



# Biotech Daily

Monday March 1, 2021

*Daily news on ASX-listed biotechnology companies*

- \* FEB BDI-40 UP 1.5% - RECORD \$18.5b, ASX200 UP 1%, BIG CAPS DOWN 0.6%
- \* TODAY: ASX UP, BIOTECH EVEN: LBT UP 10%; RESONANCE DOWN 9.5%
- \* \$99m FOR MELB UNI-MICRO-X STROKE, 4D LUNG, FLOREY EPILEPSY
- \* ISLAND \$7.5m IPO FOR ISLA-101 FOR MOSQUITO-BORNE VIRUSES
- \* KYOCERA TAKES REGENEUS H1 REVENUE TO \$7m, LOSS TO \$4m PROFIT
- \* MESOBLAST H1 REVENUE DOWN 82% TO \$4.6m, LOSS UP 67% TO \$65m
- \* CARDIEX H1 REVENUE UP 16% TO \$2.7m, LOSS UP 6% TO \$2m
- \* TBG REVENUE UP 38% TO \$4.6m, PROFIT TO \$3.5m LOSS
- \* CRESO REVENUE DOWN 33% TO \$2.4m, LOSS UP 101% TO \$31m
- \* PHARMAUST H1 REVENUE DOWN 37% TO \$1m, LOSS UP 72% TO \$832K
- \* OSTEOPORE REVENUE UP 266% TO \$1.5m, LOSS DOWN 18% TO \$2m
- \* CYNATA, TEKCYTE WORK ON STEM CELLS FOR DIABETIC ULCERS
- \* ASX DELISTS INVITROCUE FOR REPORTS, MEDIGARD FOR FEES
- \* JM FINANCIAL, NO PLAN B REDUCE TO 12% OF UNIVERSAL BIOSENSORS
- \* REGAL FUNDS REDUCES TO 7.5% OF ALTERITY
- \* DR GRAHAM KELLY, MILLIGENE INCREASE TO 13% OF NOXOPHARM
- \* BOTANIX 'TERMINATES' DR MICHAEL THURN, HIRES 3 EXECUTIVES

## MARKET REPORT

The Australian stock market was up 1.74 percent on Monday March 1, 2021, with the ASX200 up 116.3 points to 6,789.6 points. Fifteen of the Biotech Daily Top 40 stocks were up, 16 fell, eight traded unchanged and one was untraded. All three Big Caps were up.

LBT was the best, up 0.95 cents or 9.95 percent to 10.5 cents, with 399,593 shares traded. Immutep climbed 7.35 percent; Clinuvel was up 6.5 percent; Osprey improved 5.9 percent; Actinogen, Dimerix and Pro Medicus were up more than four percent; Nanosonics, Polynovo, Starpharma, Telix and Universal Biosensors were up three percent or more; Cochlear, CSL and Resmed rose more than two percent; Nova Eye and Pharmaxis were up more than one percent; with Cynata up 0.8 percent.

Resonance led the falls, down two cents or 9.5 percent to 19 cents, with 728,235 shares traded. Avita lost 6.5 percent; Alterity and Prescient fell more than five percent; Amplia, Kazia, Medical Developments and Optiscan were down more than three percent; Genetic Signatures, Paradigm and Volpara shed more than two percent; Neuren and Next Science were down more than one percent; with Cyclopharm, Opthea and Proteomics down by less than one percent.

## BIOTECH DAILY TOP 40 INDEX (BDI-40)

The Biotech Daily Top-40 Index (BDI-40) rose 1.5 percent in February, taking it into record territory, with the collective market capitalization of the 40 companies at \$18,465 million.

Although the benchmark S&P ASX200 was up 1.0 percent in February to 6,673 points and 3.6 percent above the March 2020 tumble, it was well below the pre-Covid 7,017 points (see charts below).

The BDI-40 was up 28.8 percent for the 12 months compared to the ASX200 up 3.6 percent.

What was particularly interesting was the behavior of the three Big Caps of Cochlear, CSL and Resmed (which are not included in the BDI-40).

CSL was up 1.4 percent for the month, but down 14.7 percent from February 28, 2020 when punters were expecting it to be a leader in the fight against severe acute respiratory syndrome coronavirus-2 (Sars-Cov-2), which it continues to be in research – including for the now-shelved University of Queensland vaccine - and manufacture of the Oxford-Astrazeneca vaccine, but not the big money-spinner some thought.

