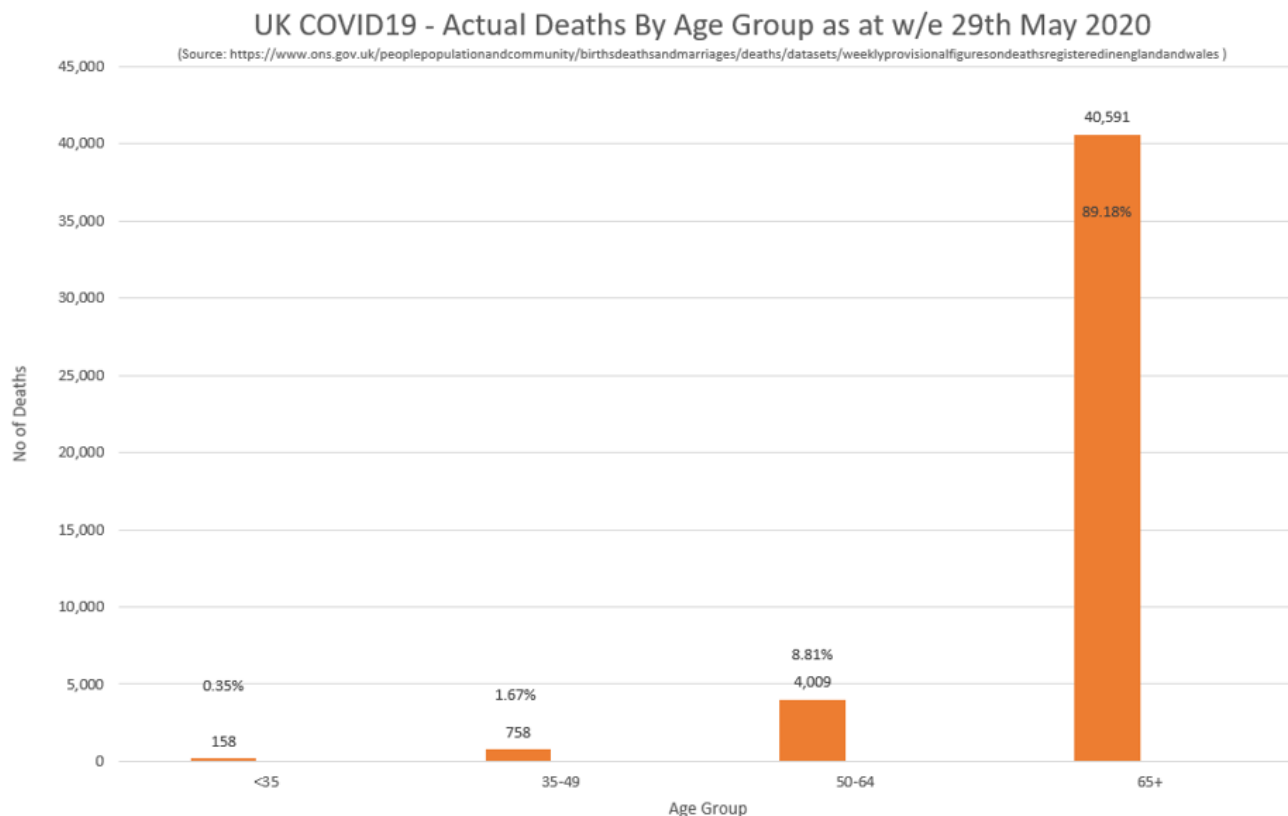




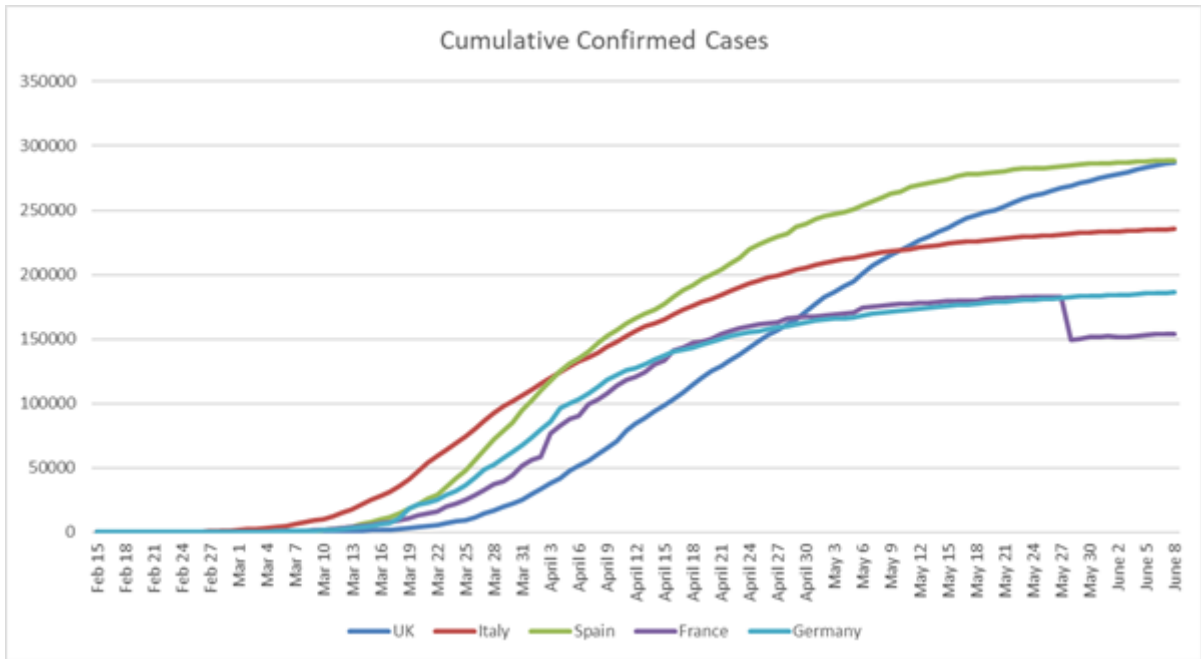
Weekly thoughts on the healthcare sector from finnCap's life sciences analysts: Mark Brewer and Arshad Ahad

Market	Last	-1D	-1M	-3M	-12M	YTD	Health	Last	-1D	-1M	-3M	-12M	YTD
MSCI World Index	1,738	-0.7%	9.4%	14.6%	6.9%	-3.4%	MSCI World Pharma/Biotech	219	-0.1%	2.1%	12.1%	16.5%	2.4%
FTSE All Share	3,522	-2.1%	7.3%	5.2%	-12.5%	-16.4%	FTSE All Share Health	12,754	0.2%	-2.5%	11.1%	17.3%	-0.9%
AIM All Share	887	-1.1%	8.4%	10.3%	-5.9%	-7.8%	AIM Health	10,510	-1.4%	6.3%	14.6%	-1.3%	1.4%
AIM 100	4,545	-1.2%	8.6%	10.8%	-8.1%	-8.2%							

- The following figure shows an interesting breakdown of COVID-19 deaths by age group.

