



Biotech Daily

Wednesday February 16, 2022

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH UP: IMUGENE UP 13%; ACTINOGEN DOWN 4%**
- * **CSL RECORD H1 REVENUE UP 5% TO \$8.5b, PROFIT DOWN 3% TO \$2.5b**
- * **PRO MEDICUS H1 REVENUE UP 40% TO \$44m, PROFIT UP 53% TO \$20.7m**
- * **BTC GROUP H1 REVENUE UP 12% TO \$4m, LOSS UP 91% TO \$362k**
- * **WOKE, WESTERN AUSTRALIA UNI WORK ON LSD ANALOGUES**
- * **PHARMAUST'S EPICHEM: 'PROMISING RESULTS' ON E-WASTE PROJECT**
- * **PALLA 'FAILS TO ATTRACT A BUYER; TO BEGIN WIND-DOWN'**
- * **TELEX SIGNS GMSA FOR AUSTRALIAN ILLUCIX DISTRIBUTION**
- * **NUHEARA EXPANDS FOR US REGULATED HEARING MARKET**
- * **RHINOMED RECEIVES \$425k FEDERAL R&D TAX INCENTIVE**
- * **CARDIEX APPROVES 10-TO-1 CONSOLIDATION**
- * **MEDICUS SCIENCES ACQUISITION CORP CEASES ANTERIS HOLDING**
- * **KEFFORD FAMILY TAKES 7.3% OF VECTUS**
- * **OSTEOPORE LOSES DIRECTOR VLADO BOSANAC OVER TAX DISPUTE**
- * **LUMOS APPOINTS BARRIE LAMBERT CFO**

MARKET REPORT

The Australian stock market rose 1.08 percent on Wednesday February 16, 2022, with the ASX200 up 78.0 points to 7,284.9 points. Twenty-nine of the Biotech Daily Top 40 stocks were up, four fell, five traded unchanged and two were untraded. All three Big Caps rose.

Imugene was the best on no news, up 3.5 cents or 12.7 percent to 31 cents, with 45.9 million shares traded. CSL climbed 8.5 percent on record half-year revenue; Pharmaxis climbed 7.6 percent; Genetic Signatures, Mesoblast and Polynovo improved five percent or more; Amplia, Clinuvel, Nanosonics, Patrys and Telex climbed four percent or more; Antisense, Paradigm, Pro Medicus and Resonance were up more than three percent; Alcidion, Atomo, Cochlear, Dimerix, Micro-X, Neuren, Oncosil, Prescient and Resmed rose more than two percent; Immutep and Opthea were up one percent or more; with Avita, Emvision, Kazia, Medical Developments, Next Science and Proteomics up by less than one percent.

Actinogen led the falls, down 0.5 cents or 4.2 percent to 11.5 cents, with 2.9 million shares traded. Volpara lost 1.8 percent; with Cyclopharm and Universal Biosensors down by less than one percent.

CSL

CSL says revenue for the six months to December 31, 2021 was up 5.3 percent to \$US6,041,000,000 (\$A8,449,000,000), with net profit after tax down 2.8 percent to \$US1,760,000,000 (\$A2,462,000,000).

CSL said that research and development expenditure increased 13.7 percent to \$US485.8 million for the six months to December 31, 2021 or 8.04 percent of total revenue, compared to 7.45 percent for the six months to December 31, 2020.

The company said the interim unfranked dividend of \$US1.04, was unchanged compared to the previous corresponding period and would be paid on April 6, 2022, with a record date of March 8, 2022.

CSL said that diluted earnings per share was down 3.3 percent to \$US3.84 and that it had cash and cash equivalents of \$US6,334.3 million at December 31, 2020 compared to \$US2,423.4 million at December 31, 2020.

CSL managing-director Paul Perreault said "CSL has delivered a result in line with our expectations in a challenging environment ... [due to] the global Covid pandemic".

"Our core franchise, the immunoglobulin portfolio, has been impacted by the industry-wide constraints on collecting plasma in 2020-'21," Mr Perreault said, but products not limited by plasma collection had continued their "strong growth trajectory".

Mr Perreault said that the recombinant haemophilia B product Idelvion increased sales by 17 percent and human papillomavirus royalties were up 134 percent as sales rebounded to pre-Covid levels "following strong demand and increased supply".

