



# Biotech Daily

Monday August 19, 2019

*Daily news on ASX-listed biotechnology companies*

- \* **ASX, BIOTECH UP: NEXT SCIENCE UP 15%; ONCOSIL DOWN 6%**
- \* **USCOM REVENUE UP 27% TO \$3.6m; LOSS DOWN 29% TO \$1.4m**
- \* **TELIX: '\$9.6m APPLICATIONS FOR \$5m SHARE PLAN'**
- \* **ACRUX FILES ANDA FOR GENERIC EMLA LOCAL ANAESTHETIC**
- \* **MEDIBIO EXTENDS SHARE PLAN TO \$1.2m**
- \* **ELLUME TO OPEN EXPANDED BRISBANE OFFICES**
- \* **MGC REQUESTS 'CAPITAL RAISING' TRADING HALT**
- \* **BVF, MARK LAMPERT REDUCE TO 9.5% OF OPTHEA**
- \* **JOHN GLEESON BELOW 5% OF USCOM**

## MARKET REPORT

The Australian stock market was up 0.97 percent on Monday August 19, with the ASX200 up 61.9 points to 6,467.4 points.

Nineteen of the Biotech Daily Top 40 stocks were up, 13 fell, six traded unchanged and two were untraded. All three Big Caps were up.

Next Science was the best, up 35 cents or 14.8 percent to \$2.71, with 314,183 shares traded.

Compumedics climbed 9.2 percent; Uscom improved five percent; Cochlear, Immutep, Patrys and Pro Medicus were up four percent or more; Mesoblast, Nanosonics, Opthea and Paradigm were up more than three percent; Cyclopharm, LBT and Pharmaxis rose more than two percent; Avita, Cynata, Kazia, Resmed and Volpara were up more than one percent; with CSL, Neuren and Starpharma up by less than one percent.

Oncosil led the falls, down 0.4 cents or 6.1 percent to 6.2 cents, with 398,220 shares traded.

Imugene and Resonance fell more than four percent; Ellex, Impedimed, Medical Developments, Orthocell and Polynovo lost more than three percent; Prescient and Telix shed more than two percent; with Antisense, Clinuvel and Genetic Signatures down by more than one percent.

## USCOM

Uscom says that revenue for the year to June 30, 2019, was up 27.3 percent to \$3,641,958 with net loss after tax down 29.1 percent to \$1,389,398.

Uscom said the increase in revenue was “due to increased sales across all product suites” including the Uscom 1A ultra-sonic cardiac output monitor, the Uscom BP+ and the Spirosonic digital ultrasonic spirometry technologies for cardiovascular and pulmonary diseases.

Uscom executive chairman Prof Rob Phillips said that 2018-'19 “was a year of continued growth, record revenue, expanded operations, new products and strategic investment in the future”.

“Growth in sales continued for all our products, despite the restraints of slow regulatory approvals as we focused on developing distribution and restructuring operations,” Prof Phillips said.

“Additional approvals over the next 12 months combined with improved operational structures in [the Budapest, Hungary-based] Uscom Kft and Uscom China should ensure continued growth,” Prof Phillips said.

The company said that research and development spending fell 10.2 percent to \$759,565. Uscom said that net tangible asset per share fell 33.3 percent to 0.018 cents, with diluted loss per share down 37.5 percent to 1.0 cent a share.

The company said that it had cash and cash equivalents of \$1,208,496 at June 30, 2019 compared to \$2,493,575 at June 30, 2018.

Uscom was up half a cent or five percent to 10.5 cents.

## TELEX PHARMACEUTICALS

Telex says it has received applications for \$9.6 million for its share plan at \$1.30 a share, capped at \$5 million.

Last month, Telex said it raised \$40.0 million in a “heavily oversubscribed” placement and hoped to raise \$5 million through a share purchase plan (BD: Jul 17, 2019).

Today, the company said the oversubscribed share plan would be scaled-back, with all validly received applications to be scaled-back equally by about 47 percent.

Telex said refunds were expected to be paid “on or around” August 28, 2019.