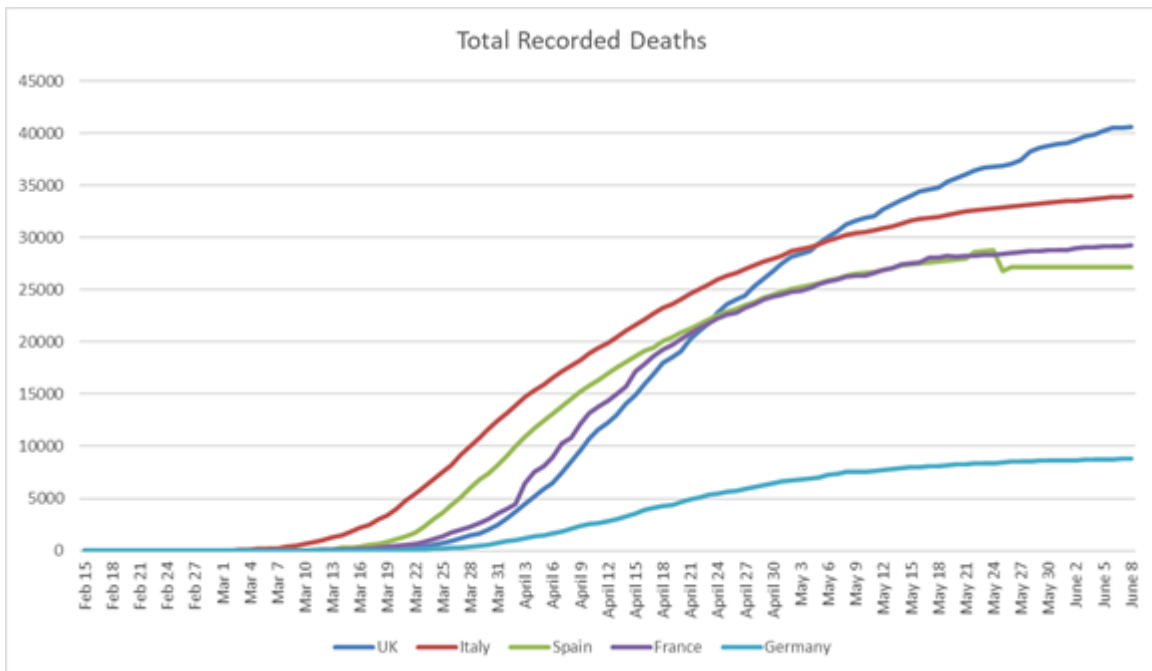


- The UK will overtake Spain to have the highest cumulative total of COVID-19 cases in Europe in the next few days
- As of June 8, Spain had 288,797 cases, compared to 287,399 in the UK
- The decrease in total cumulative cases in France on May 28 is due to French authorities retrospectively adjusting their data

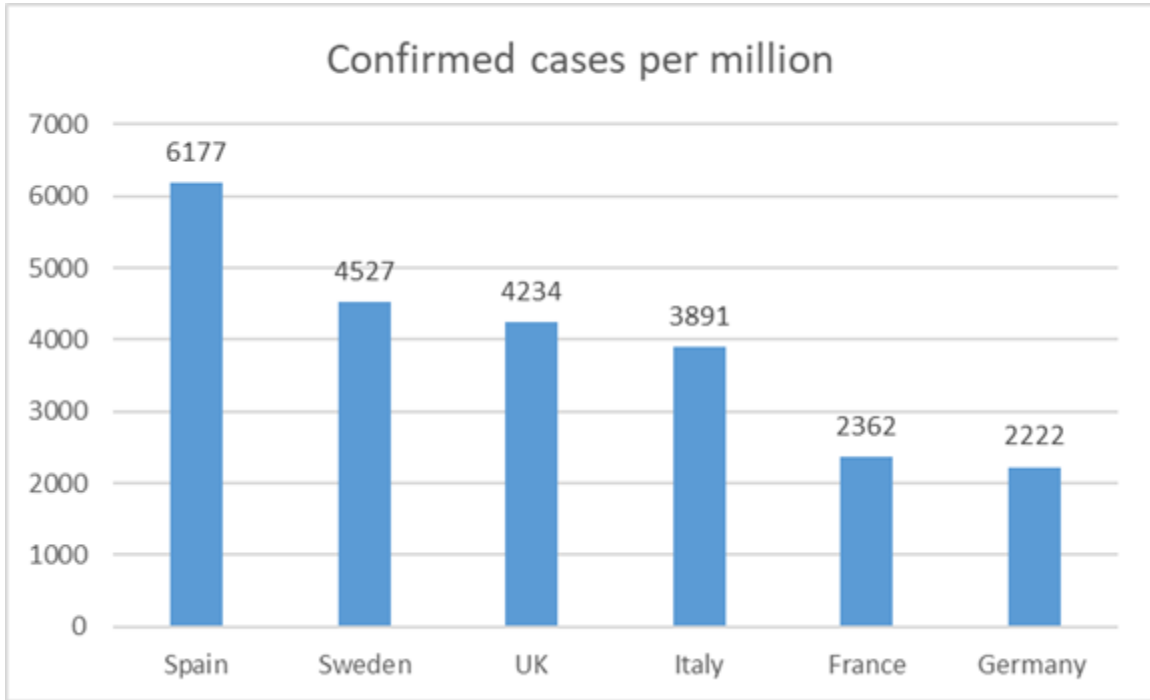


Source: worldometer, finnCap

- As of June 8, the UK recorded a cumulative total of 40,597 deaths due to COVID-19, the highest in Europe by a significant margin

