



Biotech Daily

Wednesday October 11, 2023

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH UP: DIMERIX UP 28%; KAZIA DOWN 37.5%**
- * **PACIFIC EDGE Q1 CXBLADDER SALES UP 22% TO 18.2k TESTS**
- * **IMEX WINS \$2m COLOMBIA POLICE RADIOLOGY CONTRACT**
- * **IMMURON RECORD Q1 \$1.6m TRAVELAN SALES**
- * **CSL AGM: 25% OPPOSE \$12m CEO SHARES; REM REPORT 23%**
- * **KAZIA TO DELIST FROM ASX NOVEMBER 14, REMAIN ON NASDAQ**
- * **GOODBYE MEDIBIO, WELCOME TRIVARX**
- * **AROVELLA TAKES 'IN-LICENCE' TRADING HALT TO SUSPENSION**
- * **DR STEWART, PATRIZIA WASHER INCREASE, DILUTED TO 14% IN EMYRIA**
- * **DAVID WILLIAMS REPLACES INOVIQ CHAIR DR GEOFFREY CUMMING**

MARKET REPORT

The Australian stock market was up 0.68 percent on Wednesday October 11, 2023, with the ASX200 up 47.8 points to 7,088.4 points. Sixteen of the Biotech Daily Top 40 stocks were up, 10 fell, 11 traded unchanged and three were untraded.

Dimerix was the best, up 4.5 cents or 28.1 percent to 20.5 cents, with 18.3 million shares traded. Prescient climbed 6.8 percent; Neuren improved 5.45 percent; Medical Developments and Mesoblast were up more than four percent; Impedimed and Polynovo were up more than three percent; Clinuvel, Opthea and Proteomics rose more than two percent; Genetic Signatures, SDI and Volpara were up one percent or more; with Avita, Cochlear, Nanosonics, Paradigm and Resmed up by less than one percent.

Kazia led the falls, down six cents or 37.5 percent to 10 cents, with 3.15 million shares traded. Universal Biosensors lost 5.4 percent; Cyclopharm and Emvision fell more than four percent; both Micro-X and Starpharma were down 3.6 percent; Next Science shed 2.4 percent; 4D Medical was down one percent; with CSL, Pro Medicus and Telix down by less than one percent.

PACIFIC EDGE

Pacific Edge says sales of its Cxbladder urine test for bladder cancer for the six months to September 30, 2023 were up 22.2 percent to 18,229 tests.

Last year, Pacific Edge said revenue for the six months to September 30, 2022, was \$NZ8,707,000 (\$A8,177,647) (BD: Nov 24, 2022).

Today, the company said Cxbladder sales were down 12.1 percent for the three months to September 30, 2023 compared to the 9,704 units sold in the three months to June 30, 2023, but were up 8.4 percent compared to the September quarter last year.

Pacific Edge said the reduced sales were due to the reorganization of its US operations, publicity on the Medicare coverage determination for Cxbladder and “uncertainty among physicians and healthcare providers over Cxbladder’s coverage status following the Medicare non-coverage determination in June by Novitas and then its July withdrawal”.

In July, Pacific Edge said Novitas did not consider its Cxbladder urine tests “medically reasonable and necessary”, the threshold for US medical coverage (BD: Jul 28, 2023).

Pacific Edge was up 0.5 cents or five percent to 10.5 cents.

IMEX HEALTH SERVICES

Imex says it has a \$2.0 million, 15-month contract with Colombia’s National Police Force for its Enterprise radiology imaging at a police hospital in Bogota.

Imex said the contract would deliver \$1.6 million in annual recurring revenue and would provide radiology outsourcing services to about 48,000 patients.

The company said the contract would begin immediately and included an automatic seven-and-a-half-month renewal provision.

Imex said the contract required minor capital expenditure “as a substantial part of the service” would be provided using its existing radiology services infrastructure.

Imex chief executive officer Dr Germán Arango said “we are proud to share that we have secured our largest contract to date with Colombia’s National Police Force”.

“This significant partnership highlights the trust and confidence that one of Colombia’s most important institutions places in Imex which underscores the quality of our radiology services and the advantages offered by our Enterprise imaging technology,” he said.

Imex was untraded at 60 cents.

IMMURON

Immuron says it has record quarterly sales of Travelan for travellers’ diarrhoea for the three months to September 30, 2023 of \$1,550,240 compared to \$42,179 in the prior year.

Immuron said Australian sales for the three months were up from \$25,565 in the previous corresponding period to \$1,339,160, partially reflecting the three months of backorders accrued while awaiting good manufacturing practice clearance from the Australian Therapeutic Goods Administration.

Immuron said it expected continued demand for Travelan in Australia as pharmacies sold to customers, with short-term resident returns in July 2023 up 48 percent compared to July 2022 and approaching 89 percent of pre-pandemic levels at July 2019.

Immuron said US sales for the three months were up from \$16,614 in the prior corresponding period to \$211,080 due to increased US citizen international visitor monthly departures up 20.2 percent in June 2023 compared to June 2022.

The company said the US was entering “the low travel season” and it expected sales to rise strongly closer to the peak spring and summer travel period.

Immuron was up 0.8 cents or 10.7 percent to 8.3 cents.

CSL

CSL says 24.95 percent of investor votes opposed managing-director Dr Paul McKenzie's performance shares and it narrowly avoided a remuneration report first strike.

