Kazia Therapeutics

Clinical results update

Ambiguity in GBM but pipeline still busy

Pharma and biotech

Kazia Therapeutics has reported that the company's lead asset paxalisib (PI3K/mTOR inhibitor) has not graduated to Stage 2 of the Phase III GBM AGILE study in glioblastoma multiforme (GBM), as advised by the study sponsors (Global Coalition for Adaptive Research, GCAR). The study is still fully blinded and therefore we cannot draw definitive conclusions from this news. Full survival and response data from GBM AGILE (expected H2 CY23) may still form the basis for FDA approval, however we expect the likelihood of approval to have been affected. Despite this, GBM is not the only indication in Kazia's pipeline. Encouraging data in brain metastases (BMs) and a series of rare disease designations in childhood brain cancers provide support for paxalisib's utility in other indications. Considering this development, we reduce our valuation of Kazia Therapeutics to US$151.3m or US$10.86 per basic ADR, from US$294m or US$22.28 per basic ADR previously.

Year end	Revenue (US$m)	PTP* (US$m)	EPADR* (US$)	DPADR (US$)	P/E (x)	Gross yield (%)
06/20	0.8	(7.8)	(1.04)	0.0	N/A	N/A
06/21	11.0	(3.2)	(0.26)	0.0	N/A	N/A
06/22e	0.0	(17.2)	(1.30)	0.0	N/A	N/A
06/23e	0.0	(19.9)	(1.39)	0.0	N/A	N/A

Note: *Converted at A$1.44/US$. Dividend yield excludes withholding tax. Investors should consult their tax advisor regarding the application of any domestic and foreign tax laws.

GBM not the only indication

The GBM AGILE news is disappointing for Kazia, however the company has a solid development program for paxalisib in multiple indications. Investigator-led trials in rare childhood brain cancers, primary CNS lymphoma and BMs will offer a constant flow of news over the coming years. We expect data from these studies and the final GBM readout in H2 CY23 will define the company's strategy moving forward.

Encouraging early data in BMs

Investigators from the Memorial Sloan Kettering Cancer Center (MSK) will present Interim Phase I data for paxalisib in the treatment of BMs at the Society for Neuro-oncology – American Society of Clinical Oncology (SNO-ASCO) brain metastases conference on 12th August 2022. The abstract to this oral presentation shows good safety data and a 100% three-month response rate, albeit as interim results and in a small patient group (n=9). However, we see this as an encouraging result for paxalisib in this large indication.

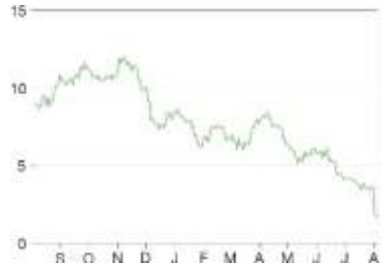
Valuation: US$151.3m or US$10.86 per basic ADR

We value Kazia Therapeutics at US$151.3m or US$10.86 per basic ADR, previously US$294m or US$22.28 per basic ADR. Our valuation decrease comes from a reduced probability of success for paxalisib in GBM to 20% from 35% and a reduced peak market penetration of 15% (previously 25%). Kazia reported net cash of US$7.6m (A$5.3m) at end-June 2022, which we estimate will fund it into Q4 CY22.

8 August 2022

Price	**$1.86**
Market cap	**$26m**
ADR/Ord conversion ratio	1:10
Net cash (US$m) at end-June 2022	5.3
ADRs in issue	13.93m
ADR code	KZIA
ADR exchange	Nasdaq
Underlying exchange	ASX
Depository	BNY

ADR share price performance



52-week high/low	$12.00	$1.76

Business description

Kazia Therapeutics is a late-stage clinical pharmaceutical company with lead asset paxalisib (a PI3K inhibitor that can cross the blood-brain barrier, licensed from Genentech) in a pivotal study for GBM and in early-stage studies in childhood brain cancers, DIPG and AT/RT. The other asset is the Phase I drug EVT801, an inhibitor of VEGFR3.