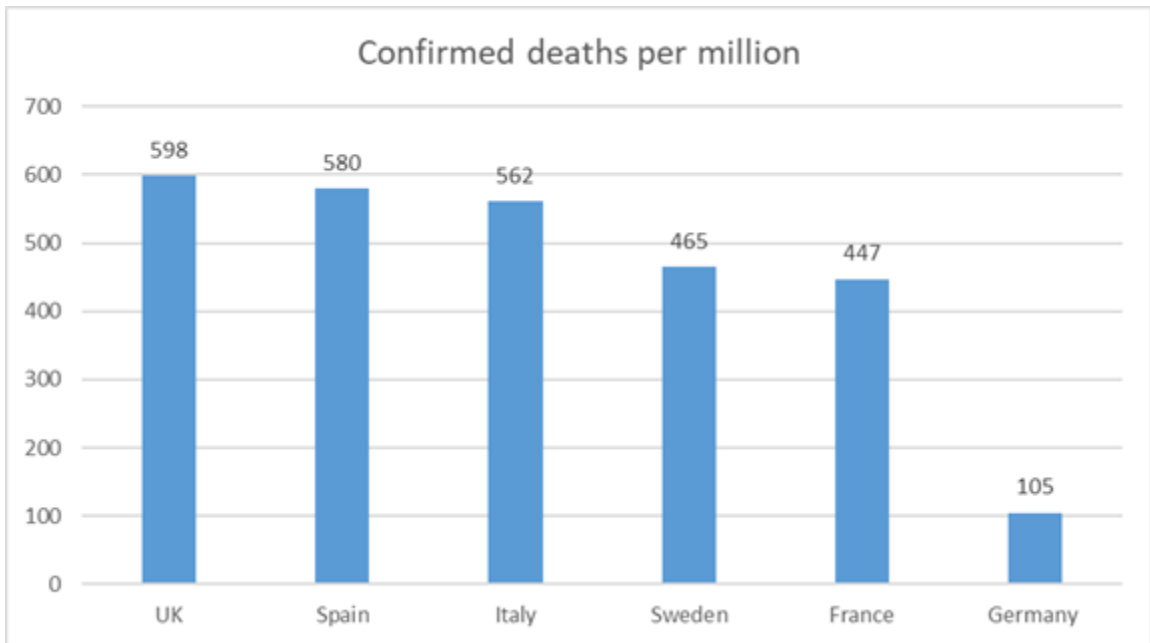


- Spain still has the highest confirmed cases per million population.
- Sweden has overtaken Italy and the UK to have the second highest confirmed cases per million
- On June 3, Sweden's state epidemiologist, responsible for the nation's non-lockdown approach stated that "if we would encounter the same disease, with exactly what we know about it today, I think we would land midway between what Sweden did and the rest of the world did".