Resmed also had a Covid boost, transferring its expertise to ventilators which saw its share price rise in 2020 and then fall in February as the record revenue and profit wasn't enough for the gamblers on the US and Australian stock exchanges.

Cochlear, on the other hand, had a more Covid-normal experience, losing ground as surgeries shut down around the world and recovering as they re-opened, up 9.8 percent in February to \$14,114 million, close to last year's record highs.

Eighteen of the BDI-40 were up, seven by 10 percent or more, with 20 down and nine by more than 10 percent.

Optiscan was the best, up \$86 million or 130.3 percent to \$152 million. Executive chair Darren Lurie must be doing something right. Proteomics climbed 94.4 percent to \$140 million, followed by Starpharma (42.9%), Osprey (26.5%), Actinogen (17.2%), Kazia (9.9%) and Pro Medicus (9.9%) - and up 118.6 percent for the year to \$4,719 million.

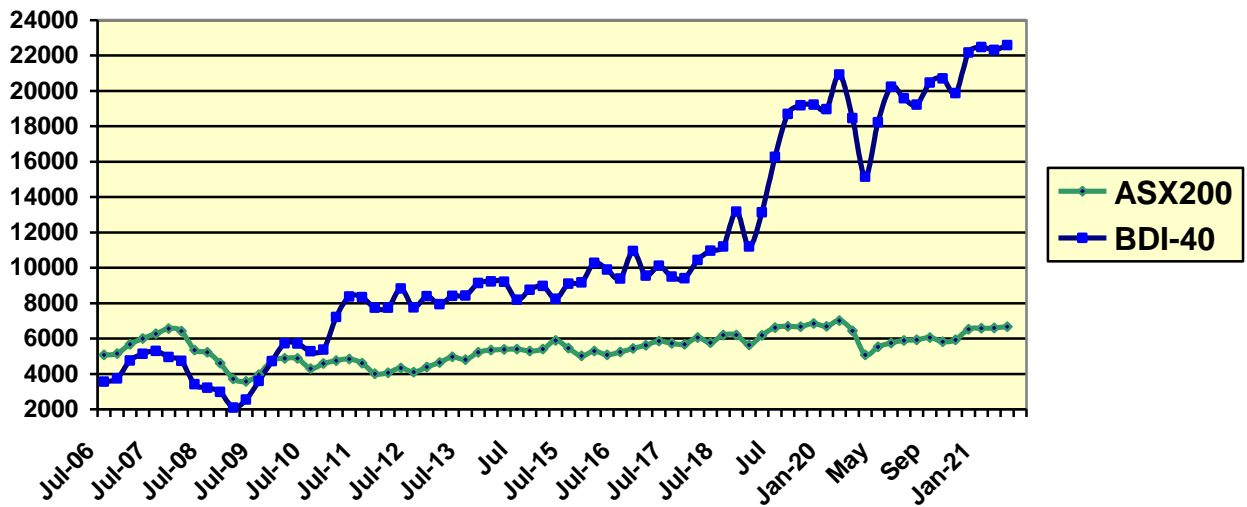
Oncosil led the falls, down 23.6 percent to \$81 million, followed by Opthea (18.9%), Dimerix (15.8%), Immutep (14.7%), Medical Developments (14.0%), Patrys (13.0%), Nanosonics and Universal Biosensors (11.1%) and Avita (10.0%).

Outside the BDI-40, Bard1 jumped 379.2 percent to \$230 million on two small trials.

