

Deals and data in the offing for Oncimmune



[Elizabeth Cairns](#)



Oncimmune is not the only company looking to use the immune system to diagnose cancer. But its growth plans are intense, and it intends to prove the economic benefits of its tests.

With two cancer blood tests on the market and several more on the way, the London-listed diagnostics group Oncimmune is focusing on growing sales, and is looking forward to publishing trial data this summer that could boost uptake of its EarlyCDT-Lung cancer test.

It is also making deals at a startling pace, having acquired the German company Protagen Diagnostics, a specialist in what Oncimmune calls “personalised immuno-profiling”, last month, and also received a £10m (\$12.9m) equity investment from its Chinese partner Genostics, a licensee of the group’s tests.

But the cancer blood testing market is pretty crowded already, and the astoundingly well-funded companies that are developing pan-cancer liquid biopsies are gathering momentum. Oncimmune will need both its organic and inorganic growth strategies to pay off if it is to stay afloat in these turbulent waters.

Screening

The company’s technology works by detecting antibodies to tumour antigens. In harnessing the immune system its approach is similar to that of Oncocyte, among others, though Oncocyte’s lung cancer blood test detects changes in immune system gene expression levels in response to tumours ([Oncocyte banks on a new kind of liquid biopsy, January 30, 2019](#)).

As well as the lung cancer test Oncimmune sells EarlyCDT-Liver to detect hepatocellular carcinoma, and has tests for ovarian, breast, prostate, colorectal, gastroesophageal and pancreatic cancers in its pipeline.

EarlyCDT-Lung first became available in the US and EU in 2012. It is used to help pulmonologists assess lung nodules – opaque patches on a lung CT scan – helping them rule out treatment for patients with benign masses.

But the group is pushing for the test to be used as a screening tool, and the 12,210-patient ECLS study is about to yield data that could allow Oncimmune to make an economic case.

“The second application is screening,” Adam Hill, Oncimmune’s chief executive, tells *Vantage*. “Instead of using it after CT, we’re using it in advance of CT and saying can I, based upon the risk criteria – age, smoking history – pick out those patients from the general population that are more likely to benefit from a CT scan and

less likely to be overdiagnosed and overtreated?”

It will thus be crucial to show high specificity: the group claims in excess of 90% specificity for all of its panels, though only moderate sensitivity, in the 40% range. And, on the health economic front, Mr Hill reckons using EarlyCDT-Lung as a screen could cut the cost of treating a patient from its current average of £55,000 to £5,000, by allowing earlier intervention.

Deals

EarlyCDT-Liver reached the US market just under a year ago, but around half of the liver cancers globally are diagnosed in China, and launch here, aided by its Chinese distributor and investor Genostics, is a crucial plank of Oncimmune's expansion strategy.

Oncimmune's agreement with Genostics differs slightly from the many other distribution agreements it has with various companies in different countries. These are typically exclusive distribution contracts whereby the partner commits to a minimum revenue, but Genostics has licensed the entire EarlyCDT portfolio.

“They made an investment in the company of £10m,” Mr Hill says. “I think that was about 30% up on the share price of the day, which is starting to tell a story that sees strategic partners setting quite a different valuation for our business over the market.”

That was compounded, he adds, by the acquisition of Protagen Diagnostics for £4.1m, 35% of which is attributed to hitting successive milestones.

More deals will likely follow. “We've been really explicit with our strategy, that we will grow the value – not just the financial value, the value of the intellectual property and products we develop – both organically and inorganically,” he says.

Competition

Changes are coming to the diagnostics sector, however. Oncimmune intends to hedge against one of these – [the long-planned tightening of US diagnostics regulations](#) – by seeking *de novo* FDA clearance for its tests rather than keep them on the Clia-certified basis they currently enjoy.

Another coming change might be harder to dodge. Companies such as Grail and Guardant Health have billions of dollars in funding for their pan-cancer blood tests and are aiming not just to disrupt the market but to demolish it entirely and rebuild it from scratch.

Mr Hill is sanguine, and certainly Oncimmune has an aggressive growth strategy. But in the six months ended last November the company made a loss of £3.9m on sales of just £121,000, so it has quite a mountain to climb.