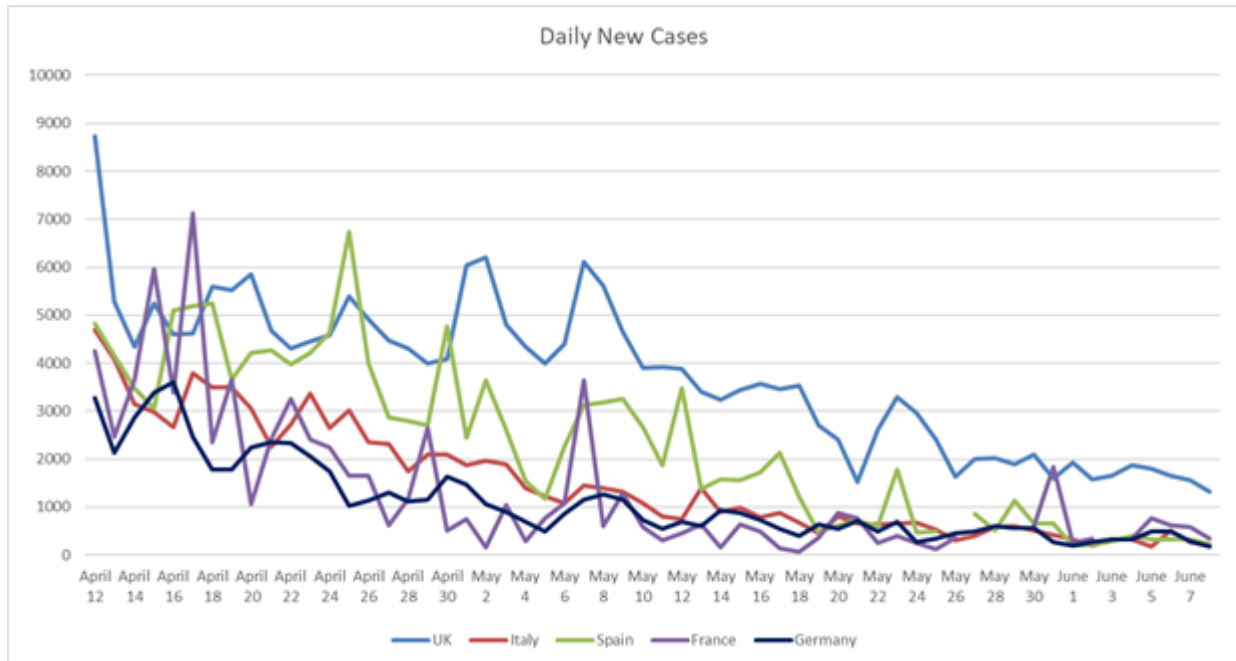
Source: finnCap

- The UK recently overtook Spain to have the highest confirmed deaths per million population.



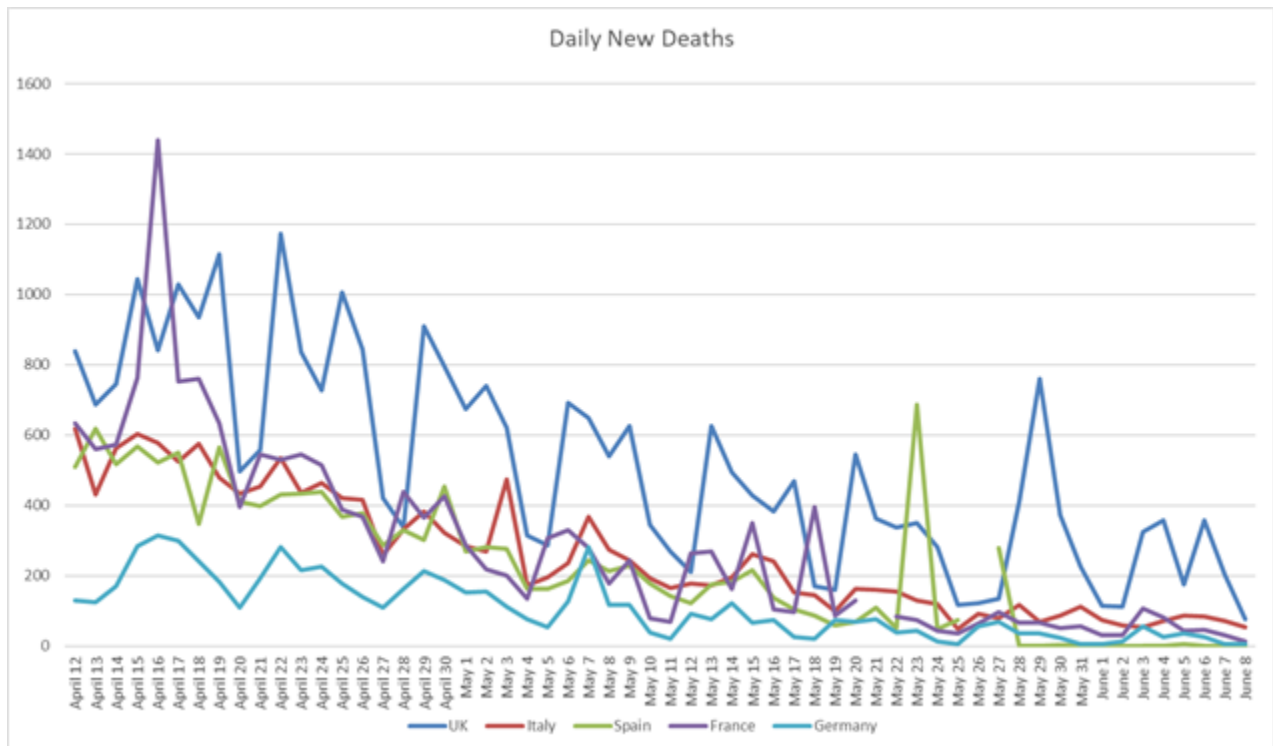
Source: finnCap

- The downward trajectory of daily new cases has continued across the EU5, although the UK is still significantly higher than its peers



Source: worldometer, finnCap

- Daily deaths are also following a similar pattern.
- On June 2, Spain reported no new deaths from COVID-19 in a 24-hour period, for the first time since March
- On June 8, Spain, France and Germany all had less than 15 deaths each. The UK had 77 deaths.
- With COVID-19 coming under control in Europe (for now, although countries have to be vigilant of second-waves), Latin America has become the COVID-19 epicentre.
- WHO chief Tedros Adhanom yesterday warned against complacency “Although the situation in Europe is improving, globally it is worsening”.