Last month, CSL said it intended to grant-up-to 44,095 performance share units worth \$US7,697,813 (\$A11,870,181) to Dr McKenzie (BD Sep 1, 2023).

Today, the company said that 72,592,687 votes (24.95%) opposed Dr McKenzie's performance shares with 218,360,479 votes (75.05%) in favor.

CSL said the resolution to adopt its remuneration report faced 67,049,438 votes (23.04%) against with 224,021,042 votes (76.96%) in favor.

Under the Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act 2011 any company sustaining a vote of 25 percent or more against the remuneration report in two successive annual meetings is required to vote on a board spill and if passed the directors must stand for re-election within 90 days.

CSL said the election of director Carolyn Hewson and auditor appointment passed easily.

Last year, the company said its remuneration report was opposed by 29,533,590 votes (10.08%) and the resolution to grant then managing-director Paul Perreault 41,483 performance shares faced 9.33 percent dissent (BD: Oct 12, 2022).

In 2021, the company said 25.7 percent of votes at its annual general meeting opposed \$9.8 million in "performance" shares for Mr Perreault (BD: Oct 12, 2021).

According to its most recent filing, CSL had 483,064,837 shares on issue, meaning that Dr McKenzie's performance shares were opposed by 15.03 percent of the company, sufficient to requisition extraordinary general meetings.

CSL fell 80 cents or 0.3 percent to \$254.27 with 713,661 shares traded.

KAZIA THERAPEUTICS (FORMERLY NOVOGEN)

Kazia says it will delist from the ASX, effective on November 14, 2023, and remain listed on the Nasdaq, to reduce "costs and administrative burden".

In 2017, the then Novogen, changed its name to Kazia and said that it would trade on the Nasdaq under the code of KZIA (BD: Nov 20, 2023).

Kazia said that trading solely on the Nasdaq would give it "access to a deeper market that better understands, and values, biotechnology businesses, thereby allowing it to more readily raise more capital on better terms, from a wider investor base".

The company said it expected the move to "improve the company's access to its institutional investor base and other financing options in the US that currently has the most active biotechnology ecosystem on a global basis".

The company said it considered the "financial, administrative and compliance obligations and costs associated with managing an ASX listing and a Nasdaq listing, including the higher level of regulatory compliance costs associated with a dual listing, ... unjustifiable and not in the best interests of the company's security holders".

Kazia said that, with the exception of two directors, its remaining non-executive director, chief financial officer Karen Krumeich and executive chair Dr John Friend were based in the US, reflecting its focus on international rather than domestic markets.

The company said Australian shareholders would have to sell shares before the last day of trading on the ASX on November 10, 2023, and, if they didn't, would only be able to sell shares on the Nasdaq.

Kazia said it had established a voluntary American depositary share (ADS) conversion facility, through which shareholders could convert Australian shares to ADSs for trading Nasdaq.

Kazia was down six cents or 37.5 percent to 10 cents with 3.15 million shares traded.

MEDIBIO

Medibio says its extraordinary general meeting has approved the change of name to Trivarx Limited and it will trade under the ASX code TRI from October 16, 2023.

Medibio said that the name represented the company's "ongoing commitment to realize a new level of integrated care at the nexus of physical health, mental health and sleep health by delivering a clinically-backed sleep diagnostics solution that provides an objective assessment of how sleep health is correlated with other health variables".

Medibio was unchanged at 0.1 cents.

AROVELLA THERAPEUTICS

Arovella has requested a suspension following Monday's trading halt "pending an announcement regarding a proposed in-licence agreement" (BD: Oct 9, 2023).

Trading will resume today, or on the release of the announcement.

Arovella last traded at 7.8 cents.

EMYRIA

Emyria chair Dr Stewart Washer and spouse Dr Patrizia Washer say they increased their holding and were diluted from 49,325,599 shares (16.96%) to 51,217,265 shares (14.25%).

Dr Stewart Washer said that on February 23, 2023 they bought 333,333 shares at 18.0 cents a share in a placement, on August 9 purchased 225,000 shares on market for 9.44 cents a share, on October 5 were issued 1,333,333 entitlement shares at 7.5 cents each and were diluted due to the issue of capital raising shares.

Last week, Emyria said it raised \$2 million in a placement at 7.5 cents a share and \$1.18 million of a hoped-for \$3.1 million in a rights issue (BD: Oct 5, 2023).

Emyria was up 0.2 cents or 2.9 percent to 7.1 cents.

INVIQ

Inoviq says David Williams will replace chair Dr Geoffrey Cumming on \$100,000 a year, with Dr Cumming continuing as a director, all effective from November 29, 2023.

Inoviq said Mr Williams was currently the chair of Polynovo and real estate agent rating agency RMA Global, the managing-director of Kidder Williams corporate advisory firm and the former chair of Medical Developments.

The company said it would pay Mr Williams \$100,000 in fees, including superannuation, and issue him 6,450,000 options, pending shareholder approval at its annual general meeting.

Dr Cumming said Mr Williams had "been a strong long-term supporter of Inoviq, being its second largest shareholder having first entered the register in 2019".

"David's increased involvement in the company comes at a pivotal time in Inoviq's development as we progress commercialization of our exosome technologies, advance development of our Sub-B2M cancer diagnostics and otherwise execute our strategic vision," Dr Cumming said.

Inoviq was up six cents or 10.6 percent to 62.5 cents.