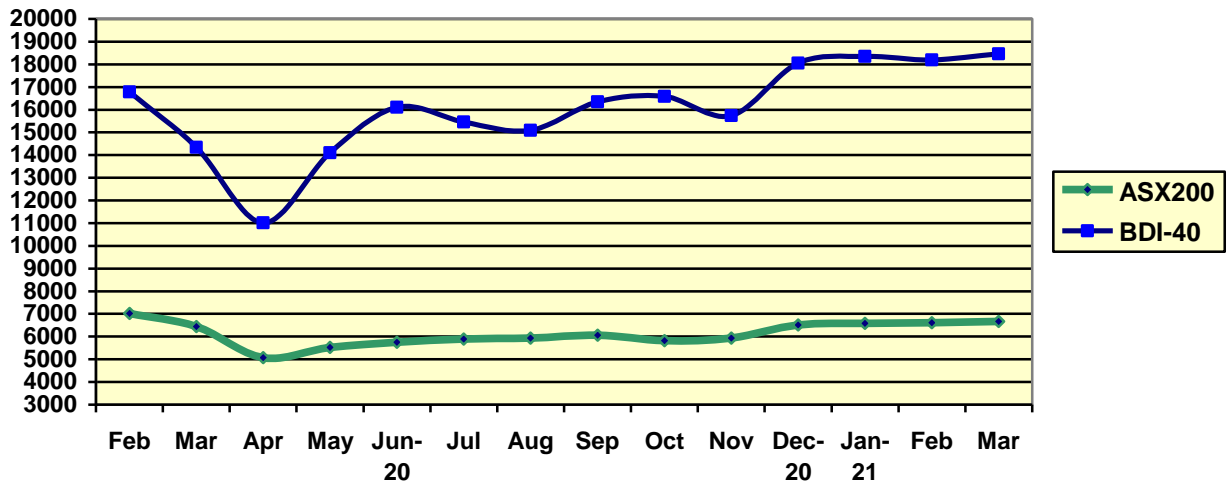
Companies claiming Covid treatments and tests generally fell, with the exception of Starpharma up 42.9 percent to \$873 million following the approval of its anti-microbial nasal spray. Despite orders in their millions for Atomo's test the company slipped 17.4 percent in February and Cellmid is below its pre-Covid market capitalization at \$12 million.

Cannabis Corner hit a record \$1,945 million high as the pandemic eased, with MGC Pharma jumping 326.1 percent to \$196 million on its London Stock Exchange launch.

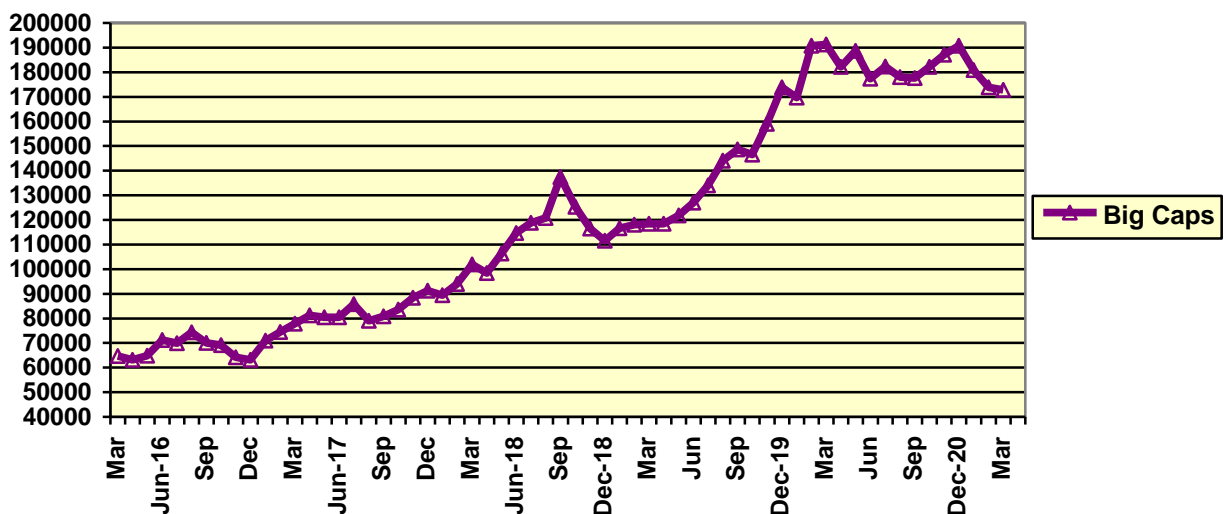
BDI-40 v ASX200 Jun 30, 2006 to Feb 28, 2021- Adjusted



BDI-40 (\$m) v S&P ASX 200 – Jan 31, 2020 – Feb 28, 2021 (current, raw data)



Big Caps \$m (Cochlear, CSL, Resmed) Feb 28, 2016 – Feb 28, 2021



## FEDERAL GOVERNMENT, 4D MEDICAL, MICRO-X

The Federal Government says it is investing \$99 million into technologies to improve diagnosis and treatment of stroke, epilepsy and lung disease, including Covid-19.

