Syncona

Syncona Update

December 2021

Syncona

Building the next generation of healthcare companies

Key Announcements

Syncona cornerstones CHF 110 million Series B financing in Anaveon
16.12.21

Syncona committed CHF 35 million (£29 million) to Anaveon in a CHF 110 million (£90 million) Series B financing. Syncona was a cornerstone investor in the financing round, which was led by Forbion and supported by a leading international syndicate of specialist investors, including existing investor Novartis Venture Fund and new investors Cowen Healthcare Investments (a division of Cowen Investment Management), Pfizer Ventures and Pontifax.

Gyroscope Therapeutics to be acquired for up to $1.5 billion
22.12.21

Syncona announced that an agreement has been reached to sell its portfolio company Gyroscope Therapeutics to Novartis for up to $1.5 billion (£1.1 billion) on a cash and debt free basis, with an upfront payment of $800 million (£604 million) and up to $700 million (£528 million) potentially due upon the achievement of certain customary milestones related to clinical development, regulatory approvals and reimbursement.

Chris Hollowood, CIO of Syncona, said: "This transaction further demonstrates the success and pace of the Syncona model to deliver for all our stakeholders. We have a growing track record of founding and building globally competitive life science companies with product-focused strategies in areas of high unmet need. On closing this will mark the third sale of a portfolio company over the last three years, generating total potential proceeds, assuming full receipt of milestones from the sale of Gyroscope, of up to £1.2 billion, an aggregate 5.8 multiple of cost. We are excited that the proceeds will further strengthen our capital base, enhance our growing portfolio companies as they scale, and fund exciting new opportunities as they emerge."

Key Media Coverage

Anaveon to raise ~$120 million in oversubscribed Series B financing
The Pharma Letter 16.12.21

The Pharma Letter reports that in connection with the Anaveon Series B announcement, Syncona said this represents the fifth significant investment into Syncona's portfolio in just six weeks and a total of $672 million raised.

Our top share tips for 2022
MoneyWeek 17.12.21

Syncona features as Max King's share tip for 2022 in MoneyWeek, in which he suggested that the recent rally should signal better times ahead. Max noted that there are now 12 investments in total with five of them at clinical-stage; and that figure is expected to climb to eight by the end of 2022. New investments are steadily reducing the cash pile, now at £535 million, and increasing the potential of the portfolio, at the time valued at £618 million.

Syncona rises after sale of gene therapy start-up Gyroscope Therapeutics to Novartis
The Times 22.12.21

Alex Ralph at the Times reported that Gyroscope, a gene therapy start-up developing treatments for eye conditions, has been sold to Novartis for up to £1.1 billion in one of the largest cash exits in the British biotech industry. Gyroscope was founded five and a half years ago by Syncona, in partnership with academics at four UK universities. The Novartis sale is set to deliver cash proceeds of £334 million for Syncona's holding in Gyroscope, representing a £180 million uplift, or 27p per share, to its previous valuation. It could also generate a further £255 million for Syncona through the future milestone payments.

Syncona

[Gyroscope takeout, one of U.K.'s largest, gives Syncona another gene therapy exit]
BioCentury 22.12.21

Paul Bonanos wrote that gene therapy company Gyroscope's choice to accept Novartis' takeout bid will deliver early investor Syncona a 3x return immediately, with contingent payouts that could add more to the UK VC's rewards. Chris Hollowood, Syncona CIO and Gyroscope Chairman, said the decision to opt for M&A stemmed from several factors, including a year of setbacks for gene therapies and Gyroscope's unlucky timing of its spring 2021 IPO plans. "There was absolutely no reason to throw a high-quality company out into a bad market," Hollowood went on to say, "What Gyroscope represents is really the first company in what I think is the future direction of gene therapy, the safety of injecting someone with a protein they already have expressed is quite high." The deal represents one of the largest upfront payments in the buyout of a private UK pure-play biotech in history.

