were up, with immunoglobulins up 14 percent, albumin up seven percent, haemophilia products up four percent and specialty products led by Kcentra up 20 percent.

Mr Perreault said the immunoglobulins Privagen and Hizentra “performed really well” up 21 percent and 10 percent, respectively.

Mr Perreault said that CSL had collected blood from “tens of millions of donors” at about 180 plasma centres worldwide with 28 new centres opened this year and expansions planned for the US, Switzerland and Australia.

He said that through the Ruide acquisition CSL was “now the leading supplier of imported albumin” in China.

Mr Perreault said that the Seqirus influenza division was “on-track to profitability” with a four-fold increase in sales of its cell-based quadrivalent influenza vaccines.

In relation to the current influenza season in Australia, Mr Perreault said that CSL was selling vaccines at normal volumes but urged people to “go out and get a jab”.

He said the company was planning its largest trial of the CSL112 for secondary cardiac events with the phase III trial expected to recruit up to 18,000 patients, with a decision on whether to start by the end of the year, pending phase II results.

Mr Perreault said he expected revenue to increase by eight percent and net profit after tax to increase to a range of $US1.48 billion to $1.55 billion in the coming financial year.

CSL said that a final unfranked dividend of 72 US cents per share would be paid to shareholders at the record date of September 13, 2017 following the unfranked interim dividend of 64 US cents a share paid on April 13, 2017.

CSL said that its net tangible asset backing per share was up 30.6 percent from $US3.56 to $US4.65, with diluted earnings per share up 9.2 percent to $US2.931.

The company said that research and development spending increased 5.1 percent to $US645.3 million compared to the previous year, and was 9.3 percent of total revenue compared to the previous year’s 10.0 percent of revenue.

CSL said it had $US844.5 million in cash and cash equivalents at June 30, 2017, compared to the previous corresponding period’s $US556.6 million.

Mr Perreault said the company would not conduct a share buy-back in the 2018 financial year.

CSL fell $1.91 or 1.5 percent to $125.27 with 2.4 million shares traded.

PRIMA BIOMED

Prima says it has received a EUR876,635 ($A1,306,266) cash rebate from the French Government under its Crédit d’Impôt Recherche scheme.

Prima said it qualified to receive scheme credits through its Immutep subsidiary research and development laboratory at Châtenay-Malabry in Paris in 2016.

Prima fell 0.2 cents or 8.7 percent to 2.1 cents with five million shares traded.

VIVOPHARM PTY LTD

Vivopharm says it has been acquired by the Rutherford, New Jersey-based, Nasdaq-listed Cancer Genetics Inc for US$12 million ($A15.3 million) in cash and shares.

The Melbourne-based Vivopharm chairman Dr Ian Nisbet told Biotech Daily that the payment would be 10 percent cash and 90 percent Cancer Genetics scrip.

Dr Nisbet said that Vivopharm was a preclinical pharmacology, toxicology and bioanalytical service business and would operate as a semi-autonomous business unit within Cancer Genetics oncology business.

In 2011, Vivopharm assisted Patrys and Clarity Parmaceuticals in the development of Patrys' then lead anti-cancer compound PAT-SM6 and in 2012, Vivopharm acquired the Royal Melbourne Institute of Technology's Drug Discovery Technologies Pty Ltd for a 20 percent shareholding(BD: Jun 20, 2011; Apr 12, 2012).

Today, Vivopharm founder and chief executive officer Dr Ralf Brandt said the company was "looking forward to making significant market impact by combining Vivopharm's unique value proposition of integrated preclinical, safety and biomarker profiling, both in-vitro and in-vivo, with Cancer Genetics and a team at the forefront of precision oncology development"

Vivopharm said that Dr Brandt would be employed as the head of Cancer Genetics discovery and early development services division.

The company said Maxim Group LLC was its exclusive financial advisor, Faber Law its primary legal advisor, with Lowenstein Sandler the legal advisor for Cancer Genetics.

Vivopharm was a private company.

EPAT

Epat says a peer reviewed article reports its electronic pain assessment tool (Epat) is "a valid and reliable point-of-care pain assessment [application] for people with dementia".

The article, co-authored by Epat's scientific officer Mustafa Atee, entitled 'Pain Assessment in Dementia: Evaluation of a Point-of-Care Technological Solution' was published in the Journal of Alzheimer's Disease with the full article available at: http://content.iospress.com/articles/journal-of-alzheimers-disease/jad170375.

The journal article said that 40 aged care residents with moderate to severe dementia and a history of pain-related condition(s) were recruited into the study, with 353 paired pain assessments recorded and analyzed and the Epat mobile telephone application showed "excellent concurrent validity … and good discriminant validity".

The journal article said that inter-rater reliability score was good overall … while internal consistency was excellent".

The article said that Epat had psychometric properties which made it "suitable for use in non-communicative patients with dementia … [and] had the advantage of automated facial expression assessment which provides objective and reproducible evidence of the presence of pain".

