



# Biotech Daily

Thursday August 27, 2020

*Daily news on ASX-listed biotechnology companies*

- \* **ASX UP, BIOTECH DOWN: STARPHARMA UP 10.5%; PRESCIENT DOWN 7%**
- \* **PROBIOTEC REVENUE UP 46% TO \$107m, PROFIT UP 72% TO \$6m**
- \* **MESOBLAST REVENUE UP 92.3% TO \$44.5m, LOSS DOWN 13% TO \$108m**
- \* **CLINUVEL REVENUE UP 5% TO \$32m, PROFIT DOWN 8% TO \$17m**
- \* **MACH7 REVENUE UP 102% TO \$19m, LOSS TO PROFIT OF \$170k**
- \* **ALCIDION REVENUE UP 10% TO \$18.6m, LOSS UP TO \$4m**
- \* **MEDADVISOR REVENUE UP 16.5% TO \$9.6m, LOSS UP 21% TO \$9.8m**
- \* **CELLMID REVENUE UP 2.4% TO \$8.5m, LOSS UP 17% TO \$5m**
- \* **STARPHARMA REVENUE UP 142% TO \$6.6m, LOSS UP 3% TO \$15m**
- \* **ALTHEA RECORD REVENUE OF \$5.7m, NET LOSS UP 66% TO \$8.6m**
- \* **DORSAVI REVENUE DOWN 27% TO \$3.2m, LOSS UP 8% TO \$4.0m**
- \* **CANN REVENUE DOWN 72% TO \$911k, LOSS UP 55% TO \$17m**
- \* **EXOPHARM RAISES \$10m**
- \* **WEHI INVESTIGATES COMPOUNDS FOR COVID-19**
- \* **ELLUME, QIAGEN PARTNER FOR COVID-19 DIAGNOSIS**
- \* **C19 LICENCES AR-12 FOR COVID-19**
- \* **EMERALD CLINICS REQUESTS 'CAPITAL RAISING' TRADING HALT**
- \* **HYDRIX: 'HEART WARNING DEVICES PROGRAMMED, SWITCHED-ON'**
- \* **G MEDICAL TO REMOTE MONITOR TAVR PATIENTS**
- \* **NUHEARA, HEWLETT PACKARD DEVELOP 'NEW AUDIO EXPERIENCES'**
- \* **RESPIRI, CARLTON WOMEN'S FOOTBALL TEAM PARTNER FOR WHEEZO**
- \* **BLACKROCK REDUCES TO 6% OF COCHLEAR**
- \* **AUSTRALIAN ETHICAL TAKES 7% OF PRESCIENT**
- \* **BIONOMICS PLEADS SCHULTZ TO ASX 23% QUERY**

## MARKET REPORT

The Australian stock market was up 0.16 percent on Thursday August 27, 2020, with the ASX200 up 9.8 points to 6,126.2 points. Fourteen of the Biotech Daily Top 40 stocks were up, 18 fell and eight traded unchanged.

Starpharma was the best, up 14 cents or 10.5 percent to \$1.47, with 6.8 million shares traded. Dimerix and Telix climbed six percent; Actinogen and Kazia rose four percent or more; Imugene and Opthea improved more than three percent; Compumedics, Cynata, Mesoblast, Optiscan and Pro Medicus were up one percent or more; with CSL, Proteomics, Resmed and Volpara up by less than one percent.

Prescient led the falls for the second day in a row, down 0.5 cents or 7.1 percent to 6.5 cents, with 11.9 million shares traded. Polynovo lost 6.5 percent; Avita and Uscom shed more than five percent; Antisense, Clinuvel, Impedimed, Next Science, Oncosil and Pharmaxis fell more than four percent; Cyclopharm, LBT, Osprey and Universal Biosensors were down more than three percent; Alterity, Cochlear, Medical Developments and Nanosonics were down one percent or more; with Paradigm down 0.75 percent.

## PROBIOTEC

Probiotec says revenue for the year to June 30, 2020 was up 46.4 percent to \$107,219,983 with net profit after tax up 72.3 percent to \$6,422,077.

Probiotec said sales revenue was from contract drug manufacturing and product development.