[Questor: this trust just sold a holding for £600m – and its entire market value is only £1.4bn]
The Telegraph 06.01.22

Richard Evans wrote that in the aftermath of the announcement of Gyroscope's proposed sale to Novartis, Syncona represents a bargain for investors. Whilst citing that Syncona is a long-term investment which requires more patience than other prospective stocks, the column sees the Gyroscope transaction as a further validation of the investment thesis.

Achilles Therapeutics

Developing novel cancer immunotherapies targeting clonal neoantigens

Key Announcements

Achilles Therapeutics Presents Positive Data at ESMO I-O Congress 2021 on High-Dose Manufacturing Process for Precision T Cell Therapies Targeting Clonal Neoantigens
09.12.21

Achilles Therapeutics presented positive data at the ESMO Immuno-Oncology Congress 2021 (ESMO I-O) that further demonstrate that Achilles' VELOS™ Process 2 manufacturing increases clonal neoantigen-reactive T cell (cNeT) doses by more than 10-fold over Process 1 at GMP scale and maintains a highly potent polyclonal phenotype. These data add to the pilot scale proof-of-concept study recently reported at the 2021 Society for Immunotherapy of Cancer (SITC) Annual Meeting.

The poster presentation is available here.

Key Media Coverage

Cell therapy, AI drug discovery highlight 2021's record year in biotech IPOs
MedCity News 29.12.21

Frank Vinlaun wrote that the biotech IPO market has been hot for the past few years, but has set lots of new records in 2021. A total of 399 companies priced IPOs in 2021, raising $142.5bn, according to IPO research firm Renaissance Capital. Achilles Therapeutics was highlighted as one cell therapy developer that went public during the year.

Anaveon

Developing biologics to modulate the function of cytokines and provide substantial benefit to cancer patients

Key Announcements

Anaveon to raise CHF 110 million in oversubscribed Series B financing
16.12.21

Anaveon announced that it has agreed a CHF 110 million Series B financing led by incoming investor Forbion, corner-stoned by founding investor Syncona, also joined by existing investor Novartis Venture Fund, as well as new investors, Cowen Healthcare Investments (a division of Cowen Investment Management), Pfizer Ventures and Pontifax. In connection with the Series B financing, Jasper Bos (Forbion), Tim Anderson (Cowen) and Denis Patrick (Pfizer Ventures) will join the Anaveon Board at closing, which is expected before year end.

Key Media Coverage

Anaveon closes $120M B round to accelerate IL-2 agonist development
BioWorld 16.12.21

Cormac Sheridan reported that Anaveon raised CHF110 million ($119.5 million) in a Series B round to accelerate development of its interleukin-2 (IL-2) agonist ANV-419, which is currently undergoing a Phase I/II trial. “We are putting our compound into multiple clinical trials and multiple indications in parallel,” Chief Executive Officer and Co-founder Andreas Katopodis told BioWorld.

The next-gen IL-2 race heats up as Anaveon secures a megaround with its sights set on mid-stage tests
Endpoints 16.12.21

Nicole DeFeudis reported that Swiss-based Anaveon raked in another $119 million to see its own candidate into a series of Phase II trials. The round was led by Forbion, with a helping hand from Syncona, the Novartis Venture Fund, Cowen Healthcare Investments, Pfizer Ventures and Pontifax.

Immunotherapies targeting IL-2 have proven to be quite powerful against cancer over the last couple decades, but are infamous for their toxic side effects. Anaveon’s candidate, ANV419, is designed to preferentially signal through the beta/gamma receptor of IL2, excluding the alpha receptor, in the hopes of achieving higher selectivity. “It helps the safety because the alpha/beta/gamma is responsible for some of the safety issues,” Chief Executive Officer and Co-founder Andreas Katopodis told Endpoints.

Autolus Therapeutics

Developing next generation programmed T cell therapies for the treatment of cancer

Key Announcements

Autolus presents positive AUTO1 (obe-cel) data
13.12.21

Autolus Therapeutics presented new data on AUTO1 (obe-cel) and AUTO1/22 during the 63rd American Society of Hematology (ASH) Annual Meeting & Exposition, being held between December 11-14, 2021.

