



Biotech Daily

Thursday August 15, 2024

Daily news on ASX-listed biotechnology companies

- * **ASX UP, BIOTECH DOWN: ATOMO UP 14%; COCHLEAR DOWN 7%**
- * **COCHLEAR REVENUE UP 15.5% TO \$2.2b; PROFIT UP 19% TO \$357m**
- * **ONCOSIL: 1st TÜRKIYE PANCREATIC CANCER PATIENT RESECTED**
- * **ANTEOTECH, VIDCARE STUDY ANTEOBIND FOR BLOOD TESTS**
- * **FIREBRICK NASODINE PHILIPPINES MANUFACTURE, LAUNCH**
- * **PYC 9-PATIENT PYC-001 ADOA STUDY**
- * **GENETIC TECHNOLOGIES LAUNCHES GENETYPE ON EASY DNA**
- * **ARGENT (MGC) TO DELIST FROM ASX**
- * **SARAH CAMERON DILUTED BELOW 5% IN ONCOSIL**
- * **ALLEGRA DIRECTOR DR NICHOLAS HARTNELL TAKES 88%**
- * **CANN LOSES CFO, CO SEC TONY DI PIETRO; DAVID HINE FINANCE HEAD**
- * **AUSBIOTECH VICTORIA BIO-CHEERS SEPTEMBER 12**

MARKET REPORT

The Australian stock market was up 0.19 percent on Thursday August 15, 2024, with the ASX200 up 14.8 points to 7,865.5 points. Thirteen of the Biotech Daily Top 40 companies were up, 17 fell, nine traded unchanged and one was untraded.

Atomo was best, up 0.3 cents or 14.3 percent to 2.4 cents, with 1.1 million shares traded. Actinogen climbed eight percent; Pro Medicus was up 5.7 percent; Emvision improved 4.9 percent; Dimerix and Universal Biosensors were up more than three percent; Opthea and Percheron rose more than two percent; Clarity, Immutep and Resmed were up more than one percent; with Aroa, CSL, Neuren and SDI up by less than one percent.

Cochlear led the falls, down \$24.75 or 7.3 percent to \$313.00, with 573,772 shares traded. Avita lost 6.3 percent; Alcidion and Curvebeam fell four percent or more; Amplia and Genetic Signatures were down more than three percent; Cynata, Medical Developments, Polynovo, Prescient and Proteomics shed two percent or more; Clinuvel, Cyclopharm, Impedimed, Imugene and Mesoblast were down one percent or more; with Nanosonics and Telix down by less than one percent.

COCHLEAR

Cochlear says revenue for the year to June 30, 2024 was up 15.5 percent to \$2,235,600,000, with net profit after tax up 18.7 percent to \$356,800,000.

Cochlear said cochlear implant sales rose 17.5 percent to \$1,329,600,000 and accounted for 59 percent of total revenue, with its services business including sound processor upgrades increasing 15.0 percent to \$672,300,000 million, or 30 percent of total revenue. The company said its acoustics business comprised 11 percent of revenue, with sales up 6.8 percent to \$256,300,000.

Cochlear said implant sales rose nine percent to 48,040 units, with sales in developing markets up 11 percent and “strong growth in the US and Western Europe driven by market growth and share gains following the launch of the Nucleus 8 sound processor”. The company said its acoustics business revenue was driven by a 30 percent increase in sales of its Osia magnetic resonance imaging-compatible cochlear implant due to “a combination of brand preference, market growth and expansion into new markets”. Cochlear said acoustics sales were “moderated by lower demand for upgrades to the ... Baha 6 Max sound processor following three years of strong demand”.

The company said operating expenses rose 12.9 percent to \$685.0 million, including \$29.8 million in one-off and non-recurring costs relating to its acquisition of Oticon.

In May, Cochlear said it acquired Oticon Medical’s cochlear implant business from Copenhagen, Denmark’s Demant (BD: Apr 28, 2022, May 22, 2024).

Today, the company said research and development expenditure was up 13.1 percent to \$277.0 million or 12.4 percent of revenue, compared to the previous year’s \$244.9 million or 12.65 percent of revenue.

Cochlear said emerging markets sales were up five percent, especially in China, Brazil and Central and Eastern Europe “with declines in a number of countries including India and Argentina due to a combination of the timing of tenders and the impact of political and economic conditions”.

The company said increased implant sales had been “strongest in the senior’s segment, up 15 percent, with increasing confidence that initiatives to strengthen the referral pathway for adult cochlear implant candidates are having an impact”.

Cochlear said the children’s segment had “solid growth across the year” with more than 10 percent growth in the first half moderating in the second half to normalize across the year. Cochlear chief executive officer Dig Howitt said the company continued to target “net revenue growth of around 10 percent, with a net profit margin of around 18 percent”.

“We are targeting to get over 50,000 people hearing this year from about 47,000 this year ... and that gives us a net profit guidance of \$410 million to \$430 million, which is a six percent to 11 percent increase,” Mr Howitt said.