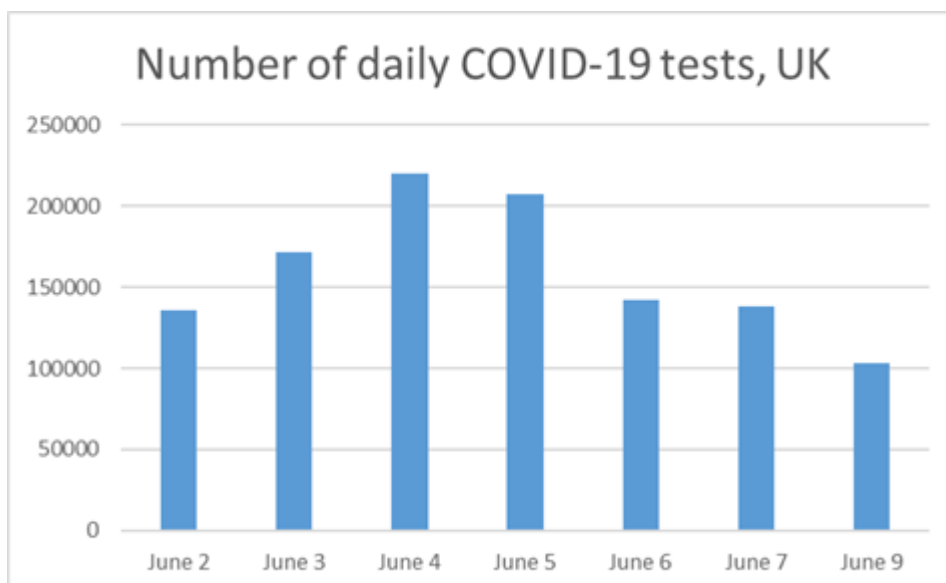
Source: worldometer, finnCap

Track and trace update

- The Independent Sage group has said that the government's contract-tracing system is not fit for purpose and will not be able to keep COVID-19 in check as other countries have done
- It has been reported that between 28-30 May, just over 1,800 coronavirus sufferers had registered contacts online or by phone - and of the 4,600 people they'd been close to, only 1,750 were contacted by tracers.
- In terms of official figures, on 3 June the government said it would be providing weekly updates "shortly", once the statistics authority is happy about how they are measured.
- 25,000 contract tracers are in place under the initiative. Scotland, Wales and Northern Ireland have their own, separate systems.

Testing update

- The following figure shows the number of tests carried out daily in the UK in the past 7 days
- Daily tests have begun to exceed 200,000, which is the Prime Minister's daily target for the end of the month.



Source: Department of Health and Social Care, finnCap

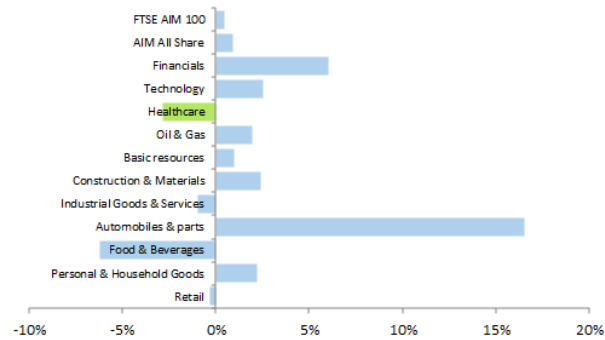
- Yesterday **Avacta (AIM: AVCT)** provided an update on its high throughput COVID-19 antigen test being developed in collaboration with Adeptrix. A prototype test has been developed and successfully tested on model samples. The test will now be shipped to UK and US sites for confirmation on patient samples. AVCT is on track to deliver a validated, CE-marked and FDA approved test in the summer, and if successful in doing so, the valuation upside is considered substantial.
- On 4 June **finnCap** led a £48m fundraise for AVCT, which will be used to rapidly scale up its diagnostics business, and accelerate expansion of its pipeline of differentiated cancer therapies.
- Yesterday **Omega Diagnostics (AIM: ODX)** announced it has shipped its first order for the COVID-19 ELISA test to Senegal worth c.£0.1m and that it is currently engaged in registration evaluation activities in a further 15 countries. ODX has also widened its collaboration with Mologic by signing another MTA, providing ODX with access to raw materials and know-how to manufacture additional Mologic COVID-19 tests: an ELISA antigen test, a lateral flow antigen test and a lateral flow antibody test. ODX is now involved with five opportunities related to COVID-19 testing, of which four utilise Mologic's technology platforms.
- On 4 June, **Open Orphan (AIM: ORPH)** launched its COVID-19 antibody testing service following completion of installation testing of the Quotient MosaiQ COVID-19 Antibody Microarray. Modelling the uptake of such a test is not an easy task given the competitive dynamics. However, we forecast c.€4m in FY 2020, rising to €9m in 2021, which implies running at only c.13% of its potential capacity