A media release from Federal Health Minister Greg Hunt said that University of Melbourne Australian Stroke Alliance, led by Prof Geoffrey Donnan and Prof Stephen Davis, would receive \$40,167,052.

The Government said that the Australian Lung Health Initiative with 4D Medical chief executive officer Prof Andreas Fouras had been awarded \$28,867,540 for a project titled '4D Functional Diagnosis: A new frontier in lung health for children'.

The media release said that the Florey Institute of Neuroscience and Mental Health Australian Epilepsy Project led by Prof Graeme Jackson would receive \$30,080,129.

The Government said that the five-year funding was part of the Frontier Health and Medical Research Initiative, which allows researcher collaborations to explore ideas that "could have a dramatic, global impact on health care".

The media release said that the successful projects were chosen from 10 applicants, which each received up to \$1.5 million in funding "to develop ground-breaking ideas into research plans".

The release said that the University of Melbourne Australian Stroke Alliance 'Stroke Golden Hour' project to develop lightweight brain scanners that could be carried in ambulances, allowing paramedics "to provide rapid diagnosis and treatment to stroke victims, saving lives and reducing disability".

Separately, Micro-X said that it was a member of the Australian Stroke Alliance, and the project was for patient imaging testing of a lightweight brain computed tomography (CT) scanner for pre-hospital stroke diagnosis in air and land ambulances.

The company said it would receive \$8.0 million over the life of the project, with early work to focus on development of the 'Ring Scanner' brain CT imager to collect patient image data.

Micro-X said that the refinement of image processing algorithms with the Melbourne Brain Centre planned to validate diagnostic capabilities and form the basis for product regulatory approvals.

The Government said that the 4D Functional Diagnosis project for lung health for children would deliver lung scanners that allow "functional analysis of lung health and can be immediately applied to managing Covid-19, establishing Australia at the forefront of lung science, and kick-starting a high-value, high-tech industry".

The media release said that the Florey Institute Australian Epilepsy Project provided a platform of artificial intelligence-based expertise and clinical decision support, to "ensure all epileptics receive best practice care from their first seizure, and will also develop a data base for continuously improving precision medicine".

Mr Hunt said that the projects had "the potential to transform outcomes for people living with these diseases, generate massive economic benefits and create thousands of jobs". "All projects that have so far received funding through Frontiers have remarkable promise," Mr Hunt said.

"Our Government is extremely impressed by the calibre of all the projects and their potential to assist people with many serious health issues, while also growing our innovation economy," Mr Hunt said.

The Government said it had allocated a total of \$570 million to the program, over 10 years from 2019-'20.

4D Medical was untraded at \$1.73.

Micro-X was up 2.5 cents or 6.7 percent to 40 cents with 3.05 million shares traded.

## ISLAND PHARMACEUTICALS

PAC Partners says that Island Pharmaceuticals hopes to raise \$7.5 million in an initial public offer at 25 cents a share to repurpose ISLA-101 for mosquito-borne viruses.

Melbourne's PAC partners said that it was the lead manager to the 'broker only' offer and Island hoped to list under the code ILA on April 13, 2021.

The company said Island intended to complete phase II studies on the former Johnson & Johnson developmental cancer drug, the anti-viral ISLA-101, which had been through 48 phase I and II clinical trials before being re-purposed and had been verified as safe in humans by multiple regulators, including the US Food and Drug Administration.

PAC said that there had been "promising results in human and animal studies for dengue, Zika and other viruses" and claimed that the drug was "eligible for a priority review voucher (PRV) for each of dengue, Zika and Chikungunya".

The company said that Island was valued at \$12.5 million ahead of the initial public offer.

PAC said that the board included Dr Paul MacLeman, Dr Anna Lavelle, Dr David Brookes, Dr David Foster and Al Hansen.

PAC said Dr William Garner was a co-founder and US seed-investor.

The company said that the advisory board included Prof Stephen Thomas, Prof Leigh Farrell and Dr Simon Tucker.

