



Biotech Daily

Thursday February 23, 2023

Daily news on ASX-listed biotechnology companies

- * **ASX DOWN, BIOTECH UP: PROTEOMICS UP 6%;
- UNIVERSAL BIO DOWN 8%**
- * **NANOSONICS H1 REVENUE UP 35% TO \$82m, PROFIT UP 168% TO \$10m**
- * **SOMNOMED H1 REVENUE UP 18% TO \$40m, LOSS UP 27% TO \$3.7m**
- * **POLYNOVO H1 REVENUE UP 63% TO \$29m, PROFIT TO \$3.8m LOSS**
- * **IDT H1 REVENUE DOWN 72% TO \$2.4m, PROFIT TO \$5.8m LOSS**
- * **ATOMO H1 REVENUE DOWN 75% TO \$1.4m, LOSS UP 137% TO \$5.7m**
- * **ANTISENSE RECEIVES \$872k FEDERAL R&D TAX INCENTIVE**
- * **COGSTATE TAKES ASX 30% PRICE QUERY HALT TO SUSPENSION**
- * **MEDLAB REQUESTS 'CAPITAL RAISING' TRADING HALT**
- * **FIDELITY TAKES 10% OF MEDIBIO**
- * **CLARKE BARLOW REPLACES EXOPHARM DIRECTOR DR JENNIFER KING**
- * **RESPIRI APPOINTS US MEDICAL ADVISORY BOARD**

MARKET REPORT

The Australian stock market fell 0.4 percent on Thursday February 23, 2023, with the ASX200 down 29.1 points to 7,285.4 points. Fifteen of the Biotech Daily Top 40 stocks were up, 11 fell, nine traded unchanged and five were untraded.

Proteomics was the best, up 5.5 cents or 5.5 percent to \$1.05, with 21,500 shares traded. Telix improved 4.1 percent; Alcidion, Medical Developments and Neuren were up more than three percent; Clinuvel and Polynovo rose more than two percent; CSL, Cyclopharm, Emvision, Mesoblast, Orthocell and Resmed was up more than one percent; with Nanosonics, Next Science, Pro Medicus and Volpara up by less than one percent.

Universal Biosensors led the falls, down 2.5 cents or 8.2 percent to 28 cents, with 34,362 shares traded. Dimerix and Pharmaxis lost six percent or more; Prescient was down 5.4 percent; Kazia and Paradigm fell four percent or more; Avita, Immutep, Oncosil and Opthea shed two percent or more; with Cochlear and Starpharma down by less than one percent.

NANOSONICS

Nanosonics says revenue for the six months to December 31, 2022 was up 34.5 percent to \$81,565,000 with net profit after tax up 167.6 percent to \$10,369,000.

The company said revenue came from sales of its Trophon ultrasound probe cleaning systems and related products.

Nanosonics chief executive officer Michael Kavanagh said “the anticipated benefits of our recent transition to a more direct sales model in North America are becoming evident as demonstrated through the first half results”.

“Favorable pricing across capital and consumables, increased total number of units placed and consumables volume growth all contributed to strong revenue growth and improvements in gross profit margin and operating profit,” Mr Kavanagh said.

Nanosonics said diluted earnings per share climbed 167.7 percent to 13.40 cents, net tangible asset backing per share rose 7.4 percent to 45.63 cents, with cash equivalents of \$99,285,000 at December 31, 2022 compared to \$91,931,000 at December 31, 2021.

Nanosonics was up one cent or 0.2 percent to \$4.75 with 1.5 million shares traded.

SOMNOMED

Somnomed says revenue for the six months to December 31, 2022 was up 17.8 percent to \$39,961,036, with net loss after tax up 27.0 percent to \$3,744,894.

Somnomed says revenue came mainly from the sales of its Somnodent sleep apnoea appliance and other dental products.

Somnomed managing-director Neil Verdal-Austin said North America faced increased competition, staff shortage and logistics difficulties at the end of the half year, so “revenue growth guidance has been revised to between 15 to 20 percent, with no change to the [earnings before interest, taxation, depreciation and amortization] guidance,” he said.

The company said North America sales were up 28.45 percent to \$15,243,561, Europe was up 11.15 percent to \$21,635,640 and Asia Pacific fell 18.4 percent to \$3,081,835.

Somnomed said diluted loss per share rose 19.1 percent to 4.48 cents, net tangible asset backing per share fell 54.4 percent to 5.70 cents and it had cash and equivalents of \$16,874,597 at December 31, 2022, compared to \$17,571,432 at December 31, 2021.

Somnomed fell six cents or 5.7 percent to \$1.00.

POLYNOVO

Polynovo says record revenue for the six months to December 31, 2022 was up 62.7 percent to \$29,453,856 with last year's profit after tax turned to a loss of \$3,823,786.

Polynovo said that the increase in revenue came primarily from sales of Novosorb in the US, as well as an increase from contracts with the US Biomedical Advanced Research and Development Authority.