The company said it would pay a fully-franked dividend of 3.0 cents a share for holders at the record date of October 23, to be paid on October 30, 2020, following an interim 1.5 cents a share dividend, compared to a 2.5 cents final dividend, last year.

Probiotec said diluted earnings per share fell 71.4 percent to 5.0 cents, with cash and equivalents of \$6,305,680 at June 30, 2020 compared to \$8,843,997 the previous year. Probiotec fell 15 cents or seven percent to \$2.00.

## MESOBLAST

Mesoblast says revenue for the year to June 30, 2020 was up 92.3 percent to \$US32,156,000 (\$A44,457,390) with net loss after tax down 13.2 percent to \$US77,940,000 (\$A107,756,210).

Mesoblast said milestone revenue was \$US25 million, including \$US10 million from Tasly for the development, manufacture and commercialization of its mesenchymal precursor cell products, MPC-150-IM and MPC-25-IC in China, with commercialization revenue of \$US6,614,000 from sales of Temcell for graft-versus-host disease in Japan by JCR Pharmaceuticals and interest revenue of \$US542,000.

Mesoblast said that research and development expenditure fell 6.1 percent to \$US56,188,000, with manufacturing costs up 54.8 percent to \$US25,309,000 and administration costs up 18.4 percent to \$US25,609,000.

The company said net tangible asset backing per share rose from negative 8.71 US cents to 0.97 US cents a share, with diluted loss per share down 23.2 percent to 14.74 US cents and it had cash and cash equivalents of \$US129,328,000 at June 30, 2020 compared to \$US50,426,000 at June 30, 2019.

Mesoblast was up five cents or one percent to \$5.20 with 7.6 million shares traded.

## CLINUVEL PHARMACEUTICALS

Clinuvel says revenue for the year to June 30, 2020 was up 4.9 percent to \$32,565,423 with net profit after tax down 8.2 percent to \$16,646,859.

Clinuvel said revenue came from sales of its Scenesse treatment for erythropoietic protoporphyria (EPP) in the US and Europe.

Clinuvel chief financial officer Darren Keamy said that “while many healthcare facilities came to a standstill and focused on critically ill Covid-19 patients, we managed to continue the supply of Scenesse to EPP centres both in Europe and the US”.

The company said it would issue an unfranked dividend of 2.5 cents a share to shareholders on the record date of September 4 to be paid on September 18, 2020, which was consistent with the dividend paid for the 12 months to June 30, 2019.

Clinuvel said net tangible assets was up 19.4 percent to \$1.383, diluted earnings per share fell 9.8 percent to 33.0 cents, and it had cash and cash equivalents of \$66,746,521 at June 30, 2020 compared to \$54,268,758 at June 30, 2019.

Clinuvel fell \$1.08 or 4.65 percent to \$22.15 with 168,420 shares traded.

## MACH7 TECHNOLOGIES

Mach7 says that revenue for the year to June 30, 2019 was up 101.8 percent to \$18,862,201, with net loss after tax turned into a profit of \$169,293.

Mach7 said that the revenue was a combination of medical imaging licence fees, annual support fees, professional service fees, and interest.

The company said that US revenue was up 43.4 percent to \$10.9 million, including \$3.0 million from software licence fees sold to Advocate Aurora Healthcare, Asia Pacific revenue was up 277.8 percent to \$6.8 million due to existing and new contracts, and Middle Eastern revenue was up 20 percent to \$1.2 million.

Mach7 said that its net tangible asset backing per share was up from one cent to 22 cents, with last year’s 5.1 cents diluted loss per share to diluted earnings per share of 0.001 cents.

The company said it had cash and cash equivalents of \$48,874,210 at June 30, 2020 compared to \$2,267,448 at June 30, 2019.

Mach7 was up six cents or 5.7 percent to \$1.11 with 4.4 million shares traded.

## ALCIDION GROUP

Alcidion says that revenue for the 12 months to June 30, 2020 was up 10.3 percent to \$18,608,279, with net loss after tax up from \$109,926 last year to \$4,018,157.

Alcidion said revenue came from sales of its hospital management and patient care software including Miya Precision, Patientrack and Smartpage in the UK, Australia and New Zealand.

