

COMPANY PROFILE

BELL POTTER

Starpharma Holdings Limited

GICS - Pharm/Biotech

ASX Code: SPL

Price: \$0.135

12 Mth Target Price: \$0.95

Rating: Buy

Business Summary

Starpharma Holdings Limited (SPL) is a biotechnology company that engages in the development of dendrimer products for pharmaceutical, life science and other applications. SPL's underlying technology is built around dendrimers, a type of synthetic nanoscale polymer that is highly regular in size and structure and well suited to pharmaceutical uses. SPL has two core development programs: VivaGel portfolio and DEP drug delivery.

VivaGel: VivaGel is an innovative technology being applied to a range of sexual/women's health products by Starpharma and its partners, including: VivaGel condom, VivaGel for treatment & prevention of bacterial vaginosis (BV) and VivaGel for the prevention of sexually transmitted infections (STIs). VivaGel (SPL7013, or astodimer sodium) is antiviral and blocks bacteria. VivaGel formulated as a mucoadhesive gel and delivered vaginally relieve the signs and symptoms of bacterial vaginosis (BV), and reduce risk of recurrence of BV.

Dendrimer Drug Delivery (DEP): Starpharma's dendrimers is used to enhance the properties of other drugs. The approach is known as "drug delivery" because it is about working to ensure that the drug is delivered to the right part of the body at the right time. Starpharma's dendrimer drug delivery technology is known as DEP. Starpharma has three internal DEP products -DEP docetaxel, DEP cabazitaxel and DEP irinotecan - in clinical development in patients with solid tumours.

Latest Research

Q1FY23: Good clinical and partnership progress

SPL remains in a good financial position with a cash balance of \$42.3 million as at 30 September 2022 and the company is expecting an additional \$7m from the Government's R&D tax incentive in the next few months.

For more information see full research report 2 Nov 2022.

Snapshot

Date	29 April 2024
Market Cap.	\$56m
Shares on issue	412.0m
12 Month High	\$0.51
12 Month Low	\$0.12

Rating

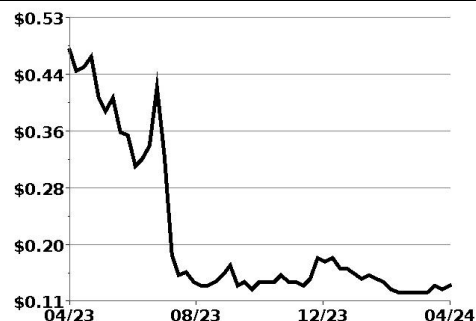
Rating	Buy
12 Mth Target Price	\$0.95
Capital Gain	603.7%
Gross Yield	NA%
Implied Total Return	603.7%

Investment Fundamentals

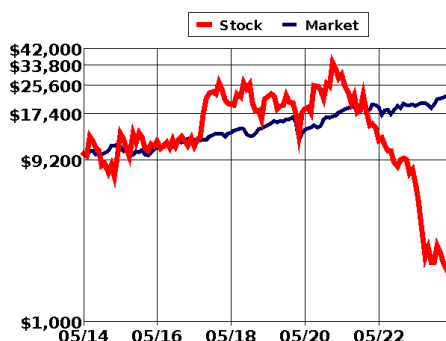
FYE 30 Jun		2023A	2024F	2025F	2026F
Profit	\$m	-8.1	-17.2	-15.3	0.0
Profit (norm)*	\$m	-8.1	-17.2	-15.3	0.0
EPS*	¢	-2.0	-4.2	-3.7	0.0
EPS Growth	%	0.0	0.0	0.0	0.0
P/E*	x	0.0	0.0	0.0	0.0
P/E Relative	%	0.0	0.0	0.0	0.0
DPS	¢	0.0	0.0	0.0	0.0
Yield	%	0.0	0.0	0.0	0.0
Franking	%	0.0	0.0	0.0	0.0