The offer, which is only open to sophisticated and professional investors, will open on March 8 and close on March 29, 2021, and more about the company is available at:

<https://www.islandpharmaceuticals.com/site/content/>.

## REGENEUS

Regeneus says Kyocera payments took revenue for the six months to December 31, 2020 to \$7,067,000, with last year's loss turned to a profit after tax of \$4,420,237.

Last year, Regeneus said it had received a total of \$6.9 million in milestones from Tokyo's Kyocera for its stem cell platform Progenza OA for knee osteoarthritis as part of a licence and collaboration agreement (BD: Aug 11, 28, Oct 29, 2020).

The company said diluted earnings per share from continuing operations was up 200 percent to 1.5 cents in the six months to December 31, 2020, net tangible asset backing per share was up 1,400 percent to 1.5 cents, with cash and cash equivalents of \$4,095,163 at December 31, 2020, compared to \$818,047 at December 31, 2019.

Regeneus was unchanged at 11 cents.

## MESOBLAST

Mesoblast says revenue for the six months to December 31, 2020 was down 81.6 percent to \$US3,546,000 (\$A4,568,607), with net loss after tax up 67.0 percent to \$US50,236,000 (\$A64,734,485).

Mesoblast said commercialization revenue was down 10.5 percent to \$US3.4 million from sales of Temcell for graft-versus-host disease in Japan by licensee JCR Pharmaceuticals, and royalty income on sales was about \$US100,000 from sales of Alofisel for fistulae in Europe by licensee Takeda.

The company said diluted loss per share was up 47.8 percent from 5.82 US cents in the previous year to 8.60 US cents in the six months to December 31, 2020.

Mesoblast said that net tangible asset backing per share was down 9.2 percent to negative 7.09 US cents, with cash and cash equivalents of \$US77,528,000 at December 31, 2020, compared to \$US81,348,000 at December 31, 2019.

Mesoblast was in a trading halt for a placement and last traded at \$2.46.

### CARDIEX

Cardiex says revenue for the six months to December 31, 2020 was up 16.1 percent to \$2,673,250, with net loss after tax up 5.6 percent to \$2,074,639.

Cardiex said its revenue mainly came from sales of its Sphygmocor blood pressure monitor and wearables, with US sales up 45.0 percent to \$817,624, sales in Europe down 29.1 percent to \$164,855, and sales in the Asia Pacific up 3.1 percent to \$181,529.

The company said diluted loss per share was down 11.0 percent from 0.28 cents in the previous year to 0.25 cents in the six months to December 31, 2020.

Cardiex said that net tangible asset backing per share was down 17.6 percent to 0.75 cents, with cash and cash equivalents of \$3,322,319 at December 31, 2020, compared to \$1,137,681 at December 31, 2019.

Cardiex fell 0.4 cents or 4.65 percent to 8.2 cents with 1.5 million shares traded.

### TBG DIAGNOSTICS

TBG Diagnostics says revenue for the year to December 31, 2020 was up 37.7 percent to \$4,605,983, with last year's profit turned to a loss after tax of \$3,548,975.

TBG said its net loss was due to the discontinued operations of its China group, TBG Biotechnology (Xiamen) and its subsidiaries (TBG Xiamen).

The company said its revenue primarily came from sales of its Covid-19 test kits, technical services and molecular diagnostics products, primarily for sequence-based typing.

TBG said diluted loss per share was 1.6 cents, with net tangible asset backing per share down 54.2 percent to 2.7 cents, and cash and cash equivalents of \$3,777,188 at December 31, 2020, compared to \$5,205,131 at December 31, 2019.

TBG has been in an ASX suspension for nearly 12 months and last traded at 27 cents.

### CRESO PHARMA

Creso says revenue for the year to December 31, 2020 was down 32.5 percent to \$2,447,761, with net loss after tax up 101.0 percent to \$30,779,581.

Creso said its revenue came from sales of marijuana products, with sales from North America up 41.2 percent to \$1,214,843 and sales from Europe and the Middle East down 55.4 percent to \$1,232,918.

The company said diluted loss per share fell 20.7 percent to 8.30 cents, net tangible asset backing per share was down 81.4 percent to 1.37 cents, with cash and cash equivalents of \$6,047,091 at December 31, 2020, compared to \$2,800,318 at December 31, 2019.