Next events

FY22 report	End-August 2022
Phase III GBM AGILE top-line data	H2 CY23

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GBM AGILE potentially set bar high

In July 2022, Kazia Therapeutics announced that the study sponsors (GCAR) of the Phase III GBM AGILE study had advised the company that the paxalisib arm of the trial had completed recruitment but did not meet pre-defined criteria for continuing to the second stage. As a reminder, the GBM AGILE study (NCT03970447) is an adaptive platform trial split into two stages. Stage 1 is a randomised screening stage consisting of c 150 patients in which participating drugs are evaluated against a common control. If the therapy displays satisfactory safety, recruits the full patient sample size and hits a pre-defined efficacy threshold, then it will be graduated to Stage 2. This would be an expansion cohort consisting of c 50 additional patients, evaluating the primary endpoint of overall survival (OS) in active and control patients.

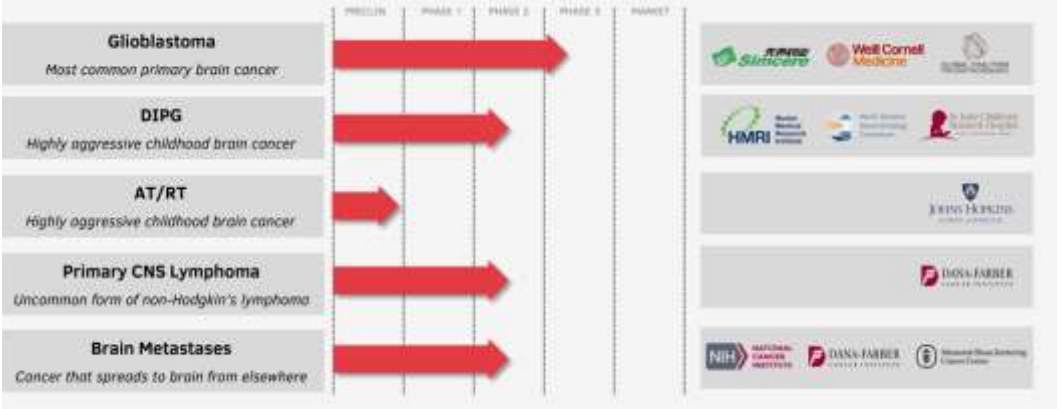
As paxalisib has been shown in prior studies to possess a good safety profile, we expect that the drug failed to reach the pre-defined efficacy threshold for graduation to Stage 2. However, patients already enrolled, which we expect to be c 150 patients, will continue in Stage 1 until the trial ends, with final survival and response data expected in H2CY23. We note that as the trial is still fully blinded and the degree to which paxalisib has missed the efficacy threshold will not be known until completion of the final analysis, we are unable to draw definitive results currently.

The graduation decision from Stage 1 to Stage 2 is centred on a complex algorithm using probabilities of OS superiority over the control arm based on a variety of different biomarker signatures, which we expect sets a high bar for graduation. Once the paxalisib data is fully analysed, Kazia will have randomised data from c 300 patients (c 150 within paxalisib arm, c 150 control) including c 12 month follow up data, which should add considerable statistical power to the results. If response and survival data are still clinically meaningful, it is possible that the company may have the data necessary to gain approval from the FDA, given the significant unmet medical need in GBM. Given the recent news, we expect that if approved, the breadth of paxalisib's approval may be affected or may be granted on conditional basis, with further Phase III randomised data needed for full approval.

Paxalisib development not only GBM

While it is Kazia's most clinical advanced trial, the Phase III GBM AGILE study represents only a part of management's development strategy for paxalisib (Exhibit 1). By leveraging its network of expert investigators, the company is investigating paxalisib's use in various brain cancer indications in six active clinical trials (including GBM AGILE). Separate to the Phase III GBM AGILE study, Kazia is conducting a Phase II trial (NCT03522298) evaluating the safety, pharmacokinetics and efficacy of paxalisib in newly diagnosed GBM. The study is now in the follow-up stage, after demonstrating a progression free survival (PFS) of 8.6 months (vs temozolomide 5.3 months) and an overall survival (OS) of 15.9 months (vs temozolomide 12.7). We note that this study was not a double-blinded randomised trial and the comparison data for temozolomide is from different studies, limiting its comparability. Despite this, given the significant unmet medical need in GBM, these results could support paxalisib's approval, in our view, if the GBM AGILE findings are seen as positive. The company is also conducting a Phase II study in primary CNS lymphomas (NCT04906096), led by investigations at the Dana-Farber Cancer Institute, which began enrolment in late 2021.