- On 2 June **Novacyt (AIM: NCYT)** announced that sales of its COVID-19 PCR test have reached £40m, and has an order book of a further £80m. NCYT is now selling its test in more than 130 countries, with UK and Germany being the top two countries.

Treatment update

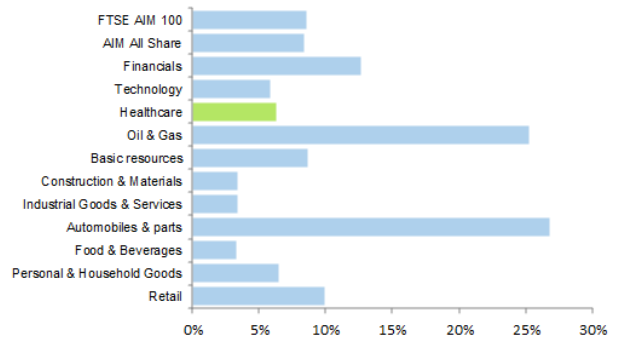
- **Gilead** has filed Remdesivir for EU approval, with a verdict possible “in weeks”. The drug has accelerated clearance in Japan (under brand name Veklury) and has emergency use approvals in the US, India and South Korea. Gilead is ramping up production to meet global demand and will donate the first 1.5m vials. Gilead is developing easier-to-administer versions of remdesivir for COVID-19 that could be used outside of hospitals, including an inhalation formulation.
- Results for the hydroxychloroquine arm of the large-scale RECOVERY trial run by the **University of Oxford** concluded that the drug has no benefit given to hospitalised COVID-19 patients. Despite initial global high hopes for the drug, the lead investigator has declared it “useless” in COVID-19. Hydroxychloroquine continues to be assessed in the WHO’s Solidarity study.
- The first clinical results with **AstraZeneca’s** BTK inhibitor Calquence (acalabrutinib) in hospitalised COVID-19 patients have shown preliminary evidence that the drug reduced inflammation and improved clinical outcomes in severely ill cases. The data comes from 19 patients and AstraZeneca is currently conducting two Phase III trials of Calquence in COVID-19.
- **Imperial College London** have developed an RNA vaccine which delivers genetic instructions to muscle cells to make the spike protein, which is on the surface of the coronavirus, with the aim of provoking an immune response against COVID-19. The vaccine is due to enter a Phase I/II clinical trial on June 15 in 300 patients, with a further trial in 6,000 people planned for October if results prove successful. Imperial College have formed a new social enterprise called **VacEquity Global Health** to develop the vaccine.

FTSE AIM all share sector performance (1 week)



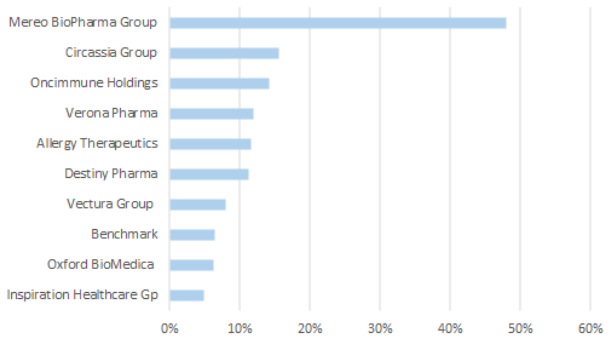
Source: FactSet

FTSE AIM all share sector performance (1 month)