Alcidion managing-director Katie Quirke said that in the year to June 30, 2020 the company “established important reference sites in our three markets, bolstered our sales and marketing capabilities, increased scale and evolved the product suite”.

The company said that its net tangible assets per share was up from negative 0.5 cents to 1.2 cents, with diluted loss per share increased from 0.1 cents to 0.33 cents.

Alcidion said it had cash and cash equivalents of \$15,947,957 at June 30, 2020 compared to \$3,171,843 at June 30, 2019.

Alcidion was unchanged at 14 cents with 2.1 million shares traded.

## MEDADVISOR

Medadvisor says revenue for the year to June 30, 2020 was up 16.5 percent to \$9,602,600 with net loss after tax up 20.7 percent to \$9,780,000.

Medadvisor said revenue was from sales of its Medadvisor smartphone application for medication management and its Plus One pharmacy prescription reminder service, as well as and health programs to improve health literacy.

The company said the Covid-19 pandemic and the need for social distancing had played a role in increasing sales as “the provision of healthcare is increasingly leveraging technology, largely driven by the adoption of digital health initiatives, funding for innovation and the upcoming launch of e-prescribing in Australia”.

Medadvisor said net tangible asset backing per share was up 164.6 percent to 4.3381 cents with diluted loss per share down 0.2 percent to 4.22 cents.

The company said it had cash and cash equivalents of \$12,345,164 at June 30, 2020 compared to \$4,400,719 at June 30, 2019.

Medadvisor fell five cents or 10 percent to 45 cents.

## CELLMID

Cellmid says revenue for the year to June 30, 2019 was up 2.4 percent to \$8,547,715, with net loss after tax down 17.0 percent to \$4,907,296.

Cellmid said that revenue came predominantly from sales of its Advangen hair loss products, with revenue in Australia up 21 percent to \$1,198,490 and revenue in the US up 51 percent to \$625,873, counteracting the five percent reduction in Japanese sales to \$5,612,837, caused by Covid-19-related trading disruptions with China.

The company said its Lyramid midkine division had revenue of \$1,110,515.

The company said that net tangible assets per share increased 19.7 percent to 5.84 cents with diluted loss per share down percent 35.1 to 5.04 cents.

Cellmid said that it had cash and cash equivalents of \$6,970,967 at June 30, 2020 compared to \$3,081,924 at June 30, 2019.

Cellmid fell half a cent or 4.2 percent to 11.5 cents.

## STARPHARMA

Starpharma says revenue for the year to June 30, 2020 was up 141.5 percent to \$6,556,000 with net loss after tax up 3.0 percent to \$14,678,000.

Starpharma said that the total revenue from contracts with customers was up 265.4 percent to \$6,033,000, and included a \$4,339,000 from a milestone payment from Astrazeneca for the first dose in its phase I trial of dendrimer-enhanced product AZD0466, and the remaining revenue from royalties, milestones and sales of its Vivagel for bacterial vaginosis and Vivagel condom products.

The company said its revenue from interest was down 50.5 percent to \$523,000.

Starpharma said net tangible asset backing per share was down 27.3 percent to eight cents with diluted loss per share unchanged at four cents.

The company said it had cash and cash equivalents of \$30,054,000 at June 20, 2020 compared to \$41,251,000 at June 30, 2019.

Starpharma was up 14 cents or 10.5 percent to \$1.47 with 6.8 million shares traded.

## ALTHEA GROUP

Althea says it has record revenue for the year to June 30, 2020 of \$5,725,000, with net loss after tax up 70.2 percent to \$14,768,000.

Althea said revenue came from sales of medical marijuana-based products and medical marijuana education and access platforms in Australia, the UK and Europe.

The company said its net tangible assets per share was up 41.2 percent to 11.23 cents with diluted loss per share up 25.6 percent to 6.42 cents, and it had cash and equivalents of \$10,143,000 at June 30, 2020 compared to \$ 14,918,000 at June 30, 2019.

Althea was up one cent or 2.7 percent to 38 cents.

## DORSAVI

Dorsavi says revenue for the year to June 30, 2020 was down 19.7 percent to \$2,019,220 with net loss after tax 88.8 percent to \$7,593,079.