Exhibit 1: Kazia Therapeutics paxalisib development pipeline



Source: Kazia Therapeutics company presentation June 2022

More recently, Kazia has focused on the use of paxalisib in rare pediatric cancers. As such, two studies in diffuse intrinsic pontine glioma (DIPG) are underway. The first, a Phase I study (NCT03696355) led by investigators at the St Jude Children's Research Hospital, is evaluating paxalisib's safety and efficacy in newly diagnosed DIPG patients after radiotherapy. We expect final data from this by end-CY23. The second, a Phase II trial (NCT05009992) led by investigators at the Pacific Pediatric Neuro-Oncology Consortium, is investigating paxalisib in combination with ONC201, again in newly diagnosed DIPG patients after radiotherapy. We expect interim data from this study in CY23. In addition, the company is considering a Phase I clinical trial in another rare childhood brain cancer, atypical teratoid/rhabdoid tumors (AT/RT), following encouraging preclinical data. Kazia has received a rare pediatric disease designation and orphan drug designation (ODD) for paxalisib in AT/RT and in DIPG, offering considerable potential benefits if paxalisib is approved in these indications. For more detail on Kazia's childhood brain cancer program, see our recent Deep dive into childhood brain cancer.

Paxalisib shows promise in BMs

Kazia Therapeutics is also investigating paxalisib's utility in the treatment of BMs. At the Society for Neuro-oncology – American Society of Clinical Oncology (SNO-ASCO) brain metastases conference in August 2022, investigators from the MSK will report interim data from a Phase I trial (NCT04192981) of paxalisib in combination with whole-brain radiotherapy (WBRT), for the treatment of patients with solid tumor BMs or leptomeningeal metastases harboring PI3K pathway mutations. The abstract for the oral presentation shows that, at the time of analysis (January 2022), the MTD of paxalisib had been determined at 45mg/day (the lowest planned dose), completing part A of the study. Encouragingly, robust responses were observed in all evaluable patients (n=9, out of 12 enrolled), resulting in a 100% overall response rate within three months of the protocol therapy. We believe this is a positive result for Kazia, however we add the caveat that the reported data are based on a small sample set and therefore care must be taken when interpreting the results.

The investigator-led study was a single-arm, open-label trial, aiming to identify the MTD of paxalisib (doses at 45mg, 60mg and 75mg daily), using a 3+3 dose escalation design. The trial calls for patients (estimated total enrolment n=24) to receive paxalisib in combination with WBRT (30Gy in 10 fractions) over a two-week period. Now that the MTD has been determined at 45mg/day, an additional 12 patients will be enrolled in the part B expansion cohort. We expect top-line data from the study to be communicated in early CY23. Another investigator-led Phase II study of paxalisib in BM is currently underway.

As part of the company's development program, two separate Phase II trials, investigating the use of paxalisib in the treatment of BM are also underway. One (NCT03994796), led by investigators from the Alliance for Clinical Trial in Oncology is investigating the use of genetic testing to guide treatment for patients with BM (PI3K-mutant participants treated with paxalisib monotherapy) and will measure objective intracranial response rates. Participants may have already failed prior radiotherapy. The second (NCT03765983), led by investigators at the Dana-Farber Cancer Institute, is investigating paxalisib in combination with trastuzumab (HER2 antibody) in the treatment of patients with HER2-positive breast cancer brain metastases.

BMs are common

BM occurs when cancerous cells from a primary tumor enter a patient's blood stream and settle in the brain tissue, forming a new secondary tumor. It is estimated by the clinical community that c 20% of patients with cancer will develop a BM, but this figure could be much higher as those not displaying neurological symptoms are unlikely to be screened for the condition. Indeed, autopsy studies indicate that the incidence may be as high as 40%. BM is commonly associated with highly prevalent types of cancer, including lung, breast, melanoma, renal and colorectal (Exhibit 1). Notably, BM is diagnosed at a high rate in individuals with lung or breast cancer, two indications with large global patient populations (global lung cancer cases in 2020 were c 2.2 million, breast cancer c 2.3 million).

