



These ASX shares are fighting the spread of coronavirus

Kate O'Brien | March 6, 2020 12:35pm | More on:

[AEI](#)[BIT](#)[EIH](#)[FOD](#)[HCT](#)[UCM](#)[ZNO](#)

The spread of coronavirus has infected global share markets with the contagion of fear. The **S&P/ASX 200 Index** ([INDEXASX: XJO](#)) has fallen more than 10% in the last fortnight as investors flee to safe havens.

This week, the Reserve Bank of Australia [cut the cash rate](#) to an all-time low of 0.5% in an effort to stimulate the slowing economy.

But it's not all doom and gloom. Some ASX shares are fighting coronavirus with demand for their products accelerating along with the spread of the virus. So, let's take a look at the ASX shares that are racing ahead of the tragic epidemic.

Zono Group Ltd ([ASX: ZNO](#))

The Zono share price has risen more than 230% this year at the time of writing as demand for its sanitiser products has increased. The company has advised that it is extremely well-positioned to be part of the solution to coronavirus. Late last week, Zono reported that [test results](#) showed the technology used in its hand sanitiser is 99.99% effective against coronavirus.

In early January, Zoono ramped up production of key active ingredients in its sanitisers. This was a prescient decision as demand for products has been strong. Product orders in excess of NZ\$1 million were received in the last two weeks of January, predominantly from China and Hong Kong. Online sales have increased significantly and forward orders and product enquiries are increasingly strong.

Zoono entered into a [distribution agreement](#) with **Eagle Health Holdings Ltd (ASX: EHH)** in late February for the distribution of co-branded products and offline retail sales in China. Eagle will import Zoono's products in bulk to its facility in Xiamen, China, where they will be packaged and labelled, and then distributed.

Eagle has more than 300 stores throughout China plus 271 distribution partners which place Eagle's products into more than 30,000 outlets across the country. An initial order for Zoono product valued at NZ\$400,000 has been placed. Minimum purchase volumes under the agreement are NZ\$1.5 million in the first 12 months, NZ\$2.3 million in year two, and NZ\$3.1 million in year three.

Food Revolution Group Ltd (ASX: FOD)

Shares in Food Revolution Group are up more than 50% since mid-February following the announcement the company would be entering the hand sanitiser business. The coronavirus outbreak has created a shortage of hand-sanitiser in the Asia Pacific region with Food Revolution Group looking to meet unmet demand.

Food Revolution Group's hand sanitiser has been formulated under the newly-formed 'Sanicare' brand and will be produced at the company's Mill Park facility in Melbourne. The facility underwent an upgrade in December including the construction of a self-contained clean room and laboratory.

Food Revolution Group has formulated and sourced the ingredients for its alcohol-based hand sanitiser and commenced production in February.

The company received its first order for the hand sanitiser, valued at \$2 million, in late February. The order is expected to be fulfilled and cash received in 4 weeks.

Uscom Ltd (ASX: UCM)

Uscom shares are up more than 200% since the end of January following a material increase in orders for its USCOM 1A haemodynamic monitor from China. The National Health Commission of the People's Republic of China Coronavirus Protocol advocates haemodynamic monitoring for severe coronavirus cases.

The first Chinese hospital to be equipped with an USCOM 1A specifically for the management of coronavirus was commissioned in late January. Uscom is planning to increase manufacturing output by approximately 121% on 10-year average outputs to meet anticipated demand in the second half. Unit orders for the first five weeks of 2020 were up 124% compared to the first full two months of 2019.

Executive Chairman Rob Phillips said, “the USCOM 1A is a specialised technology developed to simplify diagnosis and management of infectious diseases and is now being implemented widely in China to save the lives of the most seriously ill patients. This epidemic is forcing our technology from the hands of a small number of infectious disease experts into the hands of physicians dealing day to day with tens of thousands of patients with deadly infections.”

Aeris Environmental Ltd (ASX: AEI)

Aeris Environmental shares are up nearly 90% since early February with its disinfectant listed by the Singapore National Environment Agency on the list of general disinfectants effective against the coronavirus. The company’s proprietary hospital-grade disinfectant, Aeris Active, provides broad-spectrum viricidal, bactericidal, and fungicidal efficacy, and affords long-term protection of at-risk surfaces.

Aeris is currently scaling up production and redirecting its near term manufacturing capacity to multiple Australian manufacturing sites. This will support the needs of customers and growing demand in China and the Asia Pacific region.

Holista Colltech Limited (ASX: HCT)

Shares in Holista Colltech have increased over 70% since the end of January as demand for its sanitisers increases. In February, Holista announced it would ship a further 90,000 NatShield sanitisers just days after the first 60,000 units sold out. Fresh orders were received from Malaysia, Australia, and other parts of Asia amidst rising concerns over the spread of coronavirus.

NatShield sanitisers contain Path-Away, a plant-based active ingredient approved for use by Malaysia’s Ministry of Health and Food and Safety Authority and Environmental Protection Authority of New Zealand.

Holista has also accelerated development of a nasal balm version of its sanitiser featuring Path-Away. It intends to file a global patent for the product in March and make the product available to the market by July.

Biotron Limited (ASX: BIT)

Biotron shares are up more than 60% since the end of January as the company tests its compounds against the current strain of coronavirus, COVID-19. The company develops anti-viral drugs and has compounds that have shown good activity against several strains of coronavirus. Testing is focused on assessing whether Biotron’s compounds can inhibit growth in COVID-19.

Biotron scientists have identified and characterised a protein found in all coronaviruses and have shown that by targeting this protein, the virus could be inactivated. Given Biotron's expertise in antiviral drug development, an assessment of the activity of the company's compounds against COVID-19 is progressing as quickly as possible.

NEW: Expert names top dividend stock for 2020 (free report)

When our resident dividend expert Edward Vesely has a stock tip, it can pay to listen. After all, he's the investing genius that runs Motley Fool Dividend Investor, the newsletter service that has picked huge winners like Dicker Data (+98%), Transurban (+96%) and National Storage (+92%).*

Edward has just named what he believes is the **number one ASX dividend stock** to buy for 2020.

This **fully franked** "under the radar" company is currently trading 7% below its all time high and paying a **5.4% grossed up dividend**

The name of this dividend dynamo and the full investment case is revealed in this **brand new free report**.

But you will have to hurry -- history has shown it can pay dividends to get in early to some of Edward's stock picks, and this dividend stock is already on the move.