



# Biotech Daily

Thursday August 25, 2022

*Daily news on ASX-listed biotechnology companies*

- \* **ASX UP, BIOTECH EVEN: GENETIC SIGNATURES UP 8%; MICRO-X DOWN 10%**
- \* **AUSTCO REVENUE UP 15% TO \$36m; PROFIT DOWN 32% TO \$2.3m**
- \* **NEXT SCIENCE H1 REVENUE UP 38% TO \$7.8m; LOSS UP 57% TO \$9.5m**
- \* **STARPHARMA REVENUE UP 128% TO \$4.9m; LOSS DOWN 18% TO \$16.1m**
- \* **MICROBA REVENUE UP 26% TO \$4.7m; LOSS UP 53% TO \$11.5m**
- \* **CONTROL BIONICS REVENUE UP 13% TO \$4.5m; LOSS UP 71% TO \$6.1m**
- \* **VICTORIA \$3.4m FOR 21 RESEARCH PROJECTS**
- \* **AUSBIOTECH 2022 PERTH CONFERENCE, BIOINVEST**
- \* **ADHERIUM FILES FDA TEVA-HAILIE 510(k) APPLICATION**
- \* **MICRO-X: CARESTREAM CHAPTER 11 BANKRUPTCY 'NOT MATERIAL'**
- \* **ALTERITY OPENS EURO ATH434 MULTIPLE SYSTEM ATROPHY TRIAL**
- \* **ALTERITY: NASDAQ EXTENDS \$US1 BID COMPLIANCE**
- \* **BAKER BROS REDUCES TO 7.1% OF OPTHEA**
- \* **JM FINANCIAL TAKES 7.7% OF IMEX**
- \* **IRENE CHEN TAKES 6.9% OF OSTEOPORE**
- \* **MICHAEL LIEW TAKES 6.5% OF OSTEOPORE**
- \* **MEDIBIO APPOINTS DAVID TRIMBOLI DIRECTOR**

## MARKET REPORT

The Australian stock market was up 0.71 percent on Thursday August 25, 2022, with the ASX200 up 50.0 points to 7,048.1 points. Fourteen of the Biotech Daily Top 40 stocks were up, 15 fell, nine traded unchanged and two were untraded.

Genetic Signatures was the best, up 7.5 cents or 8.2 percent to 99 cents, with 16,588 shares traded. Antisense was up 7.6 percent; Actinogen, Proteomics and Uscom climbed six percent or more; Neuren and Resonance were up more than five percent; Alcidion and Kazia improved more than three percent; Prescient, Pro Medicus and Volpara rose more than two percent; Avita and Polynovo were up one percent or more; with Cochlear and CSL were up by less than one percent.

Micro-X led the falls, down 1.5 cents or 10.3 percent to 13 cents, with 595,465 shares traded. Dimerix lost 6.45 percent; Atomo and Impedimed fell more than five percent; Starpharma was down 3.5 percent; Nanosonics and Opthea shed more than two percent; Clinuvel, Medical Developments, Mesoblast, Oncosil and Pharmaxis were down more than one percent; with Emvision, Paradigm, Resmed and Telix down by less than one percent.

### AUSTCO HEALTHCARE (FORMERLY AZURE HEALTHCARE)

Austco says revenue for the year to June 30, 2022, was up 14.8 percent to \$35,882,000 with profit after tax down 32.0 percent to \$2,328,000.

Austco said its revenue came from sales of its Tacera and Pulse branded healthcare communications and clinical workflow systems.

The company said that it expected to see further increases in recognized revenues and profits as the supply chain continued to improve.

Austco said it had declared a fully franked dividend of 0.3 cents a share for holders on the record date of September 19 to be paid on October 7, 2022.

The company said it would offer shareholders a dividend reinvestment plan, with the election date for participation September 21, 2022.

Austco said that diluted earnings per share was down 32.0 percent to 0.817 cents, with net tangible assets per share up 17.6 percent to 5.87 cents.

The company said that it had cash and cash equivalents of \$7,628,000 at June 30, 2022, compared to \$7,770,000 at June 30, 2021.

Austco was unchanged at 11 cents.