“Cochlear implants are the key part of our revenue, and we have seen very good growth in recent years ... and we expect that to continue, but we do see some waiting lists for audiology referrals ... and we continue to work on the technology side and clinical practice ... to streamline post-surgical appointments,” Mr Howitt said.

The company said it would pay a partly-franked dividend of \$2.10 a share for shareholders at the record date of September 18 on October 10, 2024, up 20.0 percent on the \$1.75 per share partly-franked dividend paid in the prior corresponding period.

Cochlear said diluted earnings per share rose 19.05 percent to \$5.43, with net tangible assets per share up 6.8 percent to \$21.216, and it had cash and cash equivalents of \$513.6 million at June 30, 2024 compared to \$555.5 million at June 30, 2023.

Separately, Cochlear said it had extended its on-market buy-back, intending to buy up-to \$75 million worth of its shares from August 29, 2024 to August 28, 2025.

Cochlear fell \$24.75 or 7.3 percent to \$313.00 with 573,772 shares traded.

[ONCOSIL MEDICAL](#)

Oncosil says its first commercial pancreatic cancer patient in Türkiye treated with its brachy-therapy device and chemotherapy has been resected.

Oncosil said the Istanbul-based Memorial Hospital patient was diagnosed with unresectable locally advanced pancreatic cancer and underwent treatment with its device in combination with chemotherapy.

The company said that following treatment the patient's tumor was reduced to "a size and state that made it amenable to surgical resection".

Oncosil said the "significant milestone marks a promising development in the treatment of pancreatic cancer, demonstrating the effectiveness of the ... device".

Oncosil chief executive officer Nigel Lange said the company was "thrilled to see the positive outcome from the first use of the Oncosil device in Türkiye".

"This achievement underscores the global potential of Oncosil to improve the lives of patients battling pancreatic cancer," Mr Lange said.

Oncosil was up 0.2 cents or 20 percent to 1.2 cents with 17.4 million shares traded.

[ANTEOTECH](#)

Anteotech says India's Pune, Maharashtra-based Vidcare Innovations will evaluate its Anteobind NXT for use in Vidcare's range of blood diagnostic tests.

In July, Anteotech said that Pune's Serum Institute of India Private Ltd would pay a minimum of \$US370,000 (\$A559,709) for its Anteobind vaccine tester (BD: Jul 30, 2024).

Today, the company said Vidcare provided "portable, accurate and user-friendly diagnostic tests" including Mu-sure, an in-home blood test for hypo-thyroidism which was a credit card-sized disposable chip capable of providing "accurate and immediate results with no electronics or associated equipment".

Anteotech said that Vidcare had "demonstrated in its laboratories that Anteobind NXT is highly effective at activating the particles such as those in ... Mu-sure".

The company said Vidcare would evaluate Anteobind's ability to provide higher specificity, improved costs and ease of manufacture compared to conventional chemistry, as well as its ability to reduce antibody usage.

The company said the evaluation would take four-to-six months, and Vidcare would negotiate a supply deal if successful, with a planned product launch "in early 2025".

Anteotech did not disclose the commercial terms of the agreement.

Anteotech was up 0.1 cents or 5.3 percent to two cents with 17.1 million shares traded.

[FIREBRICK PHARMA](#)

Firebrick says it will sell Nasodine in the Philippines, after amending a deal with its Philippines marketing partner SV More Pharma to allow for local manufacture.

Firebrick said the 10-year deal followed Philippines Food and Drug Administration (PFDA) approval to classify Nasodine as "a nasal disinfectant spray for the nasal passages" and would allow the Iloilo City, Philippines' SV More Pharma Corp to manufacture the spray.

The company said that SV More Pharma's local manufacturer Hizon Laboratories would manufacture the product and submit a manufacturing dossier to the PFDA, but that no clinical efficacy studies would need to be submitted for approval.

Firebrick said the deal included a 20 percent fee on the manufacturer's cost of goods for each unit sold and a \$1.80 fee for each unit sold, with the amended agreement to expire in August, 2034 with an option for SV More Pharma to extend for five-year terms.

Firebrick was up 0.3 cents or 5.45 percent to 5.8 cents.

PYC THERAPEUTICS

PYC says it has ethics approval for a nine-patient, single-ascending dose study of PYC-001 for the blinding-eye disease autosomal dominant optic atrophy (ADOA).

Last year, PYC said that in-vitro and in-vivo data supported human trials of PYC-001; and later, said a single 16 microgram (16µg) dose was shown to be safe and effective in non-human primate and patient-derived studies (BD: Apr 3, Oct 4, 2023).

In May, the company said PYC-001 for autosomal dominant optic atrophy had “a suitable safety profile” at 3.0µg, 10µg and 30µg, in non-human primates, and that it could begin human trials (BD: May 14, 2024).