- In the ongoing Phase I ALLCAR19 study, obe-cel continues to show sustained durability of response, with patients approaching 42 months of follow-up and an event free survival of 46% at 24 months.
- Initial data in the Phase Ib portion of the pivotal FELIX study of obe-cel in relapsed refractory (r/r) adult acute lymphoblastic leukaemia (ALL) demonstrated response and safety data consistent with the Phase I ALLCAR19 study. Autolus expects to publish the full data from the FELIX study in 2022.
- Updated obe-cel data in r/r B cell non-Hodgkin's lymphoma (B-NHL) from the ALLCAR19 extension study show a metabolic complete response in 100% of patients with follicular lymphoma, mantle cell lymphoma and diffuse large B cell lymphoma, with long-term persistence evident.
- Initial data in AUTO1/22 in paediatric ALL is encouraging with high level of activity and good engraftment; data from the full cohort of patients expected in H1 2022.

The webcast and supporting slide deck can be found here.

Key Media Coverage

New targets at ASH hint at an emerging T cell cancer focus
BioCentury 11.12.21

Lauren Martz wrote that target innovation for haematological malignancies could be shifting from B cell lymphomas to T cell cancers, according to an analysis by BioCentury of new drug targets being presented at ASH21. In an abstract published in advance of the conference, Autolus Therapeutics described CD21 as a target that's more selective for cancerous T cells than CD7 and other targets that have come before it, avoiding the fratricide problem.

Conference data for Dec. 14, 2021: ASH
BioWorld 14.12.21

In BioWorld's newsletter covering data presented at ASH21, there were two mentions of Autolus Therapeutics' positive data following clinical trials of obecabtagene autoleucel in CD19 CAR T-cell therapy in both acute lymphoblastic leukemia, and relapsed/refractory B-cell non-Hodgkin lymphoma and chronic lymphocytic leukemia respectively.

Results from the Phase Ib FELIX Ib/II study showed sustained durability of response with morphological event-free survival of 46% at 24 months and no patients had high grade (≥grade 3) cytokine release syndrome. Results from 14 evaluable patients in the ALLCAR19 extension study showed 13 achieved complete metabolic response per Lugano 2014, with 1 B-CLL patient in partial response; median follow-up time was 11.8 months for follicular lymphoma and DLBCL patients; 7.4 months for CLL and mantle cell lymphoma; across all patients, obe-cel demonstrated a favourable safety profile.

Clade Therapeutics

Discovering and delivering scalable next generation induced pluripotent stem cell (iPSC)-derived medicines

Key Media Coverage

Clade: immune-cloaked, iPSC-derived cell therapies
BioCentury 22.12.21

Paul Bonanos wrote an emerging company profile on Clade Therapeutics, Syncona's first investment in an allogeneic cell therapy company. Syncona led the start-up's $87 million Series A round in November, joining LifeSci Venture Partners, Emerson Collective and Bristol Myers Squibb Co. Clade genetically engineers induced pluripotent stem (iPS) cells before their differentiation so that they can evade a patient's immune system, resulting in longer persistence with reduced likelihood of rejection by the patient. Clade hopes that the immune cloaking and differentiation techniques will add up to a set of off-the-shelf, allogeneic cell therapies that can be administered to a large number of patients without relying on specialised hospitals.

Freeline Therapeutics

Focused on developing curative gene therapies for chronic systemic diseases

Key Announcements

Freeline presents long-term follow-up data in haemophilia B and initiates dose-confirmation trial
13.12.21

Freeline Therapeutics presented data from its long-term follow-up study of its Phase I/II B-AMAZE dose-finding trial of FLT180a for the treatment of haemophilia B during the 63rd American Society of Hematology (ASH) Annual Meeting & Exposition, being held between December 11-14, 2021.

