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Phytopharm plummets on phase II trial disappointment

Phytopharm (LON:PYM) shares fell out of bed with a bang this morning after a setback on its Parkinson's disease treatment, Cogane.

Analysis of the headline results from a Phase II trial in unmedicated patients with early-stage Parkinson's disease indicated that Cogane had no beneficial effects on patients' symptoms measured by the primary or secondary endpoints in the study.

Review of the safety data confirmed that Cogane administered orally once daily for up to 28 weeks was well tolerated.

The full results of the study will be published in an appropriate scientific forum in due course.

Professor Warren Olanow, professor of Neurology and Neuroscience at Mount Sinai Medical School and co-chief investigator for the study expressed disappointment at the result.

"Trophic factors that enhance and restore function to remaining nerve cells is an extremely promising approach for the treatment of neurodegenerative disorders such as Parkinson's disease. Cogane offered the potential of providing trophic effects throughout the brain with an oral medication that was relatively safe and well tolerated. The company is to be congratulated for carrying out this important study in such a high quality manner. Sadly, the results are negative," Professor Olanow said.

"We are naturally disappointed with the outcome of this study of Cogane in patients with Parkinson's disease. Cogane had demonstrated encouraging efficacy in a wide range of industry standard pre-clinical models but this promise has not translated into clinically meaningful efficacy in this study," said Tim Sharpington, chief executive officer of Phytopharm.

"Cogane's future now looks bleak – we do not view potential development for amyotrophic lateral sclerosis (ALS) as viable – and we are not surprised the stock is trading close to Phytopharm's £5.5m cash balance," said Edison Research.

"The company is conducting a strategic review and we believe the best outcome may be a reverse merger by a private company seeking to utilise Phytopharm's cash, LSE listing and £55m in accumulated tax losses," the research house added.

Shares in Phytopharm were down by 81% to 1,92p in afternoon trading.

Price: 88.755

Market Cap: £41.84 m

1 Year Share Price Graph



Share Information

Code: IXI

Listing: AIM

52 week High Low
127 41.5

Sector: Pharma & Biotech

Website: www.ixico.com

Company Synopsis:

IXICO is a fast growing and profitable medical data analytics company, providing data management and advanced analytics to the pharmaceutical clinical trials market.

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