"Our influenza vaccines business, Seqirus once again delivered a strong performance with revenue up 17 percent at [constant currency]," Mr Perreault said.

"This was achieved by significant growth in seasonal influenza vaccines driven by record demand and Seqirus' differentiated and high value product portfolio," Mr Perreault said.

Mr Perreault said that CSL acquired the St Gallen, Switzerland-based Vifor Pharma to expand the company to renal disease and iron deficiency" (BD: Dec 17, 2021).

CSL was up \$20.69 or 8.5 percent to \$263.69 with 1.6 million shares traded.

PRO MEDICUS

Pro Medicus says revenue for the six months to December 31, 2020 was up 40.3 percent to \$44,330,000 with net profit after tax up 52.7 percent to \$20,676,000.

Pro Medicus said revenue came from sales of its Visage 7 imaging platform, picture archiving communications systems and radiology information systems, including a \$40 million contract with the Winston-Salem, North Carolina-based Novant Health.

The company said that a fully franked interim dividend of 10.0 cents a share for holders at the record date of March 4 would be paid on March 25, 2022, compared to a fully franked interim dividend of 7.0 cents a share in the previous corresponding period.

Pro Medicus chief executive officer Dr Sam Hupert said the result was "the strongest half-year revenue and profit results in Pro Medicus' history, powered by contract wins and renewals in the US and an extension of a European contract to cover new regions".

Dr Hupert said the two key drivers were "the jump in transaction revenue from our US contracts ... [and] the extension of the German government contract to a fourth hospital".

Dr Hupert said the company's pipeline was strong and operations had not been unduly affected by Covid-19.

Pro Medicus said diluted earnings per share were up 52.2 percent to 19.71 cents, with net tangible assets per share was up 53.7 percent to 63 cents and cash and equivalents of \$56,952,000 at December 31, 2021 compared to \$50,930,000 at December 31, 2020.

Pro Medicus was up \$1.67 or 3.6 percent to \$48.00 with 692,425 shares traded.

BTC HEALTH

BTC says that group revenue for the six months to December 31, 2021 was up 12.0 percent to \$4,313,453 with net loss before tax up 90.6 percent to \$362,450.

BTC said it was a pooled development fund and as an investment entity it did not consolidate the operating results of its investments.

The company said the ASX-listed entity's net loss after tax was up 99.4 percent to \$356,855 with diluted loss per share up 85.7 percent to 0.13 cents.

BTC said that it had two wholly-owned investment entities Bioimpact Pty Ltd and BTC Speciality Health Pty Ltd and said the operating results were a consolidated, unaudited, financial view of it and its wholly owned investee companies.

The company said that the Speciality Health division had sales to hospitals for the six months of \$4.3 million, including the Bronchitol and Aridol respiratory products acquired from Pharmaxis, "with sales of the infusion products [acquired from Anteris] being impacted by restrictions to elective surgery and limited hospital access".

BTC said that hospital access and elective surgery rates were "expected to improve in the short to medium term".

The company said that net tangible asset backing per ordinary security was up 2.9 percent to 4.62 cents, and it had cash and cash equivalents of \$2,366,403 at December 31, 2021 compared to \$2,316,405 at December 31, 2020.

BTC was up 0.4 cents or 5.7 percent to 7.4 cents.

WOKE PHARMACEUTICALS

Woke says it has a non-binding letter-of-intent with the University of Western Australia "to discover novel active analogues of lysergic acid diethylamide".

Woke said that lysergic acid diethylamide (LSD) was "a classical and potent hallucinogen, used recreationally since 1938; banned in 1968 in the US and other countries, and now a molecule of interest for treatment of mental health disorders".

The company said that LSD was "considered non-addictive with a low potential for abuse and [had] been evaluated in numerous controlled studies, resulting in beneficial behavioral changes, as well as remission of psychiatric symptoms".

Woke said that clinical studies had shown that the therapeutic benefit of LSD was maintained for more than 12 months after treatment for disorders such as anxiety, post-traumatic stress disorder and substance abuse.

The company said that the letter-of-intent with the University of Western Australia allowed for an exclusive research agreement.

Woke said that the University's Prof Scott Stewart and his research group had the expertise to identify and synthesize a library of chemical entities that were structurally similar to LSD, broadening the therapeutic applications of this class of compounds.