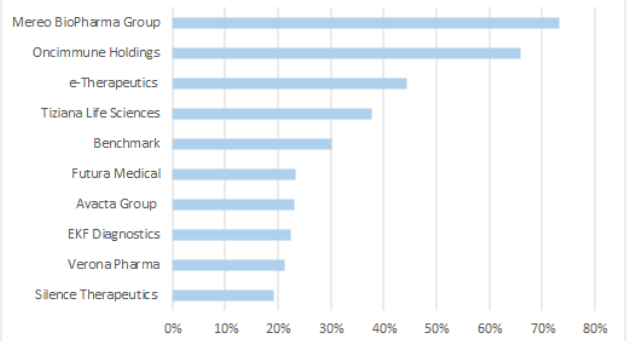
Source: FactSet

finnLife 50 - Top ten price performers (past week)



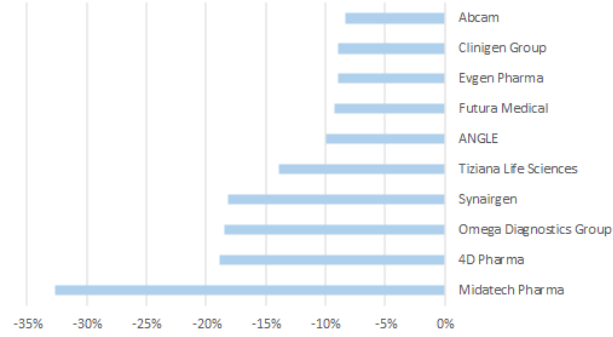
Source: FactSet

finnLife 50 - Top ten price performers (past month)



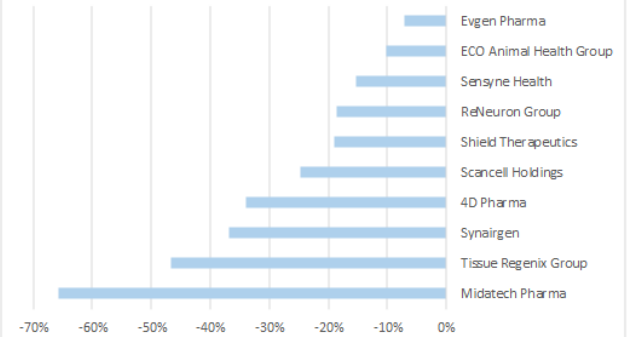
Source: FactSet

finnLife 50 - Bottom ten price performers (past week)



Source: FactSet

finnLife 50 - Bottom ten price performers (past month)



Source: FactSet

Research reports and comments in the past two weeks

Company	Date	Title	Research Type
Omega Diagnostics*	09-Jun	Additional Mologic agreement and trading update	Morning Note
Avacta*	09-Jun	COVID-19 test update with Adeprinx	Morning Note
Omega Diagnostics*	09-Jun	Additional Mologic agreement and trading update	Company Note
Avacta*	05-Jun	Fundraise of £48m – pursuing multiple opportunities	Company Note
Open Orphan*	04-Jun	COVID-19 antibody test now launched	Morning Note
Oncimmune Holdings*	04-Jun	Trading update underlines improved momentum	Morning Note
Omega Diagnostics*	03-Jun	COVID-19 – UK rapid test consortium update	Company Note

Circassia Group*	02-Jun	£5m equity financing facility put in place	Morning Note
LiDCO*	01-Jun	AGM trading update	Company Note
Synairgen*	28-May	COVID-19 trial completes enrolment of first stage	Morning Note
Oncimmune Holdings*	28-May	Contract with Roche	Morning Note
Circassia Group*	28-May	Completion of transaction with AstraZeneca	Morning Note
Cambridge Cognition*	27-May	Contract wins worth over £1m	Morning Note

Upcoming roadshows and events

Company Name	Ticker	Event Type	Management	Date(s) - 1:1's & Group meetings available
Angle plc*	AGL	Preliminary Results Roadshow Calls	Andrew Newland, CEO Ian Griffiths, CFO Matthew Stork,	25th & 26th June – Conference Calls
Cambridge Cognition Limited*	COG	Virtual Capital Markets Showcase	CEO Nick Walters, CFO	30th June - Webex

An archive of previous Health Matters can be found [here](#).

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