Dorsavi said clinical income from its wearable sensors for patient assessments was down 15.8 percent to \$1,125,151 and workplace income from wearable devices and its Myvisafe product in the US, the UK and Australia was down 6.5 percent to \$894,069.

Dorsavi chairman Greg Tweedly said that sales were up in the three months to June 30, and the company had “put in place a frugal cost structure to ensure we protect our valuable cash reserves during these uncertain times”.

The company said net tangible asset backing per share was down 86.0 percent to 0.2 cents with diluted loss per share up 62.3 percent to 3.49 cents, and it had cash and cash equivalents of \$1,685,288 at June 30, 2020 compared to \$2,766,419 at June 30, 2019.

Dorsavi fell 0.1 cents or 4.2 percent to 2.3 cents.

## CANN GROUP

Cann says its revenue for the 12 months to June 30, 2020 was down 77.2 percent to \$910,580 with net loss after tax up 55.0 percent to \$16,937,387.

Cann said its revenue from sales of marijuana-based products fell 72.4 percent to \$647,222, with the remaining revenue \$263,358 from interest.

Last year, the company said it had sales revenue of \$2,347,668 from a contract with the Victorian Government, which ended in October 2019 (BD: Aug 27, Oct 14, 2019).

Today, Cann said its net tangible assets per share were down 15.6 percent to 45.96 cents with diluted loss per share up 53.6 percent to 11.9 cents, and it had cash and cash equivalents of \$1,553,995 at June 30, 2020 compared to \$46,388,192 at June 30, 2019.

Cann Group fell 1.5 cents or 3.6 percent to 40 cents with 3.6 million shares traded.

## EXOPHARM

Exopharm says it expects to raise \$10 million in a two-tranche placement at 24 cents a share to institutional and high net worth investors.

Exopharm said the funds would accelerate the commercialization of its exosome technology, progress clinical trials and develop its intellectual property.

The company said Canary Capital was the lead manager and Alto Capital was a broker to the issue, with a fee of six percent payable to Canary Capital for managing the placement as well as the issue of 1,500,000 options exercisable at 40 cents within five years.

The company said that Canary Capital and its directors “elected to take the majority of these fees in shares instead of cash”.

Exopharm was up 6.5 cents or 22.0 percent to 36 cents with 1.4 million shares traded.

## THE WALTER AND ELIZA HALL INSTITUTE OF MEDICAL RESEARCH

The Walter and Eliza Hall Institute says that drugs and drug-like compounds previously developed to fight severe acute respiratory syndrome might work against Covid-19.

WEHI said its researchers used its National Drug Discovery Centre to identify drug-like compounds that could block the coronavirus protein PLpro.

The Institute said that the compounds were initially developed as potential treatments for severe acute respiratory syndrome (Sars) and prevented the growth of the Sars-Cov-2 virus in the laboratory.

WEHI said the research, titled 'Mechanism and inhibition of the papain-like protease, PLpro, of Sars-Cov-2' was led by Prof David Komander, Prof Marc Pellegrini, Prof Guillaume Lessene and Dr Theresa Klemm.

The article was published in the European Molecular Biology Organization (EMBO) journal and is at: <https://www.embopress.org/doi/10.15252/emboj.2020106275>.

The Institute said that the discovery might "underpin the development of new drugs for Covid-19" and said the PLpro protein allowed the virus to hijack human cells and disable their anti-viral defences.

Prof Komander said that when the researchers looked at how Sars-Cov-2 functioned, it became clear that the PLpro deubiquitinase was a key component of the virus - as it is in other coronaviruses, including the Sars-Cov-1 virus, which causes Sars.

Prof Komander said the group established the VirDub program to investigate how PLpro functioned and what it looked like.

Using the Australian Synchrotron, the team ascertained how PLpro interacted with human proteins, homing in on a target that could be blocked by new drugs.

"We scanned thousands of currently listed drugs, as well as thousands of drug-like compounds, to see if they were effective in blocking the Sars-Cov-2 PLpro," Prof Komander said.

