

# WINNER'S SPOTLIGHT

## ARTIOS PHARMA

Artios Pharma scooped two awards at the Biotech and Money Awards 2017. The DNA Damage Response company was named winner in the UK Life Science Young Company of the Year (1-3 years old) category, sponsored by Clinigen, and the UK Private Finance Raise of the Year ( $\leq$ £25 million) category.

Biotech and Money spoke to Artios Pharma's Chief Executive Officer about the wins, the company's plans for the year ahead, and why it is such an exciting time to be working in the field of DNA repair.

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## Developing a DDR-focused portfolio

Artios Pharma left the Biotech and Money Awards 2017 with two awards in tow: UK Life Science Young Company of the Year (1-3 years old), sponsored by Clinigen, and UK Private Finance Raise of the Year (≤ £25 million). Biotech and Money caught up with Dr Niall Martin (pictured), Chief Executive Officer, to discuss the award-winning finance raise, the company's lead programmes, and its ambitions for the future.

Artios Pharma was established in May 2016 to develop the next generation of DNA Damage Response (DDR) programmes for the treatment of cancer. DDR is a rapidly growing area of oncology, which exploits the reliance of tumours on certain DNA repair pathways to survive and grow. The company's pipeline currently includes three core preclinical research programmes, including two lead assets that have been in-licensed from Cancer Research UK's (CRUK) Commercial Partnerships team, formerly known as Cancer Research Technology (CRT).

While one of the lead assets has not yet been disclosed by the company for competitive reasons, the other lead programme focuses on DNA repair inhibitor Pol Theta, a target which is attracting much attention in the DDR community at present.

The in-licensed programmes form part of a wider research collaboration with CRUK, including work with the CRUK

Therapeutic Discovery Laboratories. Martin says: "We've been fortunate to work with Cancer Research UK and identify projects through them that we've then licensed. This helped us to get the company established, with the underpinning science, and off the back of that, the specialist DDR team to take those projects forward." The partnership has also helped to ensure that Artios is well positioned to work with the DNA repair academic community. "DDR in the UK is world class, if not world leading, and a lot of that has been driven through CRUK [funding] so the tie up with CRUK has been immensely valuable to us," explains Martin.

## Investment momentum

The third component in the company's pipeline is a research collaboration with Masaryk University, Czech Republic, which focuses on treatments that target DNA nucleases involved in DDR.

"Our remit is to build the best pipeline of novel first-in-class DDR programmes, so we undertook a search and selection exercise over the last year to find the very best programmes," says Martin. "This is one we're extremely excited about. It's a strategic collaboration, and we're looking at a number of targets with this group."



The collaboration, announced in June 2017, sees Artios provide funding and research support for the team at Masaryk University as it conducts research and development programmes on several nuclease targets. In turn, Artios will have the opportunity to in-license one or more of these programmes for development and commercialisation. "These nuclease programmes are relatively advanced, with chemistries available, and Artios plans to undertake the translational aspects of this research in 2018," says Martin.

The company's official launch and the development of its pipeline were funded through a £25 million Series A financing in September 2016. Its investors include SV Health Investors, Merck Ventures, Touchstone Innovations, Arix Bioscience, AbbVie Ventures, and Sixth Element Capital. The finance raise occurred sooner than Artios had initially expected. "It happened very fast, and not long after our seed financing," says Martin.

"I think that was the interesting factor: within two to three months we put a consortium together and closed a £25 million raise. I think that highlighted the real interest there is within the DNA Damage Response area. Much of the interest in DDR has been driven off the success of the PARP inhibitors but investors and pharma are starting to appreciate there are much bigger gains to be had through targeting the DDR."

Looking back, Martin recalls the hard work and high level of organisation required to ensure that Artios had all the necessary elements in place for the investors, particularly in light of the speed with which the fundraise came about. Martin says: "For me, the key learning is to be as organised as you can, and really understand your business model and R&D plans as early as possible so that you are able to discuss financing properly with investors." The company also benefits from having investors that are aligned with its vision of becoming one of the leading DDR-focused oncology companies in the world. "We wanted a large Series A fundraise, which was significantly bigger than originally planned, to take the company forward to the level that we wanted to and build the pipeline we required," explains Martin. "I think everyone bought into that and I think that has been the strength of the consortium."



