On-Conversation with Jan-Anders Karlsson, CEO and Board Member S*BIO Pte Ltd

Jan-Anders Karlsson, CEO and board member S*BIO Pte Ltd

In January of this year, privately-held biotech company, S*BIO, made headlines with its new collaboration with Onyx Pharmaceuticals to option and license its novel JAK2 inhibitors. Later that same month, the company announced another licensing agreement with the small biotech firm, Tragara Pharmaceuticals, located in San Diego. Amid a host of collaborations, awards and modest clinical posters, S*BIO is growing its roster of successful clinical trials. We recently interviewed Dr. Karlsson about S*BIO's advancements with its two lead compounds SB939 and SB1518.

OBR: *How did S*BIO come about to be the first biotech company in Singapore?*

JAK: Since about 2000, Singapore has built a huge amount of activities in the biomedical sector. Many excellent scientists have come here and helped set up labs and build departments and institutes. They have invested very heavily in the translational medicine area, especially oncology. I think we are in a very fortunate position to work so closely with them. Singapore's universities and hospitals have all the equipment, the technologies are available and they excel in the latest thinking in translational medicine. Our location is absolutely perfect to access patient pools in Taiwan, China, Thailand, Korea and other countries further north. There is no competition as there is no other oncology biotech company around, so we get all the attention that we need. It's fantastic, but China is building like crazy and they have a lot of money—they may be our biggest competition in the near future.

OBR: *How did you feel about the coverage of histone deacetylase (HDAC) inhibitors at ASCO this year?*

JAK: The whole field had almost disappeared from the radar screen, but at ASCO there was a rejuvenation of interest. It's been a long slog, but there does seem to be some emergent rays of light in combination with some solid tumor activity and in multiple myeloma. There are some clear indications that this class of compound, if you get the right one, has more activity than people thought previously. That was the hopeful message from my perspective around the HDAC class. I think we'll come out even stronger next year.

OBR: *What's new with the HDAC development program at S*BIO?*

JAK: We have a number of programs in the pipeline, but two are especially exciting to us. The first is our lead candidate—SB939—which is finishing Phase 1 studies. It has taken us longer to complete the studies than we expected, but we found that we were able to go to higher dose levels than we initially planned. It turns out that SB939 looks quite safer than we initially thought. Phase 2 studies are expected to begin by the second half of this year.

OBR: *Can you give our readers a little insight into the JAK2 studies going on at S*BIO?*

JAK: SB1518 is a small molecule JAK2-selective kinase inhibitor which has high potency against both the wild type JAK2 kinase and the JAK2 kinase with the V617F mutation. The V617F mutation is found in high frequencies in various myeloproliferative disorders such as idiopathic myelofibrosis. We think that the SB1518 compound might prove to be an effective treatment for other hematological malignancies with mutations and rearrangements in the JAK2 gene as well.

Therefore, we have three ongoing Phase 1 JAK2 studies with the SB1518 compound. One is a leukemia Phase 1/2 study driven by the M.D. Anderson Cancer Center in Texas that is exploring the potential of the compound in leukemia and in myeloproliferative disorders. The second study is a lymphoma study that is just looking at end-stage lymphoma. The third is an ongoing study in Australia that's a direct myelofibrosis Phase 1/2 study, where we are treating patients that have no alternative treatment options.

OBR: *Onyx gave you $25 million in cash for rights to both of those products?*

JAK: Yes. That money will go to advancing the products in clinical studies. It was a classic option agreement, which I think was what we really wanted to have. It worked well for us and for Onyx.

OBR: *What kind of competition do you have for the JAK2 inhibitor?*

JAK: Later in the year, Incyte is starting a Phase 3 program in Europe and the United States. It's very clear what

the regulatory endpoints are, which seems to be spleen shrinkage as a primary endpoint, and quality of life as one of several secondary endpoints. Another compound from Exelixis I think has been taken off the shelf for now. So they are no longer a competitor. However, there is a compound from TargeGen, which is at about the same stage as us, but their compound has a different profile. So we are very comfortable with where we are.

OBR: *Do you have other projects in the works?*

JAK: We are expanding our pipeline with a third candidate called SB1317 which is designed to selectively inhibit major signaling pathways involving Flt3 and CDK, which impact disease progression in acute leukemias. We believe the compound has the potential to become a first of its kind Flt3 inhibitor to specifically target this group of patients. We've licensed SB1317 to Tragara, a small biotech in San Diego. We are also working around mTOR and PFA-kinase inhibitors as well. OBR

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Thirty-three percent of adults surveyed recently by the Community Oncology Alliance (COA) said they would stop cancer treatment if it started getting too expensive.
(Reuters, 7/8/09)

Approval decisions from the FDA are anticipated this fall for a batch of blood cancer drugs, including Spectrum's Zevalin® for NHL, Genzyme's Clolar® for AML and GSK/Genmab's Arzerra™ for CLL.
(Company press releases, 3Q'09)

Approximately 15% of all newly diagnosed cases of cancer in the United States are treated by US Oncology affiliated oncologists.
(San Antonio HC&B Magazine, 7/23/09)

The world's biggest drug company, Pfizer, projects a 10-fold rise in its global cancer drug sales by 2018.
(Bloomberg, 7/13/09)