The results presented demonstrated sustained factor IX (FIX) expression up to 3.5 years, and supported selection of a dose of 7.7e11 vg/kg and an immune management regimen that has the potential to deliver FIX activity in the normal range (50-150%) for patients with haemophilia B. Additionally, the company announced initiation of the first trial site in the Phase I/II B-LIEVE dose-confirmation trial of FLT180a, one quarter ahead of its latest guidance. Freeline expects the B-LIEVE study will finalise a dose for the planned pivotal Phase III trial and anticipates an interim data readout from B-LIEVE in mid-2022.

Freeline reports 2022 corporate priorities and guidance
14.12.21

Freeline Therapeutics announced its 2022 corporate priorities as well as providing updated guidance across its programmes. The key updates are as follows:

- The company anticipates data across all programmes by mid-2022
  - The Phase I/II B-LIEVE dose-confirmation trial of FLT180a in haemophilia B launched in Q4 2021, one quarter ahead of its latest guidance
  - The Phase I/II dose-finding trial of FLT201 in Gaucher disease Type 1 is on track for trial site initiation by year-end 2021 and first patient dosed in Q1 2022
  - The Phase I/II MARVEL-1 dose-finding trial of FLT190 in Fabry disease is progressing in the clinic, with the next patient expected to be dosed in H1 2022
- Freeline has decided to discontinue further development of its pre-clinical work for FLT210 in hemophilia A, as it continues to prioritise its investments on the highest value activities
- To streamline its operations, Freeline has proposed implementing an approximate 25% reduction in the size of its workforce
- As a result of these changes, the company expects that its cash runway will be extended by an additional quarter to Q2 2023

Freeline Announces FDA Clearance of Investigational New Drug Application for FLT201 for Gaucher Disease Type 1
06.01.22

Freeline announced that the FDA has cleared its IND application for FLT201 as an investigational gene therapy for the treatment of Gaucher disease Type 1.

- FLT201 is the first AAV gene therapy program to enter the clinic for Gaucher disease Type 1
- FLT201 Phase I/II trial for Gaucher disease Type 1 on track for patient dosing in the first half of 2022

“The FDA clearance of this IND is an important milestone for FLT201, which is the first AAV-mediated gene therapy for patients with Gaucher disease Type 1 in the clinic,” said Michael Parini, Chief Executive Officer of Freeline.

Key Media Coverage

uniQure/CSL's EtranaDez Could Take Lead Position In Hemophilia B Gene Therapy Market
Scrip 09.12.21

Alaric DeArment reported on uniQure and CSL's Phase III data on etranacogene dezaparvovec (EtranaDez) in haemophilia B. Alaric refers to Truist Securities analyst Robyn Karnauskas, who compared EtranaDez favourably with Pfizer's fidanacogene elaparvovec, which yielded FIX expression at 22.8% of normal, plus or minus 9.9%. On the other hand, she added, there is potential competition from Freeline Therapeutics' FLT180a, noting that it showed FIX expression at levels 26%-160% of normal.

Conference data for Dec. 14, 2021: ASH
BioWorld 14.12.21

In BioWorld's newsletter covering data presented at ASH21, there was mention of data from Freeline Therapeutics' FLT180a for the treatment of haemophilia B. Long-term follow-up data from the Phase I/II B-AMAZE study suggests a dose of 7.7e11 vg/kg, coupled with a short course of prophylactic immune management, has potential to achieve durable FIX activity in normal range. Dose-dependent increase in FIX activity was observed and FIX expression was sustained in 9 out of 10 patients.

Gyroscope Therapeutics

Developing gene therapies and surgical delivery systems for retinal diseases

Key Announcements

Gyroscope Therapeutics Announces Appointment of Tony Adamis to Board of Directors
06.12.21

Gyroscope Therapeutics announced the appointment of biotech industry veteran Anthony (Tony) Adamis, M.D., to the Gyroscope Board of Directors, effective immediately. Dr. Adamis most recently served as Senior Vice President of Development Innovation at Genentech/Roche and brings more than 30 years of industry research and development experience to the role.

