

Starpharma's Transformative Year

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Biotechnology company **Starpharma** (ASX:SPL) released its full-year 2018 results on 21 August. The business reported revenue of \$5 million and a loss from continuing operations of \$10.3 million. The company's balance sheet remains strong with cash of \$51.3 million and no debt.

It was a hugely transformative year for Starpharma as it made the leap from a development stage business to revenue generation, with products entering commercialisation, while others are resulting in monetisation via partnerships.

The key developments of the year include:

- Submission of a New Drug Application (NDA) with the US FDA for VivaGel BV. The NDA is subject to a "priority review", which provides a target review period of approximately six months post acceptance of the NDA application.
- VivaGel BV was licensed to Mundipharma for distribution in Europe, Russia, CIS, Asia, Middle East, Africa and Latin America.
- Several [DEP versions](#) of cancer drugs continued making progress in their respective trials.
- Biotechnology giant **AstraZeneca** (LON: AZN) -- a partner of Starpharma -- unveiled its first DEP oncology candidate, AZD0466, as a Bcl2/xL inhibitor.
- Reduction of cash burn to \$10 million versus \$18 million a year ago.

It's rare to find a cashed-up early stage biotechnology company that's keeping a lid on cash burn, bringing products to markets via smart licensing arrangements, while progressing a potentially game-changing pipeline of drugs. The company's sexual wellness program has the potential to be a blockbuster. If the DEP drug delivery platform continues to furnish life changing safety and efficacy results, especially as these drugs enter late stage development, there's the potential of additional lucrative partnerships.

Starpharma is a small biotech with multiple ways to win and we like the potential risk versus reward tradeoff on offer here.

Disclosure: The Motley Fool's [Anirban Mahanti](#) owns shares in Starpharma. The Motley Fool Australia has no position in any of the stocks mentioned. We Fools may not all hold the same opinions, but we all believe that considering a [diverse range of insights](#) makes us better investors. The Motley Fool has a disclosure policy. This article contains general investment advice only (under AFSL 400691). Authorised by Scott Phillips.