Press Cutting

Client: Chi-Med

Publication: BioPharm Insight

Date: 13 April 2012

**Hutchinson Medipharma expects FDA green light this year for herbal IBD drug Phase III start**

2012-04-13 **BioPharm Insight**

Hutchinson Medipharma, the London-listed Chinese pharmaceutical company, expects to receive an FDA special protocol assessment (SPA) for Phase III ulcerative colitis (UC) trials of HMPL-004 this year, according to a company spokesperson.

Hutchinson then plans to move ahead with the program with a partner onboard, for which it is currently under active discussions, the spokesperson noted. The drug has good potential moving into this larger Phase III trial, particularly if it goes ahead with expected higher doses for increased efficacy, people familiar with the situation said.

HMPL-004 is a novel oral drug product in development for IBD (inflammatory bowel disease) and derived from a botanical extract. HMPL-004 acts on multiple cellular targets in the inflammatory signal transduction pathways resulting in suppressed inflammation cytokine expression including TNF-α, IL-1β and IL-6, according to the company website. HMPL-004 has demonstrated safety and efficacy in multiple global Phase II trials for UC and a trend of efficacy for Crohn's disease (CD), said the spokesperson.

Hutchinson will cooperate with a strategic partner with capabilities in global Phase III development and commercialization in the relevant disease area, the spokesperson said, adding the HMPL-004 partnership discussions are continuous and active.

Phase II trials were completed in 2009, and since this time Hutchinson has made substantial efforts in the nonclinical development of HMPL-004 for Phase III and commercialization readiness, including the chemistry, manufacture and control (CMC) technologies, said the spokesperson. Hutchinson has developed high-strength tablets to reduce pill burden and increase medication compliance and has qualified the drug products through human pharmacokinetic studies for Phase III trial supplies, the spokesperson added.

From data already available, HMPL-004 appears to be effective in UC and has a good profile compared to other oral drugs for UC, said one person familiar with the situation. The drug doesn't appear to have reached its dose ceiling, and there is potential for higher doses to reach a better response in a Phase III trial, which is under discussion, the person said, adding there was a high trend for remission and mucosal healing with the higher 1800mg dose.

A second person familiar agreed saying he is aware that higher doses for better efficacy is being discussed by the company. A Phase III trial would likely see higher dose arms included onto the trial, the person said, adding it would be reasonable to go up to 2400mg.

The standard first-line therapy for UC patients is 5-ASA (mesalazine), which is safe and effective, however, for non-responders (approximately half of the mild-moderate UC population) there is a need for alternatives, which is where HMPL-004 would come in. The overall question would be whether it works in this target population in a Phase III trial, the person noted.

The company will consider moving forward on a new Phase II proof-of-concept study at higher doses to validate efficacy in Crohn's disease, the spokesperson said. If higher doses prove efficacious in Crohn's disease, this would increase partner interest as 5-ASA doesn't work in Crohn's, the first person familiar noted.

The person said the partner is unlikely to be a company like Warner Chilcott (NASDAQ:WCRX) or Shire (LON:SHP) who have huge 5-ASA portfolios, adding that it is likely to be a company with a fresher interest in the space or more specialty pharma. Santarus (NASDAQ:SNTS), Salix (NASDAQ:SLXP) and Aptalis are examples of dedicated specialty gastrointestinal companies.

From a more general perspective, this drug should be attractive to patients, and trial recruitment should be positive as HMPL-004 has a good safety profile (the occasional rash), and "everyone likes a natural route to therapy," said the second person. In terms of future uptake, there is a lot of potential for a herbal alternative that is efficacious, said the first person, adding that in California, everyone is interested in taking alternatives and the market could be quite attractive there.

Herbs have been used for years in Asia to treat IBD, and what Hutchinson is doing is extracting and concentrating the herb into a capsule which would need regulatory approval, said the second person. When put in the context of other drugs being developed in the space, this could be a much cheaper alternative (being a herbal extract), the first person said.

At this stage, however, whilst the company has a reasonable chance to go into Phase III it still can't be hyped up too much at this stage, noted the person, adding in the IBD space there are a lot of failures, which could still bring reservation to interested partners.

by Surani Fernando in London and Ying Huang in Shanghai