Exhibit 2: BM prevalence by cancer type (2021 US, estimated)

Cancer type	2021 US new cases (estimated)	Estimated BM prevalence	Estimated BM cases 2021 (000s)
Lung	235,760	20–56%	47–132
Breast	284,200	5–20%	14–57
Melanoma	106,110	7–16%	7–17
Renal cell carcinoma	76,080	3–17%	2–13
Colorectal	149,500	2.3%	3.5
Total	**851,650**	**8–12%**	**73.5–103.5**

Source: Edison Investment Research, Cancer Statistics 2021, Siegel ,2021, A Cancer Journal for Clinicians, J Kidney Cancer VHL. 2022; 9(2): 7–12. 2022 Apr 18. doi: 10.15586/jkcvhl.v9i2.219

Development of BM is known to be affected by various factors, including age, sex, race, cancer molecular subtype, tumor source and tumor stage. However, despite advances in identifying high-risk patients, the clinical value of these prognostic factors has not been verified. The prognosis for patients with BM is often poor. Evidence suggests that, if left untreated, median survival for BM patients is only one month and, even with treatment, survival beyond six months is unlikely.

The PI3K/mTOR pathway is a BM driver

BM begins when primary tumor cells undergo a process called epithelial-mesenchymal transition (EMT). Essentially, EMT allows cells to detach from basal membranes and become more mobile, entering the bloodstream and eventually settling in the brain. Many of the cellular processes that lead to EMT are controlled by the PI3K/mTOR pathway, paxalisib's target. In addition, aberrations in the PI3K/mTOR pathway can lead to angiogenesis and immune modulation, the combination of which (together with EMT) creates a supportive environment for metastases to form and grow. Mutations affecting this pathway are frequently observed in BM, with one study reporting that 43% of enrolled BM patients had at least one PI3K pathway mutation. Importantly, mutations in the PI3K pathway have been observed in BM independent of primary tumor histology, indicating that distinct therapeutics may be needed to treat BM separately from the originating tumor. Considering this evidence, we believe paxalisib may be well suited to address BM in the subset of patients harboring PI3K/mTOR pathway aberrations.

Radiotherapy a mainstay of BM treatment

Surgical resection is the first line of treatment for patients diagnosed with BM. However, its use is limited due to the risk of neurological defects, infection, bleeding and the inaccessible nature of many brain tumors. Despite recent advances in neurosurgery and targeted drug and immunotherapy development, radiotherapy continues to form the basis of many BM treatment regimens. WBRT is a radiological intervention that, as the name suggest, involves applying radiation to the whole brain to kill tumor cells. Another option is the use of stereotactic radiosurgery (SRS), a focused method capable of delivering high doses of radiation to tumor cells with precision. Treatment for patients with BM often includes a mix of surgery, WBRT, SRS and chemotherapy.

The recent Phase I trial is investigating paxalisib in combination with WBRT, which is the most commonly used radiotherapy in patients with BM as it can be initiated quickly, is widely available and can provide palliative relief for patients. It is estimated that c 200,000 patients receive WBRT in the United States every year for the treatment of BM. As an adjuvant post-SRS, multiple studies have shown that WBRT increases the control rate of tumors and decreases the risk of new metastases. However, this seemingly positive effect is not associated with increased overall survival compared to radiosurgery alone. An important consideration for clinicians prescribing WBRT is the procedure's neurological toxicity. Cognitive decline is often associated with treatment regimens including WBRT, with particularly pronounced effects on episodic memory having been observed. Randomized clinical trials have demonstrated worsened neurological function and cognitive decline after WBRT. For example, a Phase III trial (NCT00377156) investigating the use of SRS with and without WBRT showed that 91.7% of patients who received WBRT experienced cognitive deterioration compared with SRS alone (63.5%). Clinical data also suggest that WBRT can have a significant effect on patient quality of life (QOL). Given the clinical data available, we believe that paxalisib could potentially improve response rates and/or increase overall survival compared to WBRT alone. The demonstration of any potential benefits in safety and patient QOL will be important, in our view.

Due to potential cognitive deterioration and neurotoxicity, US and European guidelines now recommend against the use of WBRT in patients with limited BMs who have already received SRS. Accordingly, SRS is growing in popularity as a method of treatment among clinicians and patients. Randomized clinical data support a less severe neurological side effect profile with SRS alone, although disease control is accepted as better with WBRT. Hence a decision on which radiotherapy regimen to pursue will be based on a multitude of factors, including the number of BM, patient QOL and cancer histology. We anticipate that Kazia may choose to expand paxalisib's development to investigate combinations with SRS and surgery in patients with defined numbers of BM if clinical results continue to be positive. In our view, this would maximize paxalisib's commercial potential in BM, if approved.

