Hemostemix steps into the new year with capital and its critical clinical study data in hand

written by InvestorNews | January 5, 2021

With a new management team spearheading Hemostemix Inc. (TSXV: HEM | OTC: HMTXF), the Company started 2021 with its critical clinical study data in hand. Raising over $4 million in 2020 and then in December adding an additional $4 million to the coffers ($2.75 million at a 50% premium), Hemostemix completed a 1-for-20 share consolidation as it charges into the New Year.

Receiving a copy of its entire clinical trial database relating to the clinical trial for Critical Limb Ischaemia (CLI) using its ACP-01 therapy (Angiogenic Cell Precursors) in November 2020 was a key event for Hemostemix's management team and it garnered real interest from the market.

Hemostemix – Platform for Stem Cell Therapies

Based in Calgary and founded in 2006, Hemostemix is a clinical-stage biotechnology company specializing in blood-derived stem cell therapeutics with its lead product (ACP-01) in Stage 2 clinical trials for the treatment of CLI.

CLI is a disease caused by the narrowing of arteries in the limbs, particularly the legs, hands, and feet, causing chronic pain and soreness. Untreated CLI can sometimes require the amputation of the specific limb.

Stem cell treatments have been used for over 30 years to treat people with cancer conditions such as leukemia and lymphoma.

There are two main types of stem cell transplants: allogeneic and autologous. In an allogeneic stem cell transplant procedure, the patient receives stem cells from a donor. In an autologous stem cell transplant procedure, the patient provides themselves the stem cells for the procedure from various sources, including bone marrow or blood.

Hemostemix's autologous stem cell therapy platform uses the patient's own blood to harvest the stem cells and the treatment helps to restore circulation in the damaged tissues.

Hemostemix has a strong intellectual property (IP) portfolio of 91 patents and has treated more than 500 patients with clinical results showing an improvement in 83% of the patients receiving its ACP-01 stem cell therapy.

Advantages with Hemostemix's process include the use of blood, which is safer and less invasive than extracting bone marrow, and since you are using the patient's own blood, there is no immune rejection.

The clinical trials have shown that ACP-01 is safe and effective in the treatment of CLI. Now that Hemostemix has received the entire clinical trial database, it has entered into a contract with a new Clinical Research Organization (CRO) to complete the midpoint statistical analyses of the efficacy of ACP-01 and expects to publish the results this quarter.

Hemostemix – Not a 1-Trick Pony Company

ACP-01 has the potential to treat other conditions such as Angina, Ischemic & Dilated Cardiomyopathy, and Peripheral Artery Disease (PAD). Currently, Hemostemix is preparing for Phase 2 trials for the treatment of Angina and is seeking joint-venture partners to fund the other Phase 2 trials.

Hemostemix has also developed NCP-01 (Neural Cellular Precursor) from blood with the potential, through building new neuronal lineage cells in a patient, to treat Alzheimer's disease, Amyotrophic Lateral Sclerosis (ALS), Parkinson's disease, spinal cord injuries, and stroke-related issues. NCP-01 is currently in the R&D phase and is pre-clinical.

Market Size

According to the American Heart Association, Cardiovascular disease (CVD) accounted for approximately 1 of every 3 deaths in the United States in 2019.

Factors that increase the risk of CLI include diabetes, high cholesterol levels, high blood pressure, obesity, or smoking, all risk factors also associated with CVD.

Unfortunately, most of these factors are increasing at an alarming rate – a study by the Centers for Disease Control and Prevention (CDC) in the United States, showed the prevalence of diagnosed diabetes has more than doubled from 3.3% in 1995 to 7.40% in 2015, affecting 23.4 million Americans.

According to a market research report released in 2019, the value of just the global CLI treatment market is projected to reach US$5.39 billion by 2025, up from US$3.13 billion in 2018, at an annual growth rate of 8%.

Competitive Landscape and Market Cap Comparisons

Even with Hemostemix's recent market surge, its market cap is only C$32.5 million. Similar-sized biotech companies focusing on CLI trade much higher.

Cynata Therapeutics Limited (ASX: CYP) is an Australian biotechnology company with a Phase 2 clinical-stage trial for its stem cell therapy for CLI using bone marrow and has a market

cap of C$93.6 million.

Pluristem Therapeutics Inc. (NASDAQ: PSTI) is a Phase 3 bio-therapeutics company, based in Israel, that also has an allogeneic cell therapy for the treatment of CLI using the placenta and has a market cap of C$231.9 million.

In November 2020, Bristol-Myers Squibb Company (NYSE: BMY) bought MyoKardia, Inc. for US$13.1 billion. MyoKardia was a clinical-stage biopharmaceutical company that developed therapies for the treatment of cardiovascular diseases and its lead product was a Phase III clinical trial drug used in the treatment of hypertrophic cardiomyopathy (HCM).

As a company shifts from Phase 2 to Phase 3 clinical trials, the market cap often has a step-function shift higher, making it an ideal time to look at Hemostemix.

SOURCE: