

Cannabics Pharmaceuticals

Healthcare
18 October 2021

Developing cannabinoid-based therapies

Cannabics develops cannabinoid-based, tumour reducing therapies. Its bioinformatics platform evaluates the efficacy of thousands of cannabinoid compounds on various cancers. In addition, it has recently launched a **psychedelic** inspired research programme focused on neuropsychiatric disorders. Its most advanced therapies target the \$18bn colorectal cancer market, with human clinical trials planned to commence in 2022. Earlier-stage therapies target breast cancer, prostate cancer and melanomas. Cannabics has five granted patents and 20 patents pending.

Preparing pre-IND packages

Cannabics is currently preparing a pre-IND meeting package for its colorectal cancer treatment RCC-33. In June 2021, Cannabics announced RCC-33 in-vivo interim results that showed a 30% reduction in tumour volume versus a control group. The company expects Phase I/IIa to commence in the second half of 2022 and be complete by the end of 2024 at an estimated cost of \$5m. Also targeting colorectal pre-cancerous polyps, PLP-33 is in preparation for a pre-IND meeting package and synopsis for a Phase I.

Beefing up the board

In combination with Cannabics's recent initiation of research into a new melanoma treatment, Professor Caroline Robert (MD PhD), a melanoma expert, has recently (August 2021) joined the company's clinical advisory board. Also joining in August was Dr Sigal Tavor (MD), a haemato-oncology expert. In September 2021, Neuropsychiatrist Dr Ilya Reznik (MD) joined the company management as head of psychedelic inspired medicine as part of the strategy to develop new psychedelic inspired medicines and therapies to address severe mental health related conditions.

Addressing major markets

Cannabics therapies addressing melanoma (MLN-33), breast cancer (BRST-33) and prostate cancer (PRST-33) are in preclinical in-vitro trials. All three are expected to move to in-vivo studies in 2022. Neuropsychiatry therapies targeting mental health conditions are in the discovery phase.

Financials

For the most recent quarter ending May 2021, Cannabics had cash and cash equivalents of \$2m. During the quarter, the company reported a net loss of \$1.3m including a non-recurring expense of \$0.6m.

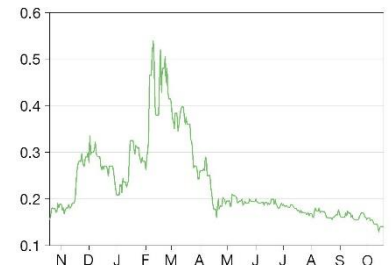
Historical financials

Year end	Revenue (\$m)	PBT (\$m)	EPS (c)	DPS (c)	P/E (x)	Yield (%)
08/18	0.0	(3.8)	(0.03)	0	N/A	N/A
08/19	0.0	1.1	0.02	0	N/A	N/A
08/20	0.0	(7.5)	(0.10)	0	N/A	N/A

Source: Company reports

Price **US\$0.14**
Market cap **US\$21m**

Share price graph



Share details

Code **CNBX**
 Listing **OTC Markets**
 Shares in issue **146.7m**

Business description

Cannabics Pharmaceuticals develops cannabinoid-based new and novel therapies for cancer treatment. The company's R&D is based in Israel where it is licensed by the Ministry of Health.

Bull

- Growing interest in the therapeutic value of cannabinoid compounds in oncology.
- RCC-33 targeting colorectal cancer has demonstrated success in animal testing.
- The company's bioinformatics platform provides rapid screening of cannabinoid compounds on various cancers.

Bear

- Cannabics is subject to various sensitivities common to speciality pharmaceutical companies including commercialisation and financing risks.
- The FDA has only ever approved one cannabinoid-based drug.
- The company is largely dependent on the success of cannabinoid-based technology.

Analyst

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