Creso was unchanged at 21 cents with 45.2 million shares traded.

### PHARMAUST

Pharmaust says revenue for the six months to December 31, 2020 was down 37.1 percent to \$1,104,292, with net loss after tax up 72.0 percent to \$832,375.

Pharmaust said its revenue primarily came from its subsidiary Epichem's medicinal chemistry contracts and income activities.

The company said diluted loss per share was up 53.0 percent from 0.17 cents in the previous year to 0.26 cents in the six months to December 31, 2020.

Pharmaust said that net tangible asset backing per share was up 17.0 percent to 1.92 cents, with cash and cash equivalents of \$3,594,871 at December 31, 2020, compared to \$2,922,555 at December 31, 2019.

Pharmaust was unchanged at 10 cents.



## OSTEOPORE

Osteopore says revenue for the year to December 31, 2020 was up 265.5 percent to \$1,504,578, with net loss after tax down 18.3 percent to \$1,945,886.

Osteopore said its revenue primarily came from the sales of its 3D-printed, bio-resorbable bone regeneration technology, in Singapore and Australia.

The company said diluted loss per share was down 78.0 percent from 8.26 cents in the previous year to 1.82 cents in the year to December 31, 2020.

Osteopore said that net tangible asset backing per share was up 161.0 percent to 7.67 cents, with cash and cash equivalents of \$9,027,016 at December 31, 2020, compared to \$3,294,809 at December 31, 2019.

Osteopore was up half a cent or 1.15 percent to 44 cents.

## CYNATA THERAPEUTICS

Cynata says it will plan a trial of its Cymerus mesenchymal stem cells for diabetic foot ulcers with the Adelaide-based Tekcyte Pty Ltd.

Cynata said that Tekcyte had developed “surface modification technologies to produce polymer-coated dressings for the delivery of mesenchymal stem cells to wounds”.

The company said that a memorandum of understanding expected the parties to result in a licence for the use of Tekcyte’s technologies in the commercial development of its Cymerus mesenchymal stem cells for diabetic foot ulcers.

Cynata said that its stem cells showed “promising efficacy” in a pre-clinical model of diabetic ulcers or wounds.

The company said that the studies were conducted by the Cooperative Research Centre for Cell Therapy Manufacturing and compares cells from various sources, using Tekcyte’s dressing seeded with stem cells, with the related patent families assigned to Tekcyte.

Cynata said it would work with Tekcyte to manufacture and supply the active dressing for the planned clinical trial.

Cynata was up half a cent or 0.8 percent to 64 cents.

## INVITROCUE, MEDIGARD

The ASX says it has delisted the Singapore-based Invitrocue for failing to file financial reports and the Gold Coast, Queensland-based Medigard for failing to pay listing fees.

The ASX said that Invitrocue was removed from the Official List at the start of trading today and Medigard was at the close of trading on Friday February 26, 2021.

Separately, Invitrocue said it was “continuing discussions with potential investors and its auditors in relation to the finalization of the outstanding accounts”.

The company said it intended to establish an unmarketable parcel sale facility for shareholders with less than \$500 worth shares.

Invitrocue said that directors Antony Eaton and Chow Yee Koh had resigned and executive director Dr Steven Fang thanked them for their contributions, but said they had agreed to assist the company on a professional level.

Invitrocue last traded at six cents.

Medigard last traded at two cents.

### UNIVERSAL BIOSENSORS

JM Financial Group and No Plan B say they have reduced their substantial holding in Universal Biosensors from 25,292,608 shares (14.25%) to 21,968,307 shares (12.38%). The Melbourne-based JM Financial and No Plan B Pty Ltd said that between July 8, 2020 and February 9, 2021 they bought and sold shares with the largest sale 3,102,105 shares for \$1,460,059 or 47.1 cents a share.

Universal Biosensors was up 1.5 cents or 3.7 percent to 42 cents.

### ALTERITY THERAPEUTICS

Sydney's Regal Funds Management says it has reduced its substantial shareholding in Alterity from 184,853,236 shares (8.87%) to 158,030,555 shares (7.58%).

Regal Funds said that it sold shares between February 12 and 24, 2021, with the single largest sale 12,994,307 shares for \$584,744, or 4.5 cents a share.