The company said that the compounds would be produced as part of a structure activity relationship study using medicinal chemistry leading to a group of pharmacologically optimized drug candidates to maximize the effect on key neuro-receptors in the brain compared to the parent LSD molecule.

Woke chief executive officer Nick Woolf said that clinical studies had "shown the safety and long-term efficacy of LSD therapy alongside psychotherapy for patients with various mental health disorders".

"This proposed research agreement with the University of Western Australia is an exciting drug discovery program, which adds to Woke Pharmaceuticals' existing pipeline of novel psilocybin drug candidates targeting depression," Mr Woolf said.

Woke is a private company.

PHARMAUST

Pharmaust says its subsidiary Epichem has used oxidative hydrothermal dissolution to separate electronic waste, removing plastics and concentrating metals.

Pharmaust said that the \$200,000 electronic-waste processing project was funded by the Western Australia Department of Jobs, Tourism, Science, and Innovation.

Last year, Pharmaust said that Epichem completed its benchtop oxidative hydrothermal dissolution flow reactor and it was operational (BD: Aug 3, 2021).

Today, Pharmaust said Epichem used the oxidative hydrothermal dissolution technology to convert plastics into small organic compounds that could potentially be re-purposed and/or made biodegradable.

The company said that Epichem would optimize the process specific to different waste materials and determine the processed solids bio-degradability via respirometry tests.

Pharmaust said that other feedstock and biomass for conversion and re-purpose consideration included coal, agricultural plant matter, solar panels, batteries, textiles and anti-corrosive film.

The company said that the research and development program supported a process to collect electronic waste and reduce the amount of electronic waste ending up in landfill.

Pharmaust said that the flow reactor had the potential to convert plastics into renewable fuels or make them biodegradable; turn coal into diesel or agricultural bio-stimulants, convert rubber tyres into liquid fuels of chemical products; and trees into cellulosic ethanol or fine chemicals.

The company said that the technology could be used “to enhance the process of carbon storage in soils ...[and] have application in the minerals recovery sector”

Pharmaust said it was in negotiations with mining and waste industry stakeholders regarding the use of its oxidative hydrothermal dissolution technology.

The company said that Epichem would seek government support and project grant funding to further develop and validate the technology.

Pharmaust was unchanged at 9.5 cents.

PALLA PHARMA (FORMERLY TASMANIAN POPPY INDUSTRIES)

Korda Mentha, as administrators of Palla, say that they have been unable to find a buyer for the company, and intend to ‘wind-down’ operations in Australia.

Last year Palla said it had entered voluntary administration with Korda Mentha appointed administrators (BD: Dec 17, 2021).

In January Korda Mentha said it would pursue a sale process, including wholly-owned subsidiaries, Palla Pharma Norway AS and Palla Pharma UK (BD: Jan 16, 2022).

This week, Today, the administrators said that while it had received non-binding indicative offers from two interested parties, both had advised they would not provide a bid for the business.

Korda Mentha said the feedback provided by all parties throughout the process was consistent “due to high operating costs, the current depressed global opioid market price, and ongoing pandemic causing delays in elective surgery, an acquirer would struggle to operate the business on a going concern basis”.

Korda Mentha said it would explore options for the sale of Australian-based plant and equipment, inventory, intellectual property, and marketing authorizations granted to Palla’s UK subsidiary.

The company said that the indicative offers “provided preferable outcomes for stakeholders and had the potential to preserve employment with transfer of entitlements”.

Palla was in administration and last traded at 29.5 cents.

TELIX PHARMACEUTICALS

Telix says it has appointed Melbourne's Global Medical Solutions Australia to distribute its Illuccix prostate cancer imaging product in Australia.

Telix said that Global Medical Solutions was a global manufacturer and distributor of diagnostic and therapeutic radiopharmaceuticals, owning and operating 16 radio-pharmacies in the Asia-Pacific.

The company said the five-year distribution deal would expand patient access to Illuccix significantly, which would be available to every positron emission tomography (PET) and computed tomography (CT) site in Australia.

Telix Asia-Pacific chief executive officer Dr David Cade said the agreement delivered "a key component of Telix's supply chain strategy in Australia, our home market".

Telix was up 27 cents or 4.6 percent to \$6.11 with 1.5 million shares traded.