### NEXT SCIENCE

Next Science says revenue for the six months to June 30, 2022 was up 38.2 percent to \$US5,411,124 (\$A7,791,564) with net loss after tax up 56.9 percent to \$US6,588,785 (\$A9,487,297).

Next Science said that in the six months to June 30, 2022, it signed multiple distribution partnerships in Australia and New Zealand for its Bactisure, Xperience, Surgx and Blastx wound treatment and surgery products.

The company said it had an increase in staff costs, including recruitment and travel “associated with higher levels of direct sales” in the US.

Next Science said that its diluted loss per share rose 49.5 percent to 3.20 US cents, with net tangible asset backing per share down 20.3 percent to 5.51 US cents.

The company said that it had cash and equivalents of \$US11,024,787 at June 30, 2022, compared to \$US6,934,276 at June 30, 2021.

Next Science was unchanged at 89.5 cents.

### STARPHARMA

Starpharma says revenue for the year to June 30, 2022 was up 127.75 percent to \$4,899,000 with net loss after tax down 18.1 percent to \$16,154,000.

Starpharma said revenue included \$4,682,000 for its Viraleze nasal spray and Vivagel sales including Vivagel BV for bacterial vaginosis and condom coatings, royalty and research revenue from commercial partners.

The company said that the increase in Viraleze revenue “reflects the roll-out of Viraleze to new markets, including Vietnam and Italy”.

Starpharma said diluted loss per share was down 20 percent to four cents, with net tangible asset backing per share down 20 percent to 12 cents.

The company said it had cash and cash equivalents of \$49,918,000 at June 30, 2022 compared to \$60,500,000 at June 30, 2021.

Starpharma fell 2.5 cents or 3.5 percent to 68.5 cents.

## MICROBA LIFE SCIENCES

Microba says revenue for the year to Jun 30, 2022 was up 25.6 percent to \$4,688,645, with net loss after tax up 52.5 percent to \$11,470,429.

In February, Microba raised \$30 million at 45 cents a share in its initial public offer to list on the ASX to commercialize its personal and research gut microbiome testing services (BD Feb 22, 2022).

Today, the company said that its diluted loss per share was up 25.4 percent to 5.14 cents, net tangible assets was up 76.0 percent to 11.97 cents, and it had cash and cash equivalents of \$30,580,673 for the year to June 30, 2022, compared to \$12,978,604 for the year to June 30 2021.

Microba was up one cent or five percent to 21 cents.

## CONTROL BIONICS

Control Bionics says revenue for the year to June 30, 2022 was up 12.7 percent to \$4,476,213 with net loss after tax up 71.8 percent to \$6,101,224.

Control Bionics chair Roger Hawke said the year to June 30, 2022 had been “a foundational year”, in which the company had invested funds in sales infrastructure and product development.

“Despite the headwinds created by Covid-19, the company has maintained a strong trajectory of sales growth with a 13 percent year-on-year increase,” Mr Hawke said of the company’s Neuronode technology for the translation of neural signals to computer commands.

Control Bionics said its diluted loss per share was up 26.3 percent to 7.15 cents, compared to the previous year.

The company said that its net tangible asset backing per share was down 43.75 percent to 0.09 cents.

Control Bionics said that it had cash and cash equivalents of \$5,214,003 at June 30, 2022 compared to \$12,331,109 at June 30, 2021.

Control Bionics fell one cent or 4.2 percent to 23 cents.

## VICTORIA GOVERNMENT

The Victoria Government says it has provided \$3.4 million for 21 projects in the fifth round of its Medical Research Acceleration Fund.

A media release from the Victoria Minister for Innovation, Medical Research and the Digital Economy Jaala Pulford said the Fund supported early-stage research and projects that were ready for commercialization.

The media release said that researchers at 15 of Victoria’s medical research institutes would use the funding “to accelerate projects that address a range of health concerns such as dementia care, diabetes, [in-vitro fertilization] treatments and breast cancer”.

Ms Pulford said that “investing in local research keeps Melbourne among the best in the world, like Boston and London, for advancing medical breakthroughs”.

“Future treatments and possible cures would not be possible unless we back the scientists and clinicians who work tirelessly to make an impact to the health of all Victorians,” Ms Pulford said.