Epat said the article "indicates that the … app is a valid and reliable pain assessment tool for people with moderate to severe dementia, who can no longer self-report their pain".

Mr Atee said that it was "the first time a pain assessment tool using automated facial recognition technology and a smart device to assess people with dementia has been clinically validated in the residential aged care setting".

Epat said that the study reported that the application offered "a significant advantage over current pain assessment methods, as the automated facial expression assessment feature provides an objective and reproducible evidence of the presence of pain".

Epat was up 0.9 cents or 16.1 percent to 6.5 cents with 30.6 million shares traded.

OPTISCAN IMAGING

Optiscan says it is progressing sales and distribution of its Viewnvivo microscopes in China, with more than $1 million in North American sales expected in the next 12 months.
Optiscan said that it had its first US order for the “new generation” Viewnvivo preclinical microscope system through North American distributor Scintica Instrumentation.
The company said that the London, Ontario-based Scintica had agreed to an indicative minimum number of Viewnvivo systems which would deliver revenue of more than $1 million in the next 12 months (BD: Jun 28, 2017).
Optiscan said that with Scintica it would have “a major presence” at the World Molecular Imaging Congress in Philadelphia, September 13 to 16, 2017.
The company said that the Congress was “the leading global imaging conference for senior academic and industry professionals … the optimal target user group to benefit from the use of the Viewnvivo system and … a significant opportunity to influence senior academic professionals in world-wide preclinical research”.
Optiscan said it had agreed to broad terms with its preferred distribution partner for China and expected to execute an exclusive distribution agreement within weeks.
The company said it had confirmation from leading Chinese research institutes intending to buy Viewnvivo systems and they were finalizing funding approvals.
Optiscan said it expected to receive confirmed Viewnvivo orders from China from this year.
Optiscan was up one cent or 12.5 percent to nine cents.

PROTEOMICS

Proteomics International Laboratories
Proteomics says its US patent for the Promarkerd diagnostic test has been expanded from diabetic kidney disease to include all kidney disease.
Proteomics said that the expanded patent entitled 'Method of Assessing a Subject for Abnormal Kidney Function' was valid until September 20, 2031.
Proteomics chief executive officer Dr Richard Lipscombe said the broader US patent complemented a European patent it from the University of Innsbruck in 2016 and protected a method for predicting the progression of chronic kidney disease by measuring the protein apolipo-protein A-IV.
The company said that kidney disease was the ninth leading cause of death in the US, accounting for 48,000 deaths a year, with related healthcare costs of more than $US50 billion a year, with about 44 percent caused by diabetes and 29 percent by high blood pressure.
Proteomics was up 1.5 cents or 8.1 percent to 20 cents.

ACTINOGEN MEDICAL

Actinogen says it has enrolled the first UK patient in its 174-patient Xanadu trial of Xanamem for Alzheimer’s disease at London’s St Pancras Clinical Research.
Actinogen said that the UK patient was the sixteenth patient enrolled in the Australia, UK and US phase II trial, with the last patient expected to be recruited by the end of 2018.
The company said that the first patient had completed the 12-week dosing period and was expected to complete the four-week follow-up next month (BD: May 16, 2017).
Actinogen was up 0.3 cents or 5.8 percent to 5.5 cents.

BIONOMICS

Bionomics says revenue for the year to June 30, 2017, was up 30.0 percent to $28,251,857 reducing net loss after tax by 56.1 percent to $6,863,708.
Bionomics said that the revenue came from contract services, including payments from Merch Sharp and Dohme, licencing fees received from Merck, revenue from subsidiaries Neurofit and Prestwick, royalties, rent, interest, Federal Government grants and the Federal Research and Development Tax Incentive.
The company said that net tangible assets per share was up 1.5 percent to 6.9 cents, with diluted loss per share down 66.7 percent to one cent.
Bionomics said it had $42,873,656 in cash and cash equivalents at June 30, 2017.
Bionomics fell half a cent or 1.1 percent to 44 cents.

SIENNA CANCER DIAGNOSTICS

Traoj Pty Ltd acting for the Traoj trust says it has become a substantial shareholder in Sienna with 13,879,998 shares or 7.70 percent.
The substantial shareholder notice, signed by Traoj director Trent Barry, failed to report the cost of the shares or the holder's address, as required under the Corporations Act 2001.
Sienna fell one cent or 6.25 percent to 15 cents.

OVENTUS MEDICAL

Chief executive officer Neil Anderson says he has increased his holding but been diluted from 5,698,477 shares (7.78%) to 5,837,365 shares (6.33%).
Mr Anderson said that he held the shares with Genieve Anderson as trustees for the Anderson Family Trust and the shares were acquired on September 23, 2015.
Oventus was untraded at 31 cents.

THE HYDROPONICS COMPANY

Hydroponics says it has appointed Jarrod White as chief financial officer and company secretary replacing company secretary Henry Kinstlinger.
Hydroponics fell half a cent or 1.6 percent to 30.5 cents.