

By Gary Mead for Aquis Stock Exchange (AQSE) | www.incanthera.com

AQSE Issuer Spotlight: Incanthera PLC

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Melanoma of the skin – skin cancer – is the 19th most commonly occurring cancer in men and women world-wide, according to the World Cancer Research Fund. It is, however, the 5th most common cancer in the UK, accounting for 4% of all new cancer cases (2017) (Cancer Research UK). It can be lethal: more than two people die from skin cancer every hour in the USA and at least one in five Americans will develop skin cancer by the time they are 70. The leading cause of skin cancer is exposure to ultraviolet (UV) light, primarily from the sun. Yet sunshine is also good for you – we need vitamin D for good health and most of that vitamin D comes from exposure to sunlight.

This contradiction – sunshine being good yet also bad – cries out for a response. Mostly we resolve this by applying sunscreen lotions, to protect us from sunburn. That's a multi-billion-dollar business, which according to one estimate will grow at a compound annual rate of almost 7% over the next decade. Taking a chunk of that market is one of the aims of Incanthera, which joined the AQSE Growth Market at the end of February this year. We spoke to Incanthera's CEO, Simon Ward, to find out more about the company.

Incanthera focuses on transforming cancer treatment by identifying and developing solutions to current clinical and commercially relevant unmet needs. Its current lead product and focus is Sol, a topical product for the treatment of solar keratosis and the prevention of skin cancers. Sol has achieved proof of concept and the Company is now focused on

finding a commercial partner to bring Sol to market in the near future.

Simon Ward explains why Sol might be a Holy Grail: "Sol solves a problem that has been troubling the cosmetics and pharmaceutical industries for a while, and that is how to cross the skin barrier, a very complicated biological barrier. Skin is structured to be almost impermeable. Sol carries an already known and proven drug that's able to prevent the transition of what we call actinic or solar keratoses – the initial dry scaly patches of skin, into melanoma. This drug will prevent that from happening. There's also some data to suggest that it might also be useful in treating already existing melanomas. At the moment the problem is that you have to take the drug orally, take loads of it and for a very long time. The Holy Grail has always been to find a way of turning this into a topical medicine, one that can be applied directly to the skin. People who like to go out and sunbathe are used to applying lotions anyway, so Sol makes perfect sense on many levels. We can now take this drug, put it into a cream formulation, and this formulation can get right through the skin barrier."

If this drug lives up to its promise it has to be a fortune-builder. Around the world treatment costs for melanoma obviously vary widely; in the UK the NHS could well be facing a total bill for treating all skin cancers of around £400 million this year. Ward adds: "It's something we desperately need. Skin damage is on the increase – in the UK melanoma has increased by 45% in the last ten years. It's the fifth commonest cancer in young adults. That's what bothers me most. We have long regarded



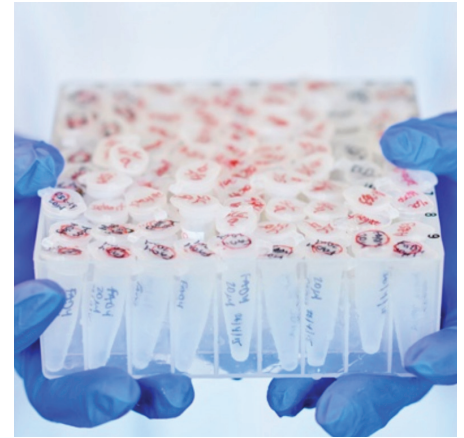
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skin cancer as being a cancer that most affects the elderly – the more exposure to the sun you have the more likely you are to get melanoma. But when you look at the data, skin cancer rates have, since the 1990s, increased by 70% among 25-to-49 year olds."

Obviously, this increase of melanomas among young people is in part life-style related – the budget holiday to sun-filled places has a lot to answer for, but this has also led to a massive explosion in the sun care industry. If one had the chance of taking from the shelf a suntan lotion that

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helps prevent the chance of developing a melanoma, it would, I suggest to Ward, be a no-brainer. He says: "Yes, most suntan lotions will help stop you burning but there's no clear evidence that they will help prevent a melanoma. If you put our ingredient into the lotion it will."

Because the active ingredient of Sol has already gone through clinical trials, and Incanthera is simply adapting it for a different application (from oral to topical application, a bio-equivalence) there are few regulatory hurdles for any future commercial partner to cross.

Incanthera has a lot of choices ahead of it. In forming an alliance to commercialise Sol it could go down the cosmetics route or the pharmaceutical one, or some combination of the two. The potential is massive – the global sun-cream market is valued at around \$14 billion. Nor is Sol the only item on Incanthera's agenda: in the pipeline are treatments for a variety of other cancers.

The company grew out of the Bradford University's Institute of Cancer Therapeutics (ICT), with which it has a 10-year pipeline deal, giving Incanthera first access to cancer-treating prodrug therapies developed by the ICT. Prodrugs are chemically modified versions of

pharmacologically active agents which only become active when they reach a target, thus reducing generalised toxicity in normal tissues, while enabling higher doses to reach a target and therefore increase efficacy.

So why join AQSE? Ward says: "We have been looking to join a public market for about a year. Joining AQSE has provided us with a public platform which not only helps with raising valuable capital to invest on our R&D and find new investors, it also gives us better visibility to large companies and it is much easier to start negotiations from that position." AQSE could help Incanthera to find its (healthy) place in the sun. ■