Targeted therapies trump traditional chemotherapy

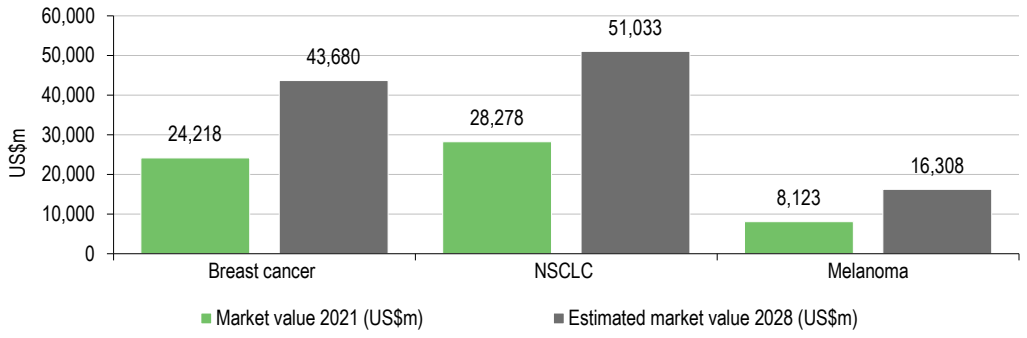
Conventional cytotoxic chemotherapies generally lack the ability to cross the blood-brain barrier (BBB) and therefore have limited utility in the treatment of BM. Historically, patients with BM were excluded from many clinical trials, which meant that data on the effectiveness of many drugs in this indication were scarce. However, modern advances in targeted therapies and immunotherapies have expanded the role of systemic therapy in the treatment of BM, as many of these drugs can cross the BBB. In particular, next-generation tyrosine kinase inhibitors (TKIs), for example erlotinib and Osimertinib, and immune checkpoint inhibitors (ICIs), for example a nivolumab/ipilimumab combination, have shown promise in the field. We note however, that many of these TKIs/ICIs are already approved for the treatment of the primary cancer and have not been studied in combination with WBRT/SRS, so data may not be directly comparable to the recent paxalisib results in BMs.

Market potential for paxalisib in BM

Despite the promising clinical data displayed in various TKIs and immunotherapies, guidelines warn against delaying radiotherapy for systemic treatment because of the poor prognosis of patients with BM. In specific cases, off-label use of TKIs and ICIs is occasionally recommended to treat BM. For instance, ASCO, SNO and American Society of Radiation Oncology (ASTRO) guidelines recommend that osimertinib, alectinib or pembrolizumab (anti-PD-L1 antibody) may be offered to EGFR-mutant, ALK-rearranged or PD-L1-high NSCLC patients, respectively, despite the fact that none of these drugs is approved to treat BM. Considering the poor prognosis for BM patients, the potentially debilitating side effects of mainstay radiotherapies and lack of specifically approved therapeutics, we see this as an area of significant unmet medical need.

Given the high rate of BM observed in large market indications (breast cancer, NSCLC, melanoma – see Exhibit 3), we believe there is considerable potential for paxalisib in the treatment of BM. For example, EvaluatePharma expects the market for NSCLC drugs to grow to US$51bn by 2028. Assuming 20% (lower end of estimates) of patients develop BM, this represents a potential market value of c US$10bn in NSCLC alone. Kazia's development strategy continues to focus on the treatment of less prevalent cancers in adults and children. However, if future data readouts confirm paxalisib's utility in BM, we expect that Kazia may reassess its strategic focus. In our view, considering the relative stages of development, a shift in strategy is unlikely to affect current clinical programs.