* Adjusted for goodwill and unusual items
Source: Based on Bell Potter estimates

Share Price Chart



Total Return on \$10,000 Investment



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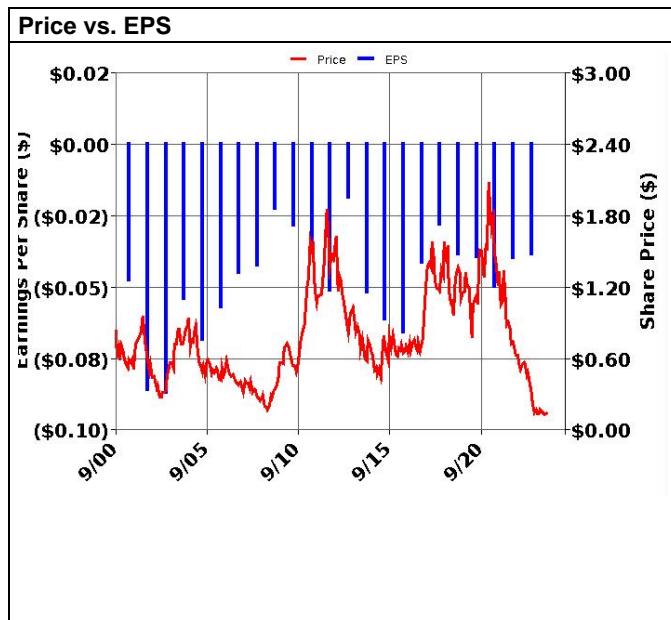
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Profit & Loss (\$000)					
	2019A	2020A	2021A	2022A	2023A
Sales Revenue	1,651	6,033	1,798	4,682	2,939
Total Revenue ex. Int.	1,663	6,592	3,134	4,945	3,074
EBITDA	-15,013	-14,290	-19,151	-15,293	-15,713
Depreciation & Amort.	-298	-911	-934	-1,078	-1,194
Goodwill Amortisation	--	--	--	--	--
EBIT	-15,311	-15,201	-20,085	-16,371	-16,907
Net Interest	1,057	523	353	217	1,269
Profit Before Tax	-14,254	-14,678	-19,732	-16,154	-15,638
Income Tax	--	--	--	--	--
Outside Equity Int.	--	--	--	--	--
Profit after Tax	-14,254	-14,678	-19,732	-16,154	-15,638
Significant Items after Tax	--	--	--	--	--
Reported Profit after Tax	-14,254	-14,678	-19,732	-16,154	-15,638
Preferred Dividends	--	--	--	--	--

Cash Flow (\$000)					
	2019A	2020A	2021A	2022A	2023A
Receipts from Customers	2,807	7,229	2,436	4,846	10,231
Funds from Operations	-15,437	-16,520	-22,216	-21,446	-14,450
Net Operating Cashflow	-10,344	-10,776	-14,808	-13,162	-13,533
Capex	-314	-125	-246	-837	-621
Acquisitions & Investments	--	--	--	--	--
Sale of Invest. & Subsid.	8	--	--	1	11
Net Investing Cashflow	-306	-125	-246	-836	-610
Proceeds from Issues	--	--	48,862	--	--
Dividends Paid	--	--	--	--	--
Net Financing Cashflow	-26	-584	46,303	3,228	-695
Net Increase Cash	-10,676	-11,485	31,249	-10,770	-14,838
Cash at Beginning	51,319	41,251	30,054	60,500	49,918
Exchange Rate Adjust.	608	288	-803	188	100
Cash at End	41,251	30,054	60,500	49,918	35,180

Ratios and Substantial Shareholders					
	2019A	2020A	2021A	2022A	2023A
Profitability Ratios					
EBITDA Margin %	-909.33	-236.86	-1,065	-326.63	-534.64
EBIT Margin %	-927.38	-251.96	-1,117	-349.66	-575.26
Net Profit Margin %	-863.36	-243.30	-1,097	-345.02	-532.09
Return on Equity %	-33.62	-46.86	-31.67	-33.38	-44.92
Return on Assets %	-29.17	-37.56	-26.94	-24.41	-30.02
Debt/Safety Ratios					
Net Debt/Equity %	-97.24	-90.91	-95.24	-86.23	-77.29
Interest Cover x	14.49	29.07	56.90	75.44	13.32
Top 5 Substantial Shareholders					
Allianz SE and the entities					11.8%
Allan Gray Australia Pty Ltd					11.7%
ICM Investment Management Ltd					5.2%

Balance Sheet (\$000)					
	2019A	2020A	2021A	2022A	2023A
Cash & Equivalent	41,251	30,054	60,500	49,918	35,180
Receivables	6,080	6,087	8,439	7,836	8,235
Inventories	399	494	1,721	2,824	2,773
Other Current Assets	79	41	95	80	934
Current Assets	47,809	36,676	70,755	60,658	47,122
Prop. Plant & Equipment	1,050	2,402	2,483	5,517	4,964
Intangibles	--	--	--	--	--
Other Non-Current Assets	79	41	95	80	934
Non-Current Assets	1,050	2,402	2,483	5,517	4,964
Total Assets	48,859	39,078	73,238	66,175	52,086
Interest Bearing Debt	26	1,574	1,167	8,189	8,272
Other Liabilities	6,438	6,178	9,771	9,593	8,999
Total Liabilities	6,464	7,752	10,938	17,782	17,271
Net Assets	42,395	31,326	62,300	48,393	34,815
Share Capital	193,621	193,661	240,630	240,669	240,715
Reserves	16,775	20,340	24,077	26,285	28,299
Retained Earnings	-168,001	-182,675	-202,407	-218,561	-234,199
Outside Equity Int.	--	--	--	--	--
Total Shareholders Equity	42,395	31,326	62,300	48,393	34,815



Principals & Directors	
Principals	
Company Secretary	Mr Justin Cahill
Directors	
Mr Robert Bain Thomas(Non-Executive Director,Non-Executive Chairman)	
Ms Cheryl Ann Maley(Chief Executive Officer,Managing Director)	
Mr David McIntyre(Non-Executive Director)	
Ms Lynda Cheng(Non-Executive Director)	
Dr Jeff Davies(Non-Executive Director)	
Dr Russell Basser(Non-Executive Director)	

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