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## Covid-19 oils the wheels of business development



[Jacob Plieth](#)



### **Vir's tie-up with Glaxo leads recent deal activities aiming to treat the new coronavirus.**

Though it didn't seem like it at the time, Vir Biotechnology could hardly have timed its flotation any better. The infectious disease specialist's \$143m IPO last October saw the stock lose 30% on its first day of trading, but then the coronavirus pandemic hit and Vir was off to the races.

A flurry of Covid-19-based developments followed, culminating in yesterday's \$250m injection from Glaxosmithkline, seeing Vir surge 84% and breach a \$4bn valuation. Several other companies have benefited from moves against Covid-19 too, thanks to business development activities and clinical trial initiations.

Other recent stock market gainers include Mesoblast, up 47% yesterday on news that a US IND to use remestemcel-L in acute respiratory distress had been cleared, Redhill, boosted by Italian compassionate use designation for Yeliva, and Adaptive Biotechnologies, up on an antibody deal with Amgen.

For Vir, however, the Covid-19 journey began in February with the discovery of two antibodies targeting the virus's spike protein. Next the biotech signed deals with Wuxi, Alnylam (expanded a month later), Xencor, the NIH and Biogen, variously developing antibodies, RNAi therapeutics and vaccines.

Thus the Glaxo deal, announced yesterday, came after Vir had already signalled its positioning as the go-to Covid-19 player. And the UK company's \$250m investment, at a 10% premium, was made after Vir's stock had already more than tripled year to date.

The deal's most immediate impact is on the two lead MAb's against the spike protein that Vir had already identified, VIR-7831 and VIR-7832, which the partners now plan to take into phase II.

## A selection of recent Covid-19 announcements

Imophoron	<a href="#">UK startup looks for partners for non-adjuvanted vaccine projects</a>
Karyopharm	<a href="#">Evaluates low-dose Xpovio for hospitalised patients</a>
Glaxosmithkline/Vir	<a href="#">Mabs with \$250m equity investment</a>
Redhill	<a href="#">Italy allows Yeliva (SphK 2 inhibitor) under compassionate use</a>
Mesoblast	<a href="#">US IND cleared for remestemcel-L</a>
Xbiotech/Biobridge	<a href="#">Start looking at plasma from recovered patients</a>
Amgen/Adaptive Biotechnologies	<a href="#">Collaborate to identify antibodies based on recovered Covid-19 patients</a>
Pharmamar	<a href="#">To start phase 2 trial of Aplidin (eEF1A2 binder)</a>
Apeiron	<a href="#">Starts phase 2 trial of APN01 (rhACE2)</a>
Incyte/Novartis	<a href="#">Putting Jakafi into phase 3 for Covid-19 "cytokine storm"</a>
Vanda	<a href="#">Starts trial of tradipitant (NK 1 antagonist) in hospitalised patients</a>
Ethris/Neurimmune	<a href="#">To develop inhaled mRNA generating antibodies, based on immune systems of recovered patients</a>
Fujifilm	<a href="#">Starts phase 3 trial of Avigan</a>
Kiniksa	<a href="#">Anecdotal findings with mavrilimumab (GM-CSF discontinued by AstraZeneca)</a>
Kleo/Green Cross Labcell	<a href="#">Collaboration on NK cell combo therapy</a>
Healios	<a href="#">HLCM051 (stem cell product) Ards study to add Covid-19 subjects</a>
Xencor/Vir	<a href="#">MAb discovery deal</a>
Sorrento/Mabpharm	<a href="#">Collaboration on bispecific fusion protein</a>
Dynavax/Clover	<a href="#">Vaccine collaboration</a>
Aldyera	<a href="#">Screens clinical compounds for activity</a>
Akers/Premas	<a href="#">Vaccine candidate licensing deal</a>
Windtree	<a href="#">To study KL4 surfactant to treat lung injury</a>
Allovir/Baylor College	<a href="#">Collaboration on allogeneic T-cell therapy</a>
Ridgeback Biotherapeutics	<a href="#">To advance EIDD-2801 (ribonucleoside analogue) into clinical trial</a>
Humanigen	<a href="#">Plans phase 3 study of lenzilumab (GM-CSF neutralising MAb)</a>
Bellerophon	<a href="#">US emergency expanded access for INOpulse (inhaled nitric oxide)</a>
Sorrento	<a href="#">To develop STI-4398 ("Covidtrap protein")</a>
<i>Source: company statements.</i>	

Among the industry's other coronavirus-related business development activities two deals mark an important theme: the use of plasma from patients who had had Covid-19 and recovered.

This is the focus of recent tie-ups between Xbiotech and Biobridge, and Amgen and Adaptive. Both teams are seeking to identify neutralising antibodies that the immune systems of such people had raised against Covid-19, with a view to developing these as a treatment.

Ethris and Neurimmune are pursuing a conceptually similar but practically much more difficult approach, seeking to use information gleaned from recovered patients to develop mRNA treatments that would generate the relevant antibodies once inhaled.

## Disappointments

Of course, it has not all been good news, and a multitude of stock market announcements have detailed the Covid-19 threat to business activities, including delaying shareholder meetings and the pausing of clinical trials ([Covid-19 forces Lilly to hit the brakes](#), March 24, 2020).

Scientific conferences that have been turned into virtual events include AACR, ACC, ISCT and Asco; Easl, meanwhile, has been postponed until August.

*Evaluate Vantage* had also identified several pending acquisitions that risked being delayed by the pandemic ([A Covid-19 threat to business acquisitions](#), April 2, 2020). Of these, however, UCB's purchase of Ra and Gilead's takeover of Forty Seven have managed to close.

The coronavirus pandemic is clearly a major threat, but for some biotechs it represents a sizeable opportunity too.

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