A list of recipients was not available at the time of publication, but a Stat Government spokesperson said it should appear at: [www.djpr.vic.gov.au/medical-research/funding](http://www.djpr.vic.gov.au/medical-research/funding).

## AUSBIOTECH

Ausbiotech says this year's conference will be held in Perth from October 26 to 28, 2022, with the Bioinvest day on October 27.

Ausbiotech said that to mark the 20th anniversary of the 2002 Bali bombings, keynote speaker Prof Fiona Wood would give an address, titled 'The story of spray-on skin cells' and discuss how it has contributed to her patients' lives and the biotechnology industry.

The industry organization said that the 2022 program of keynote speakers and panel sessions would cover "the pressing and emerging topics" facing the sector.

The program is at: <https://www.ausbiotechnc.org/programme-2022> and to register for the Conference and Bioinvest go to: <https://www.ausbiotechnc.org/register2022>.

## ADHERIUM

Adherium says it has applied to the US Food and Drug Administration for 510(k) clearance to market Teva metered dose inhalers with its Hailie sensor.

The company said the submission was the fourth in a series of applications for the combination of its Hailie sensor with medication inhalers.

Adherium executive Tara Creaven-Capasso said the addition of Teva Proair and Teva albuterol sulphate HFA to the Hailie range of products would "broaden the pathway" for US customers to access reimbursement for remote monitoring of patients prescribed asthma and chronic obstructive pulmonary disorder medications.

Adherium was up 0.05 cents or 5.3 percent to one cent.

## MICRO-X

Micro-X says its DRX-Revolution Nano mobile X-ray unit supplier, Carestream Health, has filed "for re-organization under Chapter 11 of the US Bankruptcy Code".

The company said the Rochester, New York Carestream was the original equipment manufacturer of the DRX-Revolution Nano mobile X-ray unit and Carestream intended "to honor all current terms and conditions of the ... contract between the two companies".

In 2020, Micro-X said its Carestream Nano distribution agreement became non-exclusive, with the Covid-19 pandemic leading to a "surge" in orders which required it to increase production capacity and reduce delivery times to meet demand (BD: Nov 19, 2020).

The company said at that time that it planned to "develop additional paths to market for its bedside imaging x-ray units, either selling directly or via distributors and agents", with Carestream to sell and support the Carestream-branded DRX Revolution Nano in all markets.

Today, Micro-X said that the Chapter 11 proceedings in the US Bankruptcy Court for the District of Delaware was "expected to strengthen Carestream's balance sheet and position the company for continued success, with business continuing as usual".

The company said it had been advised that Carestream's operations would "continue as normal and it looks forward to operating and serving its customers without interruption".

Micro-X said that since early 2021, it had been diversifying its distribution channels by building a network of independent distributors and dealerships for sale of its proprietary Micro-X Rover mobile DR system at higher margins.

"While it is expected that Carestream will continue to sell the Nano unit as planned for the foreseeable future, in accordance with the broader Mobile DR go-to-market strategy and changing product mix, the company believes its exposure to any future changes from Carestream is not material," Micro-X said.

Micro-X fell 1.5 cents or 10.3 percent to 13 cents.

## ALTERITY THERAPEUTICS

Alterity says its 60-patient, phase II trial of ATH434 for multiple system atrophy is open for enrolment in the UK as part of a larger European trial.

In June, Alterity said it had begun its phase II trial of ATH434 in New Zealand, and last year said it was planning the randomized, double-blind, placebo-controlled study of ATH434 in patients with early-stage multiple system atrophy in Australia, New Zealand, Europe and the US (BD: Oct 19, 2021; Jun 2, 2022).

Today, the company said the study would “explore the effect of ATH434 treatment on neuroimaging and protein biomarkers, such as excess brain iron and aggregating alpha-synuclein” which were contributors to multiple system atrophy pathology”.

Alterity said that clinical endpoints included efficacy, safety and pharmacokinetics and the use of wearable sensors would allow evaluation of motor parameters important in patients with multiple system atrophy.

The company said that patients would receive one of two dose levels of ATH434 or placebo for 12 months which would “provide an opportunity to detect changes in efficacy endpoints to optimize design of a definitive phase III study”.

