

Starpharma Raises \$48.9 Million to Accelerate Development of Dendrimer Products

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Funds raised through the placement and SPP will be spent on the rapid development, regulatory, commercialisation activities and launch of the SPL7013 COVID-19 nasal spray as well as expediting the pipeline development of new DEP® candidates.

[Starpharma Holdings Limited](#) has completed a share purchase plan (SPP) raising A\$3.9 million, which in conjunction with a recent institutional placement take capital raising funds to A\$48.9 million. Both the SPP and A\$45 million placement were strongly supported, including by retail and institutional shareholders.

Funds raised will primarily be used to accelerate the development, regulatory and commercialisation activities for the company's COVID-19 nasal spray, development of multiple, high-value DEP® clinical assets and DEP® pipeline expansion.

To accelerate development

Starpharma CEO Jackie Fairley said: "We have been delighted with the participation from both retail and institutional shareholders and thank them for their strong support.

"This financing has further strengthened Starpharma's balance sheet and places the company in an excellent position to accelerate the development, regulatory, commercialisation and launch activities across our portfolios, including the SPL7013 COVID-19 nasal spray and DEP® assets."

Starpharma is an ASX 300 company and is a world leader in the development of [dendrimer](#) products for pharmaceutical, life science and other applications.

Fundraising initiative

The placement was conducted at A\$1.50 per share, representing a 6.5% discount to the last closing price before going into a trading halt on September 28, 2020.

This resulted in the issuance of 30 million new shares bringing the company's total issued capital to 402.8 million shares. The issue of 2.6 million new shares under the SPP will also be at A\$1.50 per share and the issue date is expected to be November 4, 2020.

Tax incentive boost

The company's cash balance has also been boosted by a A\$5.7 million tax incentive refund relating to the costs of research and development (R&D) during the 2020 financial year.

This refund is in respect of eligible R&D activities across Starpharma's portfolio, including for COVID-19, DEP® and VivaGel® programs. The R&D tax incentive is an Australian Federal Government program which provides companies with a tax offset for eligible R&D activities.

To support development of DEP® pipeline

Fairley said: "The government's continued investment in research and innovation is critically important to maintaining a strong local industry and has enabled Australian organisations like Starpharma to respond rapidly to COVID-19.

"The pandemic highlights the importance of retaining a local R&D capability and a strong Australian biotechnology and pharmaceutical industry.

"Starpharma's novel antiviral COVID-19 nasal spray is a truly Australian innovation which has the potential to have global impact and to complement other prevention strategies such as vaccines, which have an uncertain timeframe.

"The R&D tax incentive will also continue to support the further development of our DEP® pipeline and the VivaGel® portfolio, as well as supporting important research collaborations with Australian research institutions."

Read the [original article](#) on Proactive Investors.