"While existing drugs were not effective in blocking PLpro, we discovered that compounds developed in the last decade against Sars could prevent the growth of Sars-Cov-2 in pre-clinical testing in the laboratory," Prof Komander said.

"The next step is to turn these compounds into drugs that could be used to treat Covid-19," Prof Komander said. "Importantly, drugs that are able to inactivate PLpro may be useful not just for Covid-19, but may also work against other coronavirus diseases, as they emerge in the future."

## ELLUME

Brisbane's Ellume says that it has applied to the US Food and Drug Administration for approval of the Access Anti-Sars-Cov-2 Total Covid-19 blood antibody test.

Ellume said that with the Venlo, Netherlands-based Qiagen it had submitted an emergency use authorization application and had 900,000 tests pre-ordered.

The company said the test would "address the unprecedented global demand for rapid, accurate tests for severe acute respiratory syndrome coronavirus-2 (Sars-Cov-2), the virus which causes Covid-19".

Ellume said that the serological test detected antibodies in people who have been exposed to Sars-Cov-2 and was run on the Access Ehub, a portable digital device that provided reliable results in 10 minutes and could handle up to eight patient samples simultaneously and performs up to 32 total tests per hour.

The company said that the test had 100 percent sensitivity and specificity for all samples tested with positive cases sampled 14 days after first symptoms.

Ellume is a public unlisted company.

### C19 THERAPEUTICS PTY LTD

C19 says it has licenced AR-12, a therapeutic anti-viral drug targeting Sars-Cov-2, from the Virginia Commonwealth University in Richmond.

C19 said that AR-12 belonged to a class of potential anti-viral agents that interfered with host cell activities which allowed viral replication.

The company said the anti-viral effect was believed to block the chaperone proteins GRP78, HSP70 and HSP90, thereby preventing the proper folding of viral proteins and efficient virus assembly.

C19 said that targeting the host cell activity could potentially result in broad-spectrum anti-viral activity and circumvent anti-viral drug resistance mechanisms.

C19 executive chairman Paul Hopper said the company was “working intensely with the aim of entering clinical trials at the earliest opportunity”.

Mr Hopper said that AR-12 was in a prior phase I trial in another indication in which it demonstrated safety and the phase II dose established.

C19 chief scientific officer Prof Paul Dent said his laboratory “previously established that AR-12 has potent anti-viral activity against viruses”.

“For every virus, including Covid-19, to successfully complete its life-cycle, it requires that the virus hijack and regulate chaperone proteins in the host cell,” the company said.

“When viruses are unable to get help from these chaperones, they do not replicate as rapidly as when they could obtain extensive help from host chaperones.”

“The broad-spectrum anti-viral activity of chaperone inhibitors such as AR-12 and their apparent low rate of drug resistance make anti-viral approaches focused on chaperone inhibition of interest for the treatment of viral infections,” C19 said.

C19 is a private company.

### EMERALD CLINICS TECHNOLOGIES

Emerald Clinics has requested a trading halt pending “an announcement regarding a proposed capital raising”.

Trading will resume on August 31, 2020 or on an earlier announcement.

Emerald Clinics last traded at 9.9 cents.

### HYDRIX

Hydrix says four Angel Medical Guardian cardiac arrest warning devices implanted in Singapore patients had been programmed and switched on (BD: Aug 17, 2020).

Hydrix said that each patient’s implanted device gathered electro-cardiogram data over the past two weeks to establish the patient’s baseline heart signal and with Angel Medical field clinical engineers each alarm had been configured to each patient’s physiology.

The company said the devices were fully-functioning and thresholds had been set to recognize changes to the patient’s physiology indicative of a heart attack.

Hydrix general-manager Paul Kelly said the company was “very pleased by the success of the four implants in Singapore ... which lays the foundation for future growth”.

“An estimated 500,000 people annually suffer from an acute coronary syndrome event of which many may benefit from the Angel Medical Guardian,” Mr Kelly said.

Hydrix was unchanged at 42 cents with 3.8 million shares traded.

## G (GEVA) MEDICAL INNOVATIONS

G Medical says its independent diagnostic testing facilities platform can remotely monitor patients undergoing transcatheter aortic valve replacement (TAVR).