Exhibit 3: Market size and growth of high BM prevalence indications



Source: EvaluatePharma, Edison Investment Research

Maximizing paxalisib's utility in BM

Considering the clear unmet medical need for systemic treatments, the considerable patient populations affected and the encouraging clinical data recently presented on paxalisib, we believe there is a significant potential opportunity for paxalisib's use in BM. However, to maximize the potential medical and commercial impact of paxalisib in this setting, we believe the company should focus on the following:

- **Gathering data on paxalisib's use in combination with SRS, with or without WBRT**. If paxalisib can demonstrate improved response rates and/or survival in combination with SRS, the advantages in neurotoxicity compared to WBRT could offer significant benefits to patients.
- **Patient safety and QOL data**. WBRT has been shown to have an impact on patient QOL through debilitating neurological toxicities but offers advantages in intracranial responses compared to SRS alone. Any improvements in patient safety and QOL seen with the paxalisib/WBRT combination will be valuable. The combination of SRS and paxalisib will be an important avenue of investigation, in our view.
- **Combination data with TKI/ICIs.** Responses in patients where BM presents PI3K mutations absent in primary tumors will be especially interesting here. Essentially, it could offer the

possibility of treating the BM and primary tumor 'separately'. We note that given the high unmet need for BM-specific treatments, randomized data may not be necessary for the conditional approval of paxalisib in this indication.

Financials and valuation

We value Kazia Therapeutics at US$151.3m or US$10.86 per basic ADR, previously US$294m or US$22.28 per basic ADR. A breakdown of our valuation is presented in Exhibit 4. Considering the recent news from the Phase III GMB AGILE study, we have adjusted the probability of success for paxalisib in GMB to 20% from 35%. We believe 20% is justified as the results are still blinded and we expect the bar for success for graduation to Stage 2 was set high. We have also adjusted our peak market penetration estimate to 15% from 25% as we expect the GBM AGILE result will likely affect the extent of paxalisib's approval. With these changes we now expect peak sales for paxalisib in GBM of US$270m, previously US$450, and a risk-adjusted NPV of US$85.6m. Our remaining valuation assumptions are unchanged (for detail, see our recent update).

Exhibit 4: Kazia Therapeutics valuation breakdown

Development Program	Indication	Clinical stage	Prob. of success	Launch year	Patent/Exclusivity Protection	Launch Pricing ($/course)	Peak sales (US$m)	rNPV (US$m)
Paxalisib	GBM	Phase II/III	20%	2025	2037	169,000	270	85.63
	BCBMs	Phase II	5%	2029	2037	183,000	249	6.31
Cantrixil	OC	Phase I complete	15%	2027	2040	124,000	174	7.88
EVT801	RCC	Phase I	10%	2028	2037	120,000	807	46.17
Total								**145.99**
Net cash and equivalents (end-June 2023) (US$m)								5.33
Total firm value (US$m)								**151.33**
Total basic ADRs (m)								13.9
Value per basic ADR (US$)								**10.86**

Source: Edison Investment Research

Kazia reported net cash of US$11.0m (A$15.2m) at end December 2021, which we estimate will fund it into October 2022. In the company's appendix 4C statement, management reported gross cash of A$7.36m (US$5.33m) at end-June 2022 and a Q422 operating cash burn rate of A$6.5m. We expect that Kazia will need to seek c US$51m in financing (including US$22m in FY23 and US$22m in FY24) to see it past the final clinical readout from the Phase III GBM AGILE study (expected in H2 CY23) and the commercialization of paxalisib. Kazia established a US$35m at-the-market program in April 2022, which may meet a portion of our projected funding needs. At end June 2022, Kazia issued 486,281 American depository shares (ADSs) using this program, at an average price of $6.08. Total gross proceeds amounted to US$2.96m (A$4.26m). Management has stated that fees for this financing facility are c 50% of traditional financing and shares are issued with no warrants or discounts.

