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TruScreen

Pharma & biotech

5 December 2018

Fast and objective cervical cancer screening

TruScreen is focused on the effective commercialisation of its second-generation TruScreen2 optoelectronic cervical cancer screening device, which has already been launched in key target markets. The device provides objective and real-time cervical cancer screening assessments and requires only limited training for the operator, which makes it well-suited for developing countries.

Fast and objective cervical cancer screening

TruScreen2 is a rapid, easy-to-use screening tool that provides real-time objective detection of precancerous and cancerous cervical cells. Direct comparison studies have consistently shown the first-generation TruScreen1 device has a higher sensitivity (70–79%) than the widely used Pap test (36–73%) for detecting high-grade precancerous changes, the key goal of cervical cancer screening programmes. Interim analysis from a clinical assessment of TruScreen2 reported improved sensitivity. Specificity of both TruScreen devices is acceptable.

Well-suited to low healthcare-resource countries

We see the main commercial opportunity for TruScreen as underserved, often rural and regional, populations in developing countries. The minimal training required and instantaneous result with TruScreen are important advantages in regions that often do not have established laboratory infrastructure or processes for recalling patients to report test results several days later.

Approvals and distributors in place to drive growth

The second-generation TruScreen2 device gained CE Mark approval in April 2016 and CFDA approval in China in December 2017. Distributors have been appointed in 24 countries. Sales in FY18 were modest, in part due to the delayed approval in China, but sales grew by 523% in H1 FY19 to NZ$1.4m. In September, TruScreen received an initial order from the National Aids Council of Zimbabwe to supply NZ$0.5m of TruScreen systems for a pilot programme providing cervical cancer screening to HIV-positive women. Africa represents a major market opportunity.

Gaining traction in key China market

China is the primary market for TruScreen, with growing demand and a number of initiatives underway. TruScreen's devices have been selected as the primary screening tool for up to 50 planned clinics, with the first eight now installed. A large-scale evaluation with the Centre for Disease Control in at least 12,000 women across eight provinces is expected to be completed by the end of FY19. Separately, a major programme in Xinjiang Province will see TruScreen installed in 190 hospitals.

Historical financials

Year end	Revenue (NZ$m)	PBT* (NZ$m)	EPS (c)	DPS (c)	P/E (x)	Yield (%)
03/16	1.6	(1.3)	(0.8)	0.0	N/A	N/A
03/17	1.4	(3.5)	(2.1)	0.0	N/A	N/A
03/18	2.2	(4.2)	(2.1)	0.0	N/A	N/A

Source: TruScreen accounts

Price	NZ$0.19
Market cap	NZ$41m

Share price graph

Share details

Code	TRU
Listing	NZAX
Shares in issue	216.9m

Business description

TruScreen's real-time cervical cancer technology measures electrical and optical signals from cervical tissue and uses a sophisticated proprietary algorithm framework to distinguish between normal and abnormal tissue, to identify precancerous changes, or cervical intraepithelial neoplasia.

Bull

- Regulatory approvals, distributor relationships in place and initial sales achieved.
- Instant result readout and better sensitivity than Pap test.
- Growing traction in key China market.

Bear

- Increased utilisation of HPV testing may affect adoption by government screening programmes.
- Sales are below break-even level.
- TruScreen test specificity is below the ideal level.

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United Kingdom

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United States

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