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Midatech Pharma

Regulatory update

Interim DIPG data to be presented at ISPNO

Pharma & biotech

Midatech will be presenting interim data from its ongoing Phase I trial assessing lead asset MTX110 in diffuse intrinsic pontine glioma (DIPG) at the upcoming International Symposium on Pediatric Neuro-Oncology (ISPNO). The study is being conducted at the Columbia University Medical Center (CUMC) and the presentation will discuss preliminary results (safety signals) for seven of the 10 study participants. A highlight of this study is the use of an implantable continuous flow device to deliver MTX110 directly to the tumour (bypassing the blood-brain barrier), avoiding the need for new surgical insertions at each treatment cycle. The same device will be used in the company's upcoming (H222) Phase I study in recurrent glioblastoma (rGBM). As a reminder, MTX110 holds orphan drug and fast track designations in the US for DIPG and GBM, respectively.

Year end	Revenue (£m)	PBT* (£m)	EPS* (p)	DPS (p)	P/E (x)	Yield (%)
12/18	1.94	(11.8)	(339)	0.0	N/A	N/A
12/19	0.67	(10.9)	(50)	0.0	N/A	N/A
12/20	0.34	(11.1)	(23)	0.0	N/A	N/A
12/21	0.58	(6.1)	(7)	0.0	N/A	N/A

Note: *PBT and EPS are normalised.

The CUMC study is one of two clinical studies undertaken by Midatech to assess the therapeutic potential of MTX110 (solubilised panobinostat) in DIPG using a convection enhanced delivery (CED) system. While the other Phase I study was conducted by the University of California, San Francisco (UCSF) using a single catheter system (requiring surgical insertion during each treatment cycle), the CUMC study is using a less onerous implantable continuous flow device. This same device would be used in the upcoming Phase I study in rGBM, planned to commence in H222. DIPG is a highly aggressive childhood brain tumour (150–300 newly diagnosed cases per year in the US, c 1,000 globally). The prognosis remains poor with an average survival of nine to 10 months, following standard treatment. The overall survival stands at 30% at one year, and goes down to 10% at two years, with less than 1% making it to the five-year mark. This is, by far, the worst prognosis for any childhood cancer.

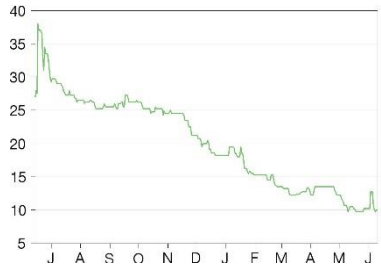
The focus of the upcoming ISPNO presentation would be to ascertain the safety of MTX110 in patients with DIPG by assessing data from seven of the 10 study participants, but we expect that some early efficacy signals could possibly be discussed as well. As a reminder, Midatech had earlier (in October 2020) presented interim data from its other UCSF conducted Phase I study, which not only met its primary endpoint in terms of safety but also demonstrated exceptionally positive early efficacy signals, including median overall survival of 26.06 months (CI 11.3–26.06 months) versus 10 months following standard of care radiation therapy.

In a separate development, Midatech has announced that non-executive Chairman Rolf Stahel will be retiring after the company's annual general meeting (AGM), scheduled for 20 June 2022. The position will be taken over by Dr Stephen Parker, currently chairman of Sareum Holdings and Drishti Discoveries. Dr Parker has over 30 years' experience in leadership roles in the healthcare and pharma sector with significant corporate finance/advisory experience.

13 June 2022

Price	**10p**
Market cap	**£10m**
Net cash (£m) at end December 2021	10.1
Shares in issue	98.5m
Free float	69%
Code	MTPH
Primary exchange	AIM
Secondary exchange	N/A

Share price performance



Business description

Midatech Pharma is platform-based drug delivery specialist founded in 2000 and listed on AIM in 2014. Its three technology platforms, Q-Sphera (for sustained release of drugs), MidaSolve (nano inclusion for local delivery) and MidaCore (gold nanoparticles for targeted delivery), are designed to re-engineer and reformulate existing therapeutic drugs with the aim of improving biodistribution and delivery. The realigned focus is now on the Q-Sphera development pipeline and the clinical asset MTX110 (for brain cancer).

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