

Event - Erytech looks to pancreatic cancer data for uplift



[Joanne Fagg](#)

The French company Erytech is offering a novel approach to cancer treatment with Graspera, a red blood cell-encapsulated version of the chemotherapy drug L-asparaginase. The aim is to avoid the allergic reactions seen with older forms of the drug that are not encapsulated, with data in second-line pancreatic cancer due by the end of the first quarter.

In its lead indication, acute lymphoblastic leukaemia, the company took a knock last year when European regulators requested more data. With cash reserves running low any glimmers that Graspera works in pancreatic cancer, a notoriously difficult disease, would boost confidence.

Project	Graspera
Company	Erytech
Product NPV	\$56m
% of mkt cap	42%
Event	Phase II data, pancreatic cancer
Due	Q1

However, the scale of the challenge is illustrated by Jefferies analysts, who suggest that peak sales of \$500m are possible in pancreatic cancer, though for now their base case assigns Graspera zero probability of success in this setting.

Blood work

L-asparaginase works by breaking down asparagine, an essential nutrient for most tumour cell proliferation. It has been used since the 1970s as a cancer treatment in combination with chemotherapy, but is commonly associated with serious allergic reactions.

Graspera encapsulates it in red blood cells to reduce exposure to the immune system and hopefully reduce hypersensitivity. Encapsulation into donor blood uses osmotic stress that opens and closes pores in the red blood cell membrane; the blood is then transfused into the patient.

The phase II trial tests Graspera in 139 patients with progressive metastatic pancreatic cancer, in combination with either gemcitabine or the Folfox regimen versus standard of care alone. The primary measure is progression-free survival at 4 months.

The trial is being run in France, and enrolment was expanded from 90 patients to increase the powering of the study. Results are expected by the end of the first quarter.

In the trial patients are stratified according to their expression levels of asparagine synthetase, an enzyme that synthesises asparagine from asparatate; expression is low or absent in around 50-80% of metastatic pancreatic cancers. Tumour cells therefore have to get asparagine from blood plasma, but as this gets depleted by Graspera the tumours are essentially starved. Normal cells are capable of synthesising asparagine themselves.

In the phase I metastatic pancreatic cancer study in 12 patients Graspera monotherapy was well tolerated, with no dose-limiting toxicities.

Lead indication

Graspera is most advanced in relapsed or refractory acute lymphoblastic leukaemia (ALL), and was filed last year

in Europe. In November the filing was withdrawn when the CHMP requested more data, including comparability data between old and new recombinant forms of asparaginase encapsulated in Grasp. Erytech shares fell 24% on the news, and a resubmission is expected by the middle of this year.

Grasp is also in a phase II US trial in ALL, and a European trial in AML. It is partnered with Recordati in Europe in both leukaemia indications and with Teva in Israel, and has orphan drug designations for all three indications in the EU and US markets.

Jefferies analysts forecast \$25.5m Grasp sales by 2021, all assigned to the ALL indication ([Asco-GI - Pancreatic cancer field awaits sparse data. January 24, 2017](#)).

Grasp peak sales, according to Jefferies analysts		
Indication	Peak (\$m)	Probability
ALL in US	120	70%
ALL in EU	40	90%
AML	400	30%
Pancreatic cancer	500	0%

Back in 2013 Erytech completed its Euronext IPO, raising €17.7m (\$23m), and it also has a small American depositary receipt programme.

With just €37.7m in cash and a setback in its lead indication, a win in pancreatic cancer would help calm fearful investors. However, this looks like a herculean task.

Setting	Trial ID
Grasp plus gemcitabine or Folfox, progressive metastatic pancreatic cancer	NCT02195180

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