Today, PYC said the open-label study at two Australian sites would recruit patients over the age of 18, with three cohorts of three patients receiving 3.0µg, 10µg and 30µg, respectively and a primary endpoint of treatment emergent adverse events and treatment emergent serious adverse events, with other endpoints including efficacy.

PYC said it expected to begin dosing to begin by October 2024, with results to inform the design of a registrational study expected for 2026.

PYC fell half a cent or 4.8 percent to 10 cents with 3.7 million shares traded.

GENETIC TECHNOLOGIES

Genetic Technologies says it has launched its portfolio of Genetype risk assessment tests on its Easy DNA online marketplace, active in 42 countries.

Genetic Technologies said it launched its Easy DNA platform 17 years ago, and its product range included paternity testing, animal health, general consumer health and wellness, with the initial focus for Genetype to be in English-speaking territories, and it expected the launch to reduce its monthly cash burn from \$800,000 to “under \$200,000”.

Genetic Technologies was up 0.2 cents or 4.9 percent to 4.3 cents.

ARGENT BIOPHARMA (FORMERLY MGC PHARMA)

Argent says it will delist from the ASX on September 23, 2024 due to lack of liquidity, fundraising difficulties and costs, but will remain on the London Stock Exchange.

In 2021, the-then MGC said it opened on the London Stock Exchange following a GBP6.5 million (\$A12.4 million) ‘oversubscribed’ placement at 1.475 British pence (2.86 Australian cents), closed at 2.38 pence, and later fell to less than 0.25 of a penny (BD: Feb 4, 2021).

Last year, the then MGC said its extraordinary general meeting approved a 1,000-to-one consolidation, taking its then 0.02 cents share price to 20 cents (BD: Oct 26, 2023).

Today, the company said it would vote on the delisting at an extraordinary general meeting on September 18, 2024, and once approved, would suspend trading immediately. Argent fell 12 cents or 42.1 percent to 16.5 cents.

ONCOSIL MEDICAL

Sarah Cameron says her shareholding in Oncosil has been diluted below the five percent substantial threshold due to a placement on July 26, 2025.

In May, the Melbourne-based Ms Cameron and Ardroy Securities said they held 184,776,034 shares (5.6%) (BD: May 20, 2024).

In July, Oncosil said it had raised \$2.7 million at 0.7 cents a share (BD: Jul 25, 2024).

According to its most recent filing, Oncosil had 3,784,023,866 shares on offer, meaning that Ms Cameron’s 184,776,034 share-holding amounted to about 4.88 percent of the company.

ALLEGRA MEDICAL TECHNOLOGIES

Allegra director Dr Nicholas Hartnell says he has increased his substantial shareholding from 102,843,318 shares (85.98%) to 104,859,604 shares (87.67%).

In May, Allegra said Allegra Innovations, a related party of director Dr Hartnell, would pay 0.4 cents a share in a cash bid, valuing it at \$478,444 (BD: May 27, 2024).

Earlier this week, the company said Allegra Innovations Pty Ltd held 80.6 percent of the company, with shareholders who had accepted the offer to be paid within 10 days of acceptance (BD: Aug 12, 2024).

Today, the Bowral, New South Wales-based Dr Hartnell said that with Robinwood and Allegra Innovations he acquired the shares "as a result of acceptances of takeover offers made by [Allegra Innovations] dated June 20, 2024".

Allegra was in a suspension and last traded at 2.9 cents.

CANN GROUP

Cann says chief financial officer and joint company secretary Tony Di Pietro has resigned, with David Hine appointed head of finance, effective from today.

Cann said Mr Di Pietro's departure had "been mutually agreed upon" since managing-director Jenni Pilcher's permanent appointment and her prior chief financial officer experience resulted "in overlapping competencies", as well as its "need to tightly manage expenditure".

In January, the company said it had appointed Tony Di Pietro chief financial officer and joint company secretary, replacing Deborah Ambrosini, effective from April 8, 2024 (BD: Jan 21, 2024).

Last month, Cann said it had appointed executive director Ms Pilcher as its permanent managing-director and chief executive officer (BD: Jul 16, 2024).

Today, the company said Mr Hine had worked at Pricewaterhousecoopers and had worked in finance roles at ASX-listed and private companies.

Cann was up 0.1 cents or 3.1 percent to 3.3 cents.

AUSBIOTECH

Ausbiotech says it will hold its Victoria Bio-Cheers networking event at La Trobe University's Bundoora, Melbourne campus on September 12, 2024.

Ausbiotech said guests would be able to meet its Victoria state committee members and provide "an opportunity to catch up with friends and colleagues, share ideas, build relationships and make new contacts in Victoria's vibrant biotechnology community".

The industry organization said optional tours of the La Trobe Institute for Molecular Science or Bio Innovation Hub would start at 4.15pm and a networking function would follow from 5.30pm to 7.30pm.

Registration is free for members, or \$90 for non-members. For information and to register, go to: <https://www.ausbiotech.org/events/event/vic-biocheers-september-2024>.