

SAN FRANCISCO BUSINESS TIMES

HEALTH CARE

New twist on old cancer target brings \$55M to 'happy, blessed' startup by Pfizer vets

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Ivana Djuretic and Andy Yeung connected at Pfizer Inc.'s South San Francisco research center around an entrepreneurial spirit and the desire to improve cancer immunotherapy.

So when the drug giant opted to move a chunk of its Peninsula operations to Southern California, Djuretic and Yeung made a decision as well: They would start a new company targeting safer, more effective ways to rev up the immune system to attack cancer and, potentially, other types of diseases.

Asher Bio Inc. collected a \$55 million Series A round led by Third Rock Ventures, it said today. Other backers include Tavistock Group's Boxer Capital, Invus, Y Combinator, where the company was seeded, and MBC Biolabs, the San Carlos facility where it incubated.

The name of the company is taken from the Hebrew name meaning "happy, blessed," which Yeung said reflects what Asher Bio wants to restore in patients.

How it plans to do that depends on a new approach to immunotherapy, called "cis-targeting," that could extend beyond cancer to infectious diseases and autoimmune conditions. Cis-targeting is designed to selectively activate only the cell types in the immune system that drive the desired response by engaging two receptors on the same immune cell at the same time.

One of the receptors modulates the immune system, Yeung said, while the other acts akin to a GPS to track the drug.

Asher's approach with its lead drug, called AB-248, centers on a well-known signaling molecule interleukin-2 that also is noted for its toxic side effects. It engineers receptors to bind only to CD8+ T cells, the foot soldiers that activate the immune system's infection-fighting legions.

That approach can limit IL-2 to tumor cells and not the cells of healthy tissue, Yeung said.

"Our goal is to build a better IL-2," Yeung said.

Asher's AB-248 will get a quick test of its fortunes: The South San Francisco company expects to take it into an early-stage drug safety trial next year.

It's an ambitious timeline for a company started in May 2019, but Asher has been moving quickly, especially since Third Rock partners spotted it in early 2020. The venture capital firm had been interested in cytokines, the small proteins that help drive the immune response but also can promote inflammation.

"They were looking for opportunities in that area for two years, but they didn't find anything sufficiently differentiated," said Asher CEO Craig Gibbs, a Genentech Inc. and Gilead Sciences Inc. veteran who joined Third Rock as an entrepreneur-in-residence last spring after Gilead bought cancer drug developer Forty Seven Inc. for \$4.9 billion.

When Gibbs was introduced to Yeung and Djuretic's work at Asher, his early-career work in protein engineering immediately came to the fore.

"I recognized how elegant it was and with more specificity, and it had an upside that could help lots of people," Gibbs said.

Djuretic, Asher's chief scientific officer, had been director of cancer immunology discovery at Pfizer and, before that, a principal scientist at Celgene. Yeung, Asher's chief technology officer, was a director of cancer immunology discovery at Pfizer.

"We were both interested in biology and differentiated drug candidates," Yeung said.

But when Pfizer (NYSE: PFE) chose in 2019 to close its immunology site in South San Francisco and move 100 jobs to its La Jolla cancer research center, "we were not interested in moving," Yeung said. A small team of Pfizer employees followed them.

Asher now has 24 employees, lab space on Gateway Boulevard in South San Francisco and a bucket of cash to launch its first clinical trial.

"This has been a seamless collaboration," Yeung said.



Asher Bio co-founder and Chief Technology Officer Andy Yeung



Asher Bio co-founder and Chief Scientific Officer Ivana Djuretic



Asher Bio CEO Craig Gibbs