Gyroscope Therapeutics to be Acquired for up to $1.5 Billion
22.12.21

Gyroscope Therapeutics announced an agreement has been reached for Novartis to acquire Gyroscope for an upfront payment of $800 million (£604 million) and up to $700 million (£528 million) potentially due upon the achievement of certain milestones.

“I’m incredibly proud of the progress the Gyroscope team has made in developing what we hope may be the first gene therapy for a leading cause of blindness,” said Khurem Farooq, Chief Executive Officer, Gyroscope. “Joining forces with Novartis will greatly enhance our ability to deliver on our promise by providing additional expertise and resources to expand our development programme for GT005 and realise the potential of our exciting pipeline.”

Key Media Coverage

Peer review: Weekly biopharma job report
Endpoints 10.12.21

Endpoints’ weekly biopharma job report reported that Tony Adamis joined the Board of Directors at Gyroscope Therapeutics, a London-based biotech focusing on gene therapies for eye diseases like geographic atrophy.

Novartis to buy gene-therapy company targeting eye condition
Wall Street Journal 22.12.21

Denise Roland reported that Novartis has agreed to pay up to $1.5 billion to acquire British biotech Gyroscope Therapeutics, in a deal that will expand its pipeline of gene therapies targeting eye diseases. The acquisition will hand Novartis an experimental gene therapy for geographic atrophy, a form of age-related macular degeneration that can lead to permanent vision loss. Gyroscope, which was founded five years ago by London-based life sciences investor Syncona, also has some earlier-stage projects aimed at other eye diseases.

$800M up front: Novartis acquiring ocular gene therapy firm Gyroscope for up to $1.5B
BioWorld 22.12.21

Cormac Sheridan wrote that Novartis is deepening its commitment to ocular gene therapy by picking up Syncona’s founded entity Gyroscope for $800 million up front and up to $700 million more in potential milestone payments. “We’ve structured a deal which means if we do hit proof of concept, we will get paid,” Gyroscope Chairman Chris Hollowood told BioWorld.

Neogene Therapeutics

Pioneering the development of next-generation, fully personalized engineered T cells therapies for a broad spectrum of cancers

Key Announcements

Neogene Therapeutics Appoints Raphaël Rousseau, M.D., Ph.D., as Chief Medical Officer
16.12.21

Neogene Therapeutics announced the appointment of Raphaël Rousseau, M.D., Ph.D. as Chief Medical Officer. Dr. Rousseau brings more than 20 years of extensive experience in oncology drug development, including engineered T cell therapies, in both academia and the biotechnology industry. He joins Neogene's executive team and will be based in its U.S. headquarters in Santa Monica.

Key Media Coverage

BioSpace Movers & Shakers, Dec. 24
BioSpace 24.12.21

In BioSpace's December Movers & Shakers newsletter Alex Keown reported that Raphaël Rousseau was named Chief Medical Officer of Neogene Therapeutics. Rousseau joins Neogene's executive team and will be based in its US headquarters in Santa Monica. Rousseau most recently served as Executive Vice President, Head of Product Development, and CMO at Gritstone bio, where he was responsible for the company's global clinical development strategies and expansion of its neoantigen-based immunotherapies.

OMass Therapeutics

Using novel biochemistry techniques, native mass spectrometry and custom chemistry to deliver novel medicines against highly validated but inadequately drugged targets.

Key Announcements

OMass Founder, Professor Dame Carol Robinson, Honoured with the 2022 Louis-Jeantet Prize for Medicine and the 2022 Benjamin Franklin Medal in Chemistry
14.12.21

OMass Therapeutics announced that its founder Professor Dame Carol Robinson has been awarded the 2022 Louis-Jeantet Prize for Medicine and the 2022 Benjamin Franklin Medal in Chemistry. These highly prestigious awards are in recognition of Professor Robinson's contributions to the field of mass spectrometry and for establishing it as a method to analyse proteins in their native state. These discoveries have formed the basis of OMass' technology platform, OdyssION™.