Alterity chief executive officer Dr David Stamler said the phase II trial was progressing “as planned with the launch of the study in the UK for patients with [multiple system atrophy]”, “In a short period of time we have now commenced enrolment in our second region, and we look forward to broadening our reach over the next several months,” Dr Stamler said. “Because [multiple system atrophy] is a rare disease, we are committed to providing access to the trial to eligible patients globally,” Dr Stamler said.

Alterity was up 0.1 cents or 6.7 percent to 1.6 cents with 3.95 million shares traded.

## ALTERITY THERAPEUTICS (FORMERLY PRANA BIOTECHNOLOGY)

Alterity says the Nasdaq has given it an extension of 180 calendar days to regain compliance with its minimum \$1.00 bid price requirement.

In 2015 and 2020, the then Prana and Alterity, respectively, received similar Nasdaq compliance letters (BD: Nov 9, 2015; Feb 7, 2020).

In 2016, Prana undertook an effective six-to-one America depository share (ADS) consolidation through a ratio change with its Australian shares to comply with the Nasdaq rule, with one ADS representing 60 Australian shares compared with the previous 10 Australian shares (BD: Mar 10, 2016).

In 2020, Alterity said it had “temporary relief” from the compliance requirement due to the Covid outbreak and later raised \$35 million at 3.7 cents a share, implying a Nasdaq ADR price of \$US1.57 (BD: Apr 22, Oct 16, 2020).

In March, Alterity said the Nasdaq had informed it that its ADS price had been below the \$US1.00 minimum for the mandated minimum number of business days and it had 180 days to August 22, 2022 to regain compliance (BD: Mar 1, 2022).

Today, the company said it had not regained compliance with the minimum bid price rule before August 22, but that the Nasdaq had said it was eligible for an additional 180 day period, to February 20, 2023.

Alterity said part of the Nasdaq’s determination that it was eligible for an extension was its “written notice of its intention to cure the deficiency during the second compliance period by effecting a reverse stock split, if necessary”.

The company said its shares continued to trade on the ASX, in full compliance with listing requirements.

## OPTHEA

Baker Bros Advisors says it has reduced its substantial holding in Opthea from 29,696,496 shares (8.46%) to 28,763,289 shares (7.1%).

The New York-based Baker Bros said that between July 8, 2021 and August 24, 2022, in more than 60 transactions, it bought, borrowed, converted and sold shares, with the largest sale on October 14, 2021 of 87,529 American depositary shares, for \$US667,519 (\$A899,637), or \$1.285 a share; and the largest acquisition of 3,346,625 Australian shares in a private placement on August 24, 2022 for \$3,848,619 or \$1.15 a share.

One Opthea American depositary share is equivalent to eight Australian shares.

Opthea fell 2.5 cents or 2.1 percent to \$1.17.

## IMEX HEALTH SERVICES

JM Financial says it has become substantial in Imex with 2,697,764 shares, or 7.74 percent of the company.

The Melbourne-based JM said that between June 28, 2022 and August 10, 2022, it bought and sold shares, most recently buying 1,040,750 shares for \$499,560 or 48 cents a share in the \$2 million placement earlier this month (BD: Aug 3, 2022).

Imex fell 4.5 cents or 8.2 percent to 50.5 cents.

## OSTEOPORE

Irene Ng Ai Chen says she has become substantial in Osteopore with 8,082,625 shares or 6.89 percent of the company.

The Selangor, Malaysia-based Ms Chen said that on August 8, 2022, she bought the shares for \$1,616,525, or 20 cents a share.

Osteopore was up two cents or 7.7 percent to 28 cents.

## OSTEOPORE

Michael Marcus Liew says he has increased his substantial holding in Osteopore from 5,932,785 shares (5.06%) to 7,581,191 shares (6.46%).

The Singapore-based Mr Liew said that between January 28, 2022, and August 22, 2022, he bought shares at 18.5 cents and 21 cents a share, and sold shares at 20 cents and 47 cents a share.

## MEDIBIO

Medibio says it has appointed David Trimboli as a non-executive director, effective with immediately.

Medibio said Mr Trimboli was the founder and managing-director of Seefeld Investments, chair of Audeara, and a director of Quantum Graphite, Trademutt, Yumm Confectionary, The Reading Switch, Carecircle and Greater Outcomes.

Medibio was unchanged at 0.1 cents.