

## Ash 2020 preview - early winners and losers



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### Unveiling of abstracts for December's haematology meeting sent Crispr up and Allogene down, but the biggest beneficiary was private.

When the dust settles on the 2020 Ash meeting the biggest beneficiary might not be a listed company but Velosbio, a private startup. Merck & Co yesterday paid \$2.8bn for Velosbio, whose Ash abstract - revealed the day before - might have pushed the deal over the line, though the two were probably in talks for longer.

Still, this week did see several key stock price movers in response to the Ash abstracts, which by mistake were unveiled a day earlier than planned. Crispr Therapeutics was probably the biggest gainer, with TG Therapeutics and Global Blood also trading up, though for the last the fillip proved very short-lived.

Like many haematology players Global Blood will have a big presence at Ash, with data on its marketed sickle cell disease (SCD) drug, Oxbryta. According to the abstract the Hope study suggests a clearer, albeit still not statistically significant, link between raising haemoglobin levels with Oxbryta and lowering frequency of vaso-occlusive crises than 24-week data had shown.

However, what Oxbryta gave it soon took away. Global Blood's stock crashed 37% this morning after the group revealed flattening Oxbryta sales, missing analyst forecasts, after market close yesterday.

#### Another snafu

Perhaps reflecting continuing problems with moving large medical conferences into an entirely virtual format, Ash had suffered an embarrassing snafu this week, as its abstracts were mistakenly made available online on Wednesday; the original plan had been to unveil them yesterday.

A similar accident befell the SITC conference, whose abstract texts went live for a couple of hours last month, four weeks before the embargo was to have lifted ([SITC 2020 - embargo snafu triggers the first movers, October 15, 2020](#)). With stocks moving Ash decided to make all abstracts accessible immediately - while SITC took precisely the opposite view.

Velosbio's Ash abstract revealed a 60% response rate in lymphoma patients given the anti-Ror1 ADC VLS-101; previously there had only been a very early case report of an unconfirmed partial remission in a heavily pretreated subject. Merck pulled the \$2.8bn takeout trigger yesterday ([Merck makes a big bet on rare Ror1 play, November 5, 2020](#)).

Velosbio had earlier raised just \$195m in private money, and the return pushed the stock of its key investor Arix Bioscience up 52%. There was another listed beneficiary, too: Oncternal, a cash-strapped microcap that

owned a small equity stake in Velosbio dating back to a spin-out arrangement, put on 123% yesterday.

### Selected early movers on Ash 2020 abstract disclosure

Project	Company	Abstract	Detail	Share price chg*
VLS-101	Velosbio (Merck & Co)	<a href="#">121</a>	ORR 7/15 (3 CR) in MCL, 4/5 (2 CR) in DLBCL	NR
Oxbryta	Global Blood	<a href="#">1716</a>	72-week data from pivotal Hope study	15%
CTX001	Crispr Therapeutics	<a href="#">4</a>	SCD: 2 subjects free of VOCs at 12mth & 3mth, generating total haemoglobin of ~10g/dl	10%
Umbralisib + ublituximab	TG Therapeutics	<a href="#">543</a>	Unity-CLL shows mPFS 31.9mth vs 17.9mth for Gazyva+chlorambucil, HR=0.55	6%
UCART22	Collectis	<a href="#">163</a>	2/5 CR in adult ALL; sepsis death deemed not treatment related	4%
TTI-622	Trillium	<a href="#">1191</a>	ORR 5/16 in lymphoma	2%
KO-539	Kura Oncology	<a href="#">115</a>	1/3 CR in r/r AML; 2 grade 3 adverse events	-2%
IGM-2323	IGM Biosciences	<a href="#">1142</a>	8 NHL patients, no responses in abstract	-7%
ALLO-715	Allogene	<a href="#">129</a>	ORR 5/15 in ≥4L multiple myeloma; one death due to infection	-8%

*Note: \*Nov 4 close vs Nov 3 close. Source: Ash & company announcements.*

Other Ash-related gainers included Crispr, two trials of whose Vertex-partnered CTX001 in beta-thalassaemia and SCD was accepted for a plenary session. Perhaps the most relevant findings come from the SCD trial, where a second subject is, like the first, free of veno-occlusive crises; Crispr put on a further 8% yesterday.

TG Therapeutics was up as various abstracts were taken as supporting the differentiation of its umbralisib from other PI3k inhibitors, and in particular the absolute progression-free survival from the [surprisingly positive Unity-CLL](#) study was detailed.

Among the fallers was Allogene, whose allogeneic anti-BCMA Car-T project ALLO-715 disappointed, and IGM Biosciences, whose anti-CD20 bispecific IGM-2323 showed no remissions in lymphoma, albeit at an extremely early time point. Both are first-in-human datasets.

It is of course possible that presentations at Ash itself will see many results updated for longer follow-up, and investors in Allogene, IGM and other companies will hope that this will show projects yielding more impressive efficacy.

*Ash 2020 will take place in virtual format on December 5-8.*

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