

Redx Pharma PLC

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Redx Pharma looks for some Porcupine help in its fight against cancer and fibrosis

It has been a rough 18 months or so for Redx Pharma PLC (LON:REDX), the AIM-quoted biotech which specialises in developing cancer and fibrosis-fighting drugs.

The company fell into administration last May when Liverpool City Council called in a £2m loan. Unlike most though, Redx was out again within a few months, having sold off its BTK inhibitor technology and drug development programme to a Nasdaq-listed Loxo Oncology for the princely sum of £30m (US\$40m).

With the dust settling and shares back to trading on AIM, the drug developer brought in an industry heavyweight in the form of Lisa Anson, who took the reins in June.

READ: Redx shares surge as AstraZeneca's UK boss appointed new CEO

Anson was the president of AstraZeneca PLC's (LON:AZN) UK division immediately prior to joining Redx, while she also held various other senior leadership roles during her 20-year career at the FTSE 100-drugs giant.

To some, it may seem like a drop down the divisions, but the Cambridge-educated scientist-turned-businesswoman insists this is an "exciting opportunity" to make her mark on the UK life sciences sector.

That's something she is clearly passionate about, as evidenced by her role as the president of the Association of the British Pharmaceutical Industry.

"I feel I can bring some leadership which will make a difference at Redx, where I think there's some really strong science," says Anson.

"We need to now relaunch the company and build it ready for growth so for me that's an exciting opportunity."

One of the first things on her to-do list is to get RXC004, the company's lead drug, back into trials.

Porcupine inhibitors: Animal rescue?

The first patient in a Phase I/II trial was dosed back in February but Redx paused the study just over a month later, admitting that the dosing levels it had thought were right based on its pre-clinical research were actually too high.

Since then, it has been talking with regulators about lowering the dose and getting the trial back up and running again which it expects will happen in the first half of 2019.

"If we didn't believe this drug had a window that could hit the target at a safe dose, we wouldn't be going back into the clinic with it," says Anson.

READ: Redx confirms RXC004 trial will resume early next year

Price: 62.5

Market Cap: £171.18 m

1 Year Share Price Graph



March 2020 September 2020 March 2021

Share Information

Code: REDX

Listing: AIM

52 week	High	Low
	94.9514	4.4977

Sector: Pharma & Biotech

Website: www.redxpharma.com

Company Synopsis:

Redx is a biotech company focused on the discovery and development of novel targeted medicines for the treatment of cancer and fibrotic disease, aiming to progress them to clinical proof of concept (PoC).

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Despite the temporary setback, Redx still has a lot of belief in RXC004, which is part of a niche, and potentially breakthrough group of cancer drugs called Porcupine inhibitors.

They work by dialling down the Porcupine protein, which is the control switch for the Wnt pathway - known to be heavily involved in cell growth and division.

"What you're doing is readjusting the control switch (Porcupine) of one of the main pathways (Wnt) which controls the division of cells and thereby stopping the proliferation of cells (A.K.A cancer)," explains the new CEO.

Potential as a combination therapy

Now not all cancers are driven by the Wnt pathway, but the hope is that RXC004 will inhibit the growth of those which are.

Interestingly, there's a growing bank of research that suggests Porcupine inhibitors may also be very effective in tandem with checkpoint inhibitors such as anti-PD-1, which lower or break cancer's defence against the body's immune system.

That's why Anson and her team still plan to assess the drug in combination with a checkpoint inhibitor further down the line, something Swiss giant Novartis is doing with its Porcupine inhibitors.

Away from RXC004, Redx has a few other anti-cancer candidates, although they are still in pre-clinical development.

Fibrosis the other focus

Porcupine inhibitors aren't just proving useful in the fight against cancer; more and more researchers are forming the opinion that they can be used to combat fibrosis.

The Wnt pathway is widely believed to be heavily involved in the tissue scarring process which is typical of idiopathic pulmonary fibrosis.

"The second leg of the company is the whole area of fibrosis, [which] is something we can really focus on. There are very few drugs in the market that actually tackle fibrosis, most of them are anti-inflammatory and don't treat the fibrosis itself," says Anson.

"Redx has some great agents against fibrosis so that's another area of the business that I think we need to focus on developing alongside the 004 programme."

READ: Redx Pharma's RXC006 compound shows fibrosis promise

One of those agents is RXC006, which has impressed in early pre-clinical trials.

Redx said the first batch of in-vivo data suggested the compound has "great potential" as a fibrosis treatment and it plans to kick off in-human clinical trials in 2020.

Fibrosis could prove to be a lucrative area as well, given that fibrosis can occur in many tissues within the body, affecting millions of people around the world. Some of the better-known examples are pulmonary fibrosis (lungs), cirrhosis (liver) and Crohn's disease (intestine).

Sticking to what it knows

Those two areas will remain the focus for the foreseeable future as well, says Anson.

"We're a small company and we really to make sure we deliver on the exciting assets that we've [already] got. Our priorities are to make sure we get RXC004 back into the clinic and to make sure that we accelerate the development of the fibrosis compounds.

"Behind that we have a series of programmes that we're looking at that will build the next generation of assets but we're not going to be looking outside of oncology and fibrosis."

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