Artios' investors also understand the competitive landscape in which the company operates, adds Martin, especially the emergence of US companies in the DNA repair space. "We are in a competitive situation here, and it is recognised by our investors that if we want to maintain our leading position we have to keep our momentum going and think big. That's important for us, we have the science and the team here in the UK, and it is important that we have the finances to achieve our ambitions," he says.

## A wealth of experience

The £25 million finance raise earned Artios the first of two accolades at the Biotech and Money Awards 2017, which is based on a peer-led voting system within the life sciences community. The second win was in the UK Life Science Young Company of the Year (1-3 years old) category.

When asked why he thought Artios was recognised as the winner in this category, Martin highlights three key elements: DNA repair's potential, the experience of Artios' team, and the company's strong investor base.

He adds: "All of the companies on the shortlist were very strong companies so to win, for us, really reflected on us having all of those key facets in place – science, team and finance."

The leadership team at Artios brings with it a wealth of experience, including in DNA repair research, drug discovery, and development. Both Martin and Dr Graeme Smith, Chief Scientific Officer, held key roles at KuDOS Pharmaceuticals, which developed DDR inhibitors, such as Lynparza™ (olaparib), before being acquired by AstraZeneca in 2006.

Meanwhile, the company's Vice President of Science Strategy, has more than 20 years' experience in DNA repair, is an Honorary Professor at University College London, and Group Leader at the Francis Crick Institute. This is to touch on but a few examples of the specialist knowledge in the team; the strategic knowledge and business acumen brought by other members of the management team, such as experience of deals and financing, should also not go unmentioned.

Martin says: "We set out with a certain vision: to be the best DNA repair company, certainly biotech, on the block and by that I mean the world. global stage.



“Getting the team in early has been really important to move Artios [forward], put us on the map in the DDR community, and get our research programmes moving in the right direction.”

## Compounds and consolidation

The last year has seen Artios build its management team, gain financial backing from investors, and establish its pipeline. Over the next year, the focus will be on the science to unlock the potential of its pipeline, and working with investors to understand the financing requirements for the company’s strategy over the next five years.

“The thing we’re really excited about is that for our two lead programmes, and indeed the wider pipeline, we’re getting the compounds,” says Martin. “What we’ll do this year, now that we have these compounds, is really start to understand the biology. And once you understand the biology, you start to really understand the commercial potential because that’s going to highlight just how big these programmes are.”

## Why the time is right for DDR

It is not only the company’s growth that Martin is excited about, but the growing recognition of the potential of DDR as a whole. Martin says: “It’s an exciting area to be in. It’s the right timing. I think big pharma and everyone on the drug discovery side of DNA repair processes have been waiting to see how well the current DDR inhibitors, such as PARP inhibitors, will do in the clinic.

“These are now looking really strong, and suddenly there is a realisation that DNA repair will be far bigger than what’s already out there. Therefore, it’s important that a small company like Artios gets established now, so we can be at the leading edge of bringing through the novel technologies, ideas, and projects in this area.”

Martin also views DDR inhibitors as part of the move towards personalised medicines, where he believes they would likely form part of a combination therapy tailored to an individual. “Because it’s very much based on the mutations in patients’ tumours, and how those specific mutations impact on the DDR and genomic stability, that will determine the therapeutic opportunities,” he explains.



“I don’t think there’s any doubt that DDR therapies can be part of the standard of care; oncologists will start to think ‘I need a DDR inhibitor, I need an X or a Y to treat this individual’. Our mission is to establish DDR therapies as a standard of care.”

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## ASSEMBLY AND AWARDS DINNER

Each year the Biotech and Money Awards recognise the UK's greatest funding, investment and deal making successes in the life sciences sector through 12 hotly-contested categories.

This year's Biotech and Money Assembly and Awards Gala Dinner took place at the Merchant Taylors' Hall, London, on 14 September 2017.

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