The company said that its 2021-'22 profit “included the reversal of \$4.7 million in share awards and share options expense forfeited by the previous [chief executive officer] and [chief operating officer] on their resignations and an unrealized [foreign exchange] gain of \$400,000 ...excluding these items results in an underlying loss of \$2.5 million for the prior period”.

Polynovo said that last year's diluted earnings per share of 0.24 cents had been turned to diluted loss per share of 0.58 cents, net tangible asset backing per share was up 200 percent to 9.00 cents, and it had cash and cash equivalents of \$50,479,164 at December 31, 2022 compared to \$3,287,211 at December 31, 2021.

Polynovo was up six cents or 2.7 percent to \$2.28 with 2.3 million shares traded.

IDT AUSTRALIA

IDT says revenue for the six months to December 31, 2021 was down 71.55 percent to \$2,435,000 with last year's net profit after tax turned to a loss of \$5,814,000.

IDT said revenue was primarily from drug manufacturing and pharmaceutical services, including production of Australia's first good manufacturing practice mRNA drug product. The company did not explain the fall in revenue, but said that "a key client in 2021 left us in early 2022 due to disagreement with the previous management".

"Consequent to the changes in the management of IDT Australia in late September last year and the new board of directors in place, this client has returned to IDT Australia and has committed to order manufacturing slots," IDT said.

The company said last year's 0.51 cents diluted earnings per share turned to a diluted loss per share of 2.41 cents, with net tangible asset per share down 19.1 percent to 9.95 cents.

IDT said it had cash and cash equivalents of \$4,325,000 at December 31, 2022 compared \$13,314,000 at December 31, 2021.

IDT fell 0.2 cents or 2.8 percent to seven cents.

ATOMO DIAGNOSTICS

Atomo says revenue for the six months to December 31, 2021 fell 74.6 percent to \$1,358,966 with net loss after tax up 136.9 percent to \$5,743,450.

Atomo said revenue included \$1,259,470 from sales of its Covid-19 rapid diagnostic test and its HIV blood test and \$99,496 from sales of other products, including its point of care technology.

The company said that when revenue was normalized for point-of-care Covid-19 sales, there was an increase of 17 percent compared with the previous corresponding period. Atomo said that Covid-19 demand "slowed and inventories approached expiry, Covid-19 tests were sold at reduced costs, negatively impacting overall gross margins".

The company said diluted loss per share was up 134.9 percent to 1.01 cents, with net tangible asset backing per share fell 35.75 percent to 2.75 cents.

Atomo said it had cash and cash equivalents of \$10,160,758 at December 31, 2022 compared to \$13,683,484 at December 31, 2021.

Atomo was unchanged at 4.9 cents with 1.3 million shares traded.

ANTISENSE

Antisense says it has received \$872,056 from the Australian Tax Office under the Federal Government Research and Development Tax Incentive program.

Antisense said the rebate related to research and development expenditure for the year to June 30, 2022.

Antisense was unchanged at 10 cents.

COGSTATE

Cogstate has requested a voluntary suspension to follow its a trading halt to respond to an ASX price query (BD: Feb 21, 2023).

Cogstate last traded at \$1.625 a share, falling 27.5 cents or 14.5 percent from a close of \$1.90 on Monday, February 20, 2023, and down 69.5 cents or 30.0 percent from the close of \$2.32 on Friday, February 17, 2023.

[MEDLAB CLINICAL](#)

Medlab has requested a trading halt “pending the release of an announcement in regarding a capital raising”.

Trading will resume on February 27, 2023 or on an earlier announcement.

Medlab last traded at \$6.60.

[MEDIBIO](#)

Fidelity (FIL) Limited says it has increased its holding in Medibio from 215,993,951 shares (7.84%) to 414,644,320 shares (9.99%).

Last week, Medibio said it had “commitments” for a \$1.245 million placement, at 0.15 cents a share, and hoped to raise a further \$1.5 million in a partly underwritten share plan (BD: Feb 15, 2023).

Today, the Hong Kong-based Fidelity said it between August 25, 2022 and February 21, 2023, it bought 198,650,369 shares for 0.15 cents and 0.20 cents a share.

Medibio was unchanged at 0.15 cents with 4.6 million shares traded.

[EXOPHARM](#)

Exopharm says Clarke Barlow will replace Dr Jennifer King as non-executive director, effective immediately (BD: Aug 31, 2021).

Exopharm said that the Perth-based Mr Barlow had more than 20 years of experience in the financial services industry and previously had working for listed companies in Australia and the UK.

The company said that Mr Barlow held a Bachelor of Commerce from the University of Western Australia.

Exopharm was unchanged at 1.6 cents with 2.2 million shares traded.

[RESPIRI](#)

Respiri says it has formed a US-based medical advisory board for clinical and product development and to advance its Wheezo remote patient monitoring program.

Respiri said that Dr William Krinsky would chair the board, with members including Prof Gerard Criner, Prof Stephen Selinger and Dr Jonathon Hovda.

Respiri fell 0.4 cents or 8.7 percent to 4.2 cents with 2.1 million shares traded.