NUHEARA

Nuheara says it has opened a US operational centre and hired US staff based to take advantage of opportunities in the US regulated hearing industry.

Nuheara said it expected to receive US Food and Drug Administration 501(k) clearance for its devices by April 2022 (BD: Nov 25, 2021; Jan 16, 2022).

The company said it would open an office in Bellevue, near Seattle, Washington in March 2022 to support the sales, marketing and US customer service functions.

Nuheara said it would promote John Luna to head of its Americas division along with his existing role of chief revenue officer.

The company said it would appoint Tony Sulsona as US-based head of sales and marketing, effective immediately.

Nuheara managing-director Justin Miller said that "historically more than three-quarters of Nuheara's revenue has been derived from the US".

"As we continue to expand our mainstream retail opportunities in that market, we must be able to properly support this growth," Mr Miller said.

Nuheara was unchanged at 1.5 cents with 14.8 million shares traded.

RHINOMED

Rhinomed says it has received \$424,967 from the Australian Tax Office under the Federal Government Research and Development Tax Incentive program.

Rhinomed said the rebate related to research and development expenditure for the year to June 30, 2021.

Rhinomed was up one cent or 4.2 percent to 25 cents.

CARDIEX

The Cardiex extraordinary general meeting has overwhelmingly approved the proposed 10-to-one stock consolidation.

Cardiex said that 99.83 percent of votes at the meeting approved the consolidation.

The company said following the consolidation it would have 109,902,252 shares on issue with 17,650,000 unquoted performance rights and 52,800,000 unquoted options.

Cardiex fell 0.2 cents or 4.3 percent to 4.5 cents.

[ANTERIS TECHNOLOGIES \(FORMERLY ADMEDUS, ALLIED HEALTH, BIOMD\)](#)

The New York-based Medicus Sciences Acquisition Corp says it has ceased its substantial holding in Anteris, following the termination of a co-operation deed. Last week MSAC said that it had become a substantial holder in Anteris with 1,274,966 shares or 11.40 percent “by virtue of [a] co-operation deed” (BD: Feb 9, 2022). Yesterday, Anteris said it “declined” the merger offer (BD: Feb 15, 2022). According to MSAC’s 2021 annual report, Medicus Sciences founding chief executive officer and director Dr Michael Castor was the founder of Sio Capital Management LLC. In 2019, Sio Partners said it became a substantial shareholder in Admedus with 131,120,851 shares or 22.2 percent of the company acquiring 131,120,851 shares for \$8,617,251 or 6.57 cents a share, in the December rights issue and shortfall placement that raised \$18.96 million at eight cents a share (BD: Dec 14, 2018; Jan 21, 2019). Anteris was up \$2.80 or 14.1 percent to \$22.60 with 58,342 shares traded.

[VECTUS BIOSYSTEMS](#)

The Kefford Family says it has become a substantial shareholder in Vectus with 2,549,321 shares or 7.28 percent of the company. The Brisbane-based Kefford Family Trust said that on February 14, 2022, it acquired 2,129,321 shares for \$1,151,305, or 54.1 cents a share. Vectus was untraded at 1.40.

[OSTEOPORE](#)

Osteopore says non-executive director Vlado Bosanac resigned effective February 14, 2022, in relation to a dispute with the Australian Tax Office.

Mr Bosanac said: “I have always been open and transparent in regard to my personal dispute with the Australian Tax Office.”

“I feel it is best I step aside and continue to try and resolve this personal issue,” Mr Bosanac.

Osteopore chair Mark Leong said that “with regret we accept Vlado’s resignation and we respect his decision to focus on his personal issue.”

“I wish to thank Vlado for his insights during his time with Osteopore and we will explore how to continue to tap on Vlado’s considerable experience,” Mr Leong said.

Osteopore fell half a cent or 2.2 percent to 22 cents.

[LUMOS DIAGNOSTICS](#)

Lumos says it has appointed Barrie Lambert as its chief financial officer.

Lumos said that Mr Lambert was currently the chief financial officer at Planet Innovation, one of its founding shareholders.

The company said that Mr Lambert was previously general-manager for the Louis Vuitton business unit, Sephora in San Francisco.

Lumos executive chair Sam Lanyon said Mr Lambert had finance and executive experience, specifically within rapidly scaling companies such as Planet Innovation.

Lumos fell five cents or 5.9 percent to 80 cents.