G Medical said that hospital partners would be able to monitor pre-operative patients using its patch technology and post-operative patients using its mobile cardiac telemetry device.

The company said it would be reimbursed through insurers, depending on the duration of the monitoring period.

G Medical said that in 2017, transcatheter aortic valve replacement procedures accounted for more than one third of the total cardiac surgery market.

The company said that the first patients had been recruited through existing hospital partnerships, with revenue expected to materialize within the next 90 days.

G Medical chief executive officer Dr Yacov Geva said that providing hospital partners with the ability to monitor patients was “another valuable revenue channel”.

“As the addressable market for telehealth grows, we are very confident [independent diagnostic testing facilities] will continue to scale up,” Dr Geva said.

G Medical fell 0.1 cents or 2.4 percent to 4.1 cents with 6.4 million shares traded.

## NUHEARA

Nuheara says it has a collaboration agreement with technology company Hewlett Packard to develop “new audio experiences” for the company and its customers.

Nuheara said the first phase of the agreement was a services-based scope of work valued at \$US1.2 million (\$A1.7 million) which would begin immediately.

The media release provided no details of the types of products to be developed.

Nuheara chief executive officer Justin Miller told Biotech Daily they details were confidential but the products would relate to Hewlett Packard’s personal computing.

In eth media release, Mr Miller said the contract was “validation” of his company’s research and development, products and team.

Nuheara was up half a cent or 8.9 percent to 6.1 cents with 30.7 million shares traded.

## RESPIRI

Respiri says it has partnered with the Carlton Football Club Australian Football League Women (AFLW) for 2021 season for its Wheezo monitor and asthma awareness.

A Carlton Football Club spokesman told Biotech Daily that the AFLW team was also known as the Carlton Women’s Program or “the Game Changers”.

Respiri said the partnership would see its Wheezo asthma monitor supported by the team and “bring awareness of the importance of asthma management”.

The company said that the AFLW was “one of the largest female-supported sports in Australia, with over 4.1 million fans nationwide”.

Respiri said the Carlton team was a foundation club in the women’s competition and in 2019, set a record for domestic women’s sport in Australia, with more than 53,000 people in attendance.

Carlton Football Club chief executive officer Cain Liddle said that Wheezo was “about improving health management for people living with asthma and the company’s philosophy perfectly aligns with the Carlton Football Club and our AFLW program”.

Respiri said that community was one of its core values and the partnership was “a straightforward one commercially for the business”.

Respiri was up half a cent or 3.6 percent to 14.5 cents.



## COCHLEAR

Blackrock Investment Management says it has reduced its substantial shareholding in Cochlear from 4,145,347 shares (7.17%) to 4,025,947 shares (6.12%).

The New York-based Blackrock said that between October 21, 2019 and August 25, 2020 it bought, sold and transferred shares in more than 5,700 transactions at prices ranging from \$159.49 to \$251.55.

Cochlear fell \$1.96 or one percent to \$198.90 with 161,673 shares traded.

## PRESCIENT THERAPEUTICS

Australian Ethical Investment says it has become a substantial shareholder in Prescient with 35,334,878 shares or 6.90 percent of the company.

Yesterday, the Sydney-based Australian Ethical said it had ceased its substantial shareholding in Prescient following a dilution on August 24, 2020 but continued to hold 25,551,534 shares or 4.99 percent of the company (BD: Aug 21, 26, 2020).

Today, Australian Ethical said that on August 25, 2020 it bought 9,783,344 shares for \$538,084 or 5.5 cents a share.

Last week, Prescient said it had raised \$6.5 million in an over-subscribed share plan at 5.5 cents a share (BD: Aug 21, 2020).

Prescient fell half a cent or 7.1 percent to 6.5 cents with 11.9 million shares traded.

## BIONOMICS

Bionomics has told the ASX that it is not aware of any information it has not announced which, if known, could explain recent trading in its securities.

The ASX said the company's share price rose 3.0 cents or 23.1 percent from a low of 13 cents to a high of 16 cents today and noted a "significant increase" in the trading volume.

Bionomics closed up four cents or 36.4 percent at 15 cents with 22.1 million shares traded.