

# Anteo Diagnostics

**Pharma & biotech**
**19 December 2013**

## A\$8m cash with revenue growth

Anteo has raised A\$5.5m, issuing 44m shares at 12.5c per share (a 19% discount). This increased cash to A\$8m. The funding follows the important collaborative agreement with BBI Solutions to investigate the potential benefits of Mix&Go in point-of-care diagnostic tests. The BBI project is progressing well, with transfer of some material to BBI planned for early in 2014 to allow collaborative work to commence. A successful BBI project during 2014 could lead to a major commercial agreement.

### Mix&Go: Surface coating technology

Mix&Go is a proprietary family of metal coordination complexes. Through its Bio-Layer subsidiary, Anteo has optimised a chromium formulation to bind the tails of antibodies irreversibly to synthetic surfaces, including nanoparticles. This means the antibody arms, which specifically bind to the test substance to detect it, are free, which can improve the test's sensitivity. The technology is covered by granted patents in the US, Europe, Japan and Australia. Anteo saw considerable interest in Mix&Go at the November MEDICA trade fair – the global showcase for diagnostics.

### Patents and funding to extend Mix&Go scope

Advantages of using Mix&Go purportedly include simplicity, as well as faster assays with greater sensitivity and improved dynamic range and reduced production costs. Two new patents filed in August 2013 could allow expansion into bioseparations, drug screening, drug delivery and non-health care applications. The new funds will support product development and commercialisation and new business creation.

### BBI project: Next generation lateral flow platform

BBI Solutions (part of the global Alere group) is a leading player in immunoassay development and manufacturing services. It provides an extensive portfolio of products and technologies to the global diagnostic and pharmaceutical markets. The project with Anteo evaluates Mix&Go with the nanoparticles and lateral flow technology used in the development of point-of-care tests.

### Valuation: EV reflects deal expectations

The placing increases cash to A\$8m and gives Anteo an EV of A\$114m. The value reflects the market view of the potential of the Mix&Go chemistry linked to BBI's strong presence in point-of-care tests. It shows Anteo's ability to conduct deals that may lead it to profitability following successful commercialisation.

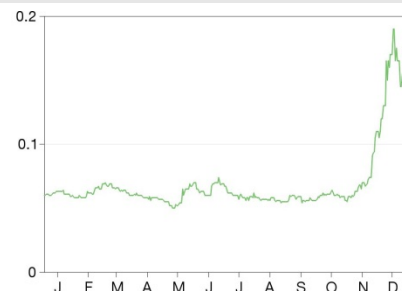
#### Financial history

Year end	Revenue (A\$m)	PBT (A\$m)	EPS (\$)	DPS (\$)	P/E (x)	Yield (%)
06/10	0.1	(2.3)	(0.6)	0.0	N/A	N/A
06/11	0.1	(2.2)	(0.3)	0.0	N/A	N/A
06/12	0.1	(2.4)	(0.3)	0.0	N/A	N/A
06/13	0.2	(2.2)	(0.3)	0.0	N/A	N/A

Source: Company accounts

**Price** **A\$0.15**  
**Market cap** **A\$122m**

#### Share price graph



#### Share details

Code **ADO**  
 Listing **ASX**  
 Shares in issue **814.4m**

#### Business description

Anteo Diagnostics is an ASX-listed company focused on the development and commercialisation of proprietary 'molecular glue' coatings for applications in the diagnostics, biotech and pharmaceutical industries.

#### Bull

- Proprietary Mix&Go platform technology with specialist 'glues' for different applications.
- Existing distribution deals with Gennova (Spain) and One World Lab (San Diego).
- Feasibility studies underway with major diagnostic and life science companies.

#### Bear

- Commercial development depends on successful licensing deals with many clients.
- High burn rate relative to cash but offset by A\$2m government R&D incentives.
- Threat of new technologies.

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