

Most valuable unpartnered pipeline assets - what's hot and what's not



[Evaluate Vantage](#)

Amarin's triglyceride-lowering agent AMR101 and Pharmasset's hepatitis C drug PSI-7977 are the industry's hottest unpartnered pipeline assets, data from *EvaluatePharma's NPV Analyzer* shows.

Valued at \$4bn and \$2.1bn respectively, aside from clinical and regulatory success much is riding on both companies securing a big pharma partner to help develop and commercialise their products. The prospect of a sizeable licensing or takeover deal has helped drive impressive share price gains in both groups over the last 12 months. Yet the volume and value of product licensing deals continues to slide ([Product deal slow down continues into 2011, August 1, 2011](#)), which could have implications for all 15 of the most valuable unpartnered candidates identified below.

Based on currently available consensus analyst forecasts for public companies, the table below shows the top 15 pipeline candidates according to their net present value. The list does not include products already partnered in a major market or in the hands of a company capable of commercialising its own drugs.

Biggest unpartnered pipeline assets - ranked on NPV

Rank	Project	Company	Lead indication	Pharmacology class	Status	Launch	NPV (\$bn)	Market cap Au (\$bn)
1	AMR101	Amarin	Hyperlipidaemia	Omega-3 fatty acid	Phase III	30-Sep-12	4.0	1,300
2	Reolysin	Oncolytics Biotech	Head and neck cancers	Oncolytic virus	Phase III	30-Jun-13	3.5	260
3	Afrezza	MannKind	Diabetes, type I & II	Insulin	Phase III	31-Dec-13	2.9	330
4	Qnexa	VIVUS	Obesity	Adrenoreceptor agonist & anti-convulsant	Filed	31-Dec-11	2.1	640
5	PSI-7977	Pharmasset	Hepatitis C, treatment	Hepatitis C polymerase inhibitor	Phase II	30-Jun-15	2.1	4,700
6	LibiGel	BioSante Pharmaceuticals	Female sexual dysfunction	Androgen	Phase III	30-Jun-13	2.0	260
7	Prophage G-200 (vitespen)	Agenus	Glioma	Cancer vaccine	Phase II	31-Dec-15	1.8	650
8	NX-1207	Nymox Pharmaceutical	Benign prostatic hyperplasia (BPH)	Prostatic therapy	Phase III	30-Sep-12	1.8	250
9	Varespladib (A-002)	Anthera Pharmaceuticals	Acute coronary syndrome	Secretory phospholipase A2 (sPLA2) inhibitor	Phase III	31-Dec-13	1.1	240
10	Huntexil	NeuroSearch	Huntington's disease	Dopaminergic stabiliser	Phase III	31-Dec-14	1.0	130
11	Microplasmin	ThromboGenics	Vitreomacular adhesion	Plasmin	Phase III	31-Dec-12	1.0	730
12	Iluvien	Alimera Sciences	Diabetic macular edema (DME)	Corticosteroid	Filed	30-Sep-11	1.0	230
13	Blisibimod (A-623)	Anthera Pharmaceuticals	Systemic lupus erythematosus (SLE)	B-cell activating factor (BAFF) inhibitor	Phase III	31-Dec-14	0.9	240
14	Allovectin-7	Vical	Melanoma	HLA-B7 gene therapy	Phase III	30-Jun-13	0.9	240
15	RDEA594	Ardea Biosciences	Gout	URAT1 inhibitor	Phase II	31-Dec-13	0.8	380

Hot property

Surprisingly positive results from two pivotal trials with AMR101 have placed huge expectations on the shoulders of Amarin ([Amarin surges as hopes for heart drug soar, April 18, 2011](#)).

Although the company has said it might go it alone with commercialisation, considering the huge potential market to be addressed and likely fierce competition from GlaxoSmithKline's incumbent in Lovaza, analysts expect a big pharma licensing deal, or even takeover.

Meanwhile, the hype surrounding Pharmasset's pipeline of novel agents to treat hepatitis C continues – despite only reporting minimal phase II data so far, the company is already valued at \$4.7bn ([Pharmasset's soaring valuation prompts pressure to deliver, July 6, 2011](#)).

The jewel in its crown at the moment is PSI-7977, a polymerase inhibitor which when combined with other novel agents could revolutionise the treatment of hepatitis C by eliminating the need to use highly intolerable interferons. Aside from a pre-clinical stage deal signed with Roche in 2004 over RG7128, so far Pharmasset has resisted the temptation of what must be highly lucrative licensing offers for its pipeline assets from potential partners or even acquirers.

Depending on the outcome of pivotal trial results due by the end of the year, other candidates which could attract serious partnering interest in the near term are Reolysin, an oncolytic virus developed by Oncolytics Biotech, and LibiGel, BioSante's testosterone gel formulation to treat low sexual desire in post-menopausal women.

Although Reolysin's valuation looks pretty ambitious at this stage, oncolytic viruses are starting to gain some traction in terms of clinical development and partnering interest, with Amgen's \$1bn purchase of BioVex earlier this year a prime example ([Therapeutic focus – Oncolytic viruses enter pivotal year, January 26, 2011](#)).

Plugging away

In contrast to the excitement around Amarin and Pharmasset's products, the list predictably contains candidates which have had serious clinical or regulatory setbacks, but for which many analysts continue to carry a flame.

Products such as Afrezza, Qnexa, Huntexil and Iluvien all clearly have significant potential should they reach the market, but major question marks still surround their ability to do so.

Meanwhile Anthera, which completed an IPO in March last year, has two phase III candidates in the list, varespladib for acute coronary syndrome and blisibimod for lupus. Investors that bought into the IPO as well as a recent share issue which raised \$54m will have done so on expectations for positive clinical data and subsequent licensing deals on both candidates – how these events play out will determine their return on investment. Anthera's current share price of \$5.65 is struggling to match its IPO and recent share sale prices of \$7 and \$7.50, respectively.

Indeed, Anthera featured in a similar analysis a year ago ([What partnering hopes for the industry's biggest unpartnered R&D assets?, August 6, 2010](#)).

Of the products identified last time round, only Aveo Pharmaceuticals' tivozanib and Clinical Data's vilazodone have been particularly successful – Astellas Pharma secured rights to tivozanib in one of the biggest licensing deals of 2011 ([Astellas taps into tivozanib's potential with billion-dollar deal, February 17, 2011](#)), while Forest Labs purchased Clinical Data for \$1.3bn soon after a somewhat surprising FDA approval for vilazodone ([Forest gambles on Viibryd to fill antidepressant gap, February 23, 2011](#)).

At the time there was much scepticism about vilazodone's chances of regulatory and commercial success to justify such lofty valuations. Although the product is not particularly novel, vilazodone shows what can be achieved should a company's clinical and/or regulatory cards come up trumps.

[More from Evaluate Vantage](#)

Evaluate HQ
[44-\(0\)20-7377-0800](#)

Evaluate Americas
[+1-617-573-9450](#)

Evaluate APAC
[+81-\(0\)80-1164-4754](#)

© Copyright 2023 Evaluate Ltd.