Regal said the shares were held by UBS AG, Merrill Lynch and Credit Suisse AG.

Alterity fell 0.2 cents or 5.3 percent to 3.6 cents with 8.1 million shares traded.

### NOXOPHARM

Noxopharm founder Dr Graham Kelly and Milligene Pty Ltd say they have increased their holding from 28,162,294 shares (10.57%) to 36,162,294 shares (13.16%).

Dr Kelly said that on February 26, 2021 he exercised 8,000,000 options to shares for \$2,400,000, or 30 cents each and the shares were held directly and by Milligene Pty Ltd, Phytose Corp, Bende Holdings and Prue Kelly.

Noxopharm was up five cents or 7.3 percent to 73.5 cents with 1.7 million shares traded.

### BOTANIX PHARMACEUTICALS

Botanix says it has "terminated the consultancy of executive director [Dr] Michael Thurn", who has retired as a director, and hired three executives.

Botanix said it had appointed Dr Clarence Young as its chief medical officer, Anthony Robinson as its head of development and Lynda Berne as head of commercial affairs.

The company said that Dr Young was formerly a chief medical officer at Velicept Therapeutics and Iroko Pharmaceuticals, previously working for Novartis and Glaxosmithkline.

Botanix said that Dr Young held a Doctor of Medicine from Boston's Harvard Medical School.

The company said that Mr Robinson was previously the head of clinical operations, program management and regulatory affairs at Advicenne and held similar roles at Aquestive Therapeutics and Intromune Therapeutics.

The company said that Mr Robinson held a Bachelor of science from New York's Cornell University, a Master of science from Philadelphia's Drexel University and a Master of Business Administration from Pennsylvania State University.

Botanix said that Ms Berne was the founder of BAL Pharma Consulting and 13 years' experience working for Bristol-Myers Squibb.

The company said that Ms Berne held a Bachelor of Science from the Bloomington-based Indiana University, a Master of science from Chicago's DePaul University and a Master of Business Administration from the Evanston, Illinois-based Northwestern University.

Botanix did not explain Dr Thurn's "termination".

Botanix fell half a cent or 4.55 percent to 10.5 cents with 3.8 million shares traded.



## BIOTECH DAILY TOP 40 WITH MARKET CAPITALIZATION AT FEB 28, 2021

Company \$Am	Mar-20	Feb-21	Mar-21
Cochlear	12,078	12,859	14,114
CSL	144,108	121,433	122,963
Resmed	35,152	39,607	35,722
<b>BDI-20</b>			
Avita	1,387	712	641
Clinuvel	985	1,091	1,069
Compumedics	120	81	75
Cyclopharm	76	239	246
Cynata	97	96	91
Ellex	101	48	48
Genetic Signatures	159	271	247
Immutep	129	259	221
Medical Developments	548	472	406
Mesoblast	1,311	1,363	1,445
Nanosonics	2,043	2,062	1,833
Neuren	182	148	157
Opthea	781	660	535
Paradigm	564	519	549
Pharmaxis	33	35	32
Polynovo	1,633	1,719	1,666
Pro Medicus	2,159	4,294	4,719
Starpharma	414	611	873
Telix	332	1,102	1,074
Volpara	301	373	353
<b>Second 20</b>			
Actinogen	27	29	34
Alterity	12	73	79
Amplia	5	29	30
Antisense	29	103	103
Dimerix	22	57	48
Impedimed	41	144	157
Imugene	99	498	476
Kazia	43	152	167
LBT Innovations	26	30	28
Next Science	330	239	243
Oncosil	79	106	81
Optiscan	13	66	152
Orthocell	55	92	99
Osprey	7	34	43
Patrys	14	54	47
Prescient	17	70	67
Proteomics	24	72	140
Resonance	65	87	94
Universal Biosensors	27	81	72
Uscom	46	24	25

\* Biotech Daily editor, David Langsam, owns shares in Acrux, Alcidion, Alterity, Amplia, BTC Health, Cochlear, Control Bionics, Cynata, Nanosonics, Neuren, Patrys, Polynovo, Telix, Volpara and non-biotech stocks. Through Australian Ethical Superannuation he has an indirect interest in other companies: <https://www.australianethical.com.au/personal/ethical-investing/companies-we-invest-in/>. These holdings are liable to change.

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