Telex fell four cents or 2.9 percent to \$1.33

## ACRUX

Acrux says the US Food and Drug Administration will review its abbreviated new drug application for its generic version of Astrazeneca’s topical anaesthetic Emla cream.

Acrux said the cream was a combination of 2.5 percent lidocaine and 2.5 percent prilocaine and the application was its third generic dossier accepted by the FDA.

The company said that following FDA approval, it would begin marketing and sales of the cream in the US.

Acrux said the generic Emla (eutectic mixture of local anaesthetics) cream was the third product accepted for review by the FDA.

The FDA previously approved the company’s oestrogen generic marketed as Ellavie and Evamist and the Axiron generic testosterone topical solution, which generated \$1 billion in revenue for Eli Lilly (BD: Jul 31, 2007; Nov 24, 2010; Sep 6, 2017).

Acrux chief executive officer Michael Kotsanis said the company was “excited” by the third product being accepted for FDA review.

Acrux was unchanged at 17.5 cents.

## MEDIBIO

Medibio says it will extend its \$520,000 share plan to \$1,210,000, after receiving applications above the initial offer.

Last month, Medibio said it expected to raise \$4.2 million in a placement and share plan at one cent a share, with commitments for a two-stage \$3.5 million placement, subject to shareholder approval, and a share plan underwritten to \$520,000 by the Perth-based CPS Capital Group (BD: Jul 10, 2019).

Today, the company said it had “strong support from its shareholders” and would offer 121,000,000 shares which would be issued with one free attaching option each.

Medibio said the funds would be used to commercialize its Illumen cardiac rhythm-based test for mental health, finalize its revised Conformité Européenne (CE) mark and re-file its de-novo application with the US Food and Drug Administration, with additional working capital used for current and future product growth.

Medibio fell 0.1 cents or 6.25 percent to 1.5 cents with 1.3 million shares traded.

## ELLUME

Ellume says it will open its expanded East Brisbane facilities, which is primarily production space for its diagnostics for Glaxosmithkline and Qiagen, tomorrow.

Ellume said the opening was “an important step as the company ramps up its manufacturing for its scheduled US product launch in 2020”.

In April, Ellume chief executive officer Dr Sean Parsons told Biotech Daily that the company hoped to list on the ASX this year to commercialize its range of respiratory diagnostics (BD: Apr 9, 2019).

The company said it was developing a range of digital diagnostic tools “that accurately and quickly diagnose common viruses to reduce the burden on healthcare” systems.

Ellume said it had partnerships with Glaxosmithkline for influenza detection and with the Hilden, Germany-based Qiagen for the Quantiferon Gold test for tuberculosis, acquired from Melbourne’s Cellestis in 2011 (BD: Aug 10, 2011).

Dr Parsons said that “the burden of disease is growing globally, from this year’s terrible Australian ‘flu season to the global tuberculosis crisis and Australian innovation is playing a critical role in providing real solutions”

“Thanks to the support of both the government and our investors, we are closer to bringing our technologies to market,” Dr Parsons said.

Ellume is a public unlisted company.

## MGC PHARMACEUTICALS

MGC has requested a trading halt “pending the release of an announcement by the company regarding details of a capital raising”.

Trading will resume on August 21, 2019 or on an earlier announcement.

MGC last traded at five cents.

## OPTHEA

The San Francisco-based BVF Partners and Mark Lampert say they have decreased their holding in Opthea from 37,705,918 shares (15.12%) to 23,605,918 (9.45%).

Mr Lampert said that between June 5 and August 15, BVF bought and sold shares, with the single largest sale 3,688,589 shares for \$10,254,277 or \$2.78 a share, on August 14.

Opthea was up nine cents or 3.5 percent to \$2.64.

## USCOM

The Sydney-based John Gleeson says he has ceased his substantial shareholding in Uscom, selling 120,000 shares for 10 cents a share.

In May, Mr Gleeson said he held 7,013,679 shares or 5.1 percent of the company with his single largest purchase 500,000 shares for \$69,759 or 13.95 cents a share.

Biotech Daily calculates that Mr Gleeson retains 6,893,679 shares or 4.99 percent of the company.