Exhibit 5: Financial summary

USD'000s	2020	2021	2022e	2023e
30-June	IFRS	IFRS	IFRS	IFRS
INCOME STATEMENT				
Revenue	768.8	11,034.2	19.5	0.0
Cost of Sales	0.0	0.0	0.0	0.0
Gross Profit	768.8	11,034.2	19.5	0.0
R&D	6,879.9	10,537.2	16,282.6	18,565.2
SG&A	2,673.8	5,088.3	3,237.6	3,657.4
EBITDA	(7,809.3)	(3,213.3)	(17,156.6)	(19,878.6)
Operating profit (before amort. and excepts.)	(7,809.3)	(3,213.3)	(17,156.6)	(19,878.6)
Amortisation of acquired intangibles	(785.8)	(916.9)	(1,415.2)	(1,415.2)
Exceptionals	(465.5)	(1,862.5)	(53.7)	0.0
Share-based payments	(189.9)	(461.1)	(928.8)	(928.8)
Reported operating profit	(9,250.5)	(6,453.8)	(19,554.4)	(22,222.6)
Net Interest	0.0	0.0	0.0	0.0
Joint ventures & associates (post tax)	0.0	0.0	0.0	0.0
Exceptionals	0.0	0.0	0.0	0.0
Profit Before Tax (norm)	(7,809.3)	(3,213.3)	(17,156.6)	(19,878.6)
Profit Before Tax (reported)	(9,250.5)	(6,453.8)	(19,554.4)	(22,222.6)
Reported tax	216.1	351.0	463.2	526.4
Profit After Tax (norm)	(7,626.9)	(3,038.6)	(16,750.2)	(19,407.7)
Profit After Tax (reported)	(9,034.4)	(6,102.9)	(19,091.2)	(21,696.2)
Minority interests	0.0	0.0	0.0	0.0
Discontinued operations	0.0	0.0	0.0	0.0
Net income (normalised)	(7,626.9)	(3,038.6)	(16,750.2)	(19,407.7)
Net income (reported)	(9,034.4)	(6,102.9)	(19,091.2)	(21,696.2)
Average Number of Shares Outstanding (m)	7.3	11.8	12.9	13.9
EPS - normalised (c)	(1.04)	(0.26)	(1.30)	(1.39)
EPADR - diluted normalised (US$)	(1.04)	(0.26)	(1.30)	(1.39)
EPADR - basic reported (US$)	(1.24)	(0.52)	(1.49)	(1.56)
Dividend (A$)	0.00	0.00	0.00	0.00
BALANCE SHEET				
Fixed Assets	8,992.9	20,794.4	17,929.9	15,065.4
Intangible Assets	8,992.9	15,943.9	14,528.7	13,113.5
Tangible Assets	0.0	0.0	0.0	0.0
Investments & other	0.0	4,850.5	3,401.2	1,951.9
Current Assets	7,720.0	21,297.7	6,644.2	10,620.4
Stocks	0.0	0.0	0.0	0.0
Debtors	979.9	61.1	64.2	0.0
Cash & cash equivalents	6,350.8	19,990.4	5,333.9	9,374.2
Other	389.4	1,246.2	1,246.2	1,246.2
Current Liabilities	(3,672.1)	(6,033.7)	(6,694.6)	(7,360.9)
Creditors	(2,528.2)	(3,574.4)	(4,235.2)	(4,901.6)
Tax and social security	0.0	0.0	0.0	0.0
Short term borrowings	0.0	0.0	0.0	0.0
Other	(1,143.9)	(2,459.3)	(2,459.3)	(2,459.3)
Long Term Liabilities	(2,804.8)	(8,630.3)	(8,167.0)	(29,379.7)
Long term borrowings	0.0	0.0	0.0	(21,739.1)
Other long term liabilities	(2,804.8)	(8,630.3)	(8,167.0)	(7,640.6)
Net Assets	10,235.9	27,428.1	9,712.5	(11,054.8)
Minority interests	0.0	0.0	0.0	0.0
Shareholders' equity	10,235.9	27,428.1	9,712.5	(11,054.8)
CASH FLOW				
Operating Cash Flow	(7,809.3)	(3,213.3)	(17,156.6)	(19,878.6)
Working capital	1,209.5	(4,051.3)	1,643.8	1,653.4
Exceptional & other	216.1	662.8	(976.3)	526.4
Tax	0.0	0.0	0.0	0.0
Net operating cash flow	(6,383.7)	(6,601.8)	(16,489.1)	(17,698.8)
Capex	0.0	0.0	0.0	0.0
Acquisitions/disposals	0.0	0.0	0.0	0.0
Net interest	0.0	0.0	0.0	0.0
Equity financing	8,796.9	20,368.7	2,939.1	0.0
Dividends	0.0	0.0	0.0	0.0
Other	0.0	0.0	(1,674.6)	0.0
Net Cash Flow	2,413.2	13,766.9	(15,224.6)	(17,698.8)
Opening net debt/(cash)	(3,937.6)	(6,350.8)	(19,990.4)	(5,334.6)
FX	0.0	(127.3)	568.8	0.0
Other non-cash movements	0.0	0.0	0.0	0.0
Closing net debt/(cash)	(6,350.8)	(19,990.4)	(5,334.6)	12,364.2

Source: Kazia Therapeutics company accounts, Edison Investment Research

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