BIOPHARMADIVE

DIVE BRIEF

Fresh off $4B deal, Nimbus gears up for 'third chapter' with new fundraise

The Boston biotech has sold two experimental drugs — a liver disease medicine and a TYK2 inhibitor — to Gilead and Takeda respectively.

Published Sept. 6, 2023

Gwendolyn Wu
Reporter

Jeb Keiper is the CEO of Nimbus Therapeutics. Permission granted by Nimbus Therapeutics

Dive Brief:

- Less than one year after selling an experimental medicine to Takeda for $4 billion, Nimbus Therapeutics is reloading with new funding meant to support its next wave of drug candidates, among them a prospective cancer therapy.
- The $210 million financing announced Wednesday was led by new investor GV, which is joining a broad base of backers including venture firms Atlas Venture and SR One. The money will fund development of new drugs for cancer, metabolic diseases and other conditions, the most advanced of which is a tumor-targeting medicine in Phase 1 testing.
- The Boston biotechnology company has become one of the sector's most successful privately-held companies, generating large returns for its investors through deals with Gilead Sciences and most recently Takeda. The latter agreement, for a type of

immune disease drug known as a TYK2 inhibitor, was one of the most valuable buyouts of an unapproved medicine in industry history.

Dive Insight:

Nimbus is embarking on what CEO Jeb Keiper calls its "third chapter."

According to Keiper, the first act ended when Nimbus sold a liver disease drug to Gilead in 2016. Nimbus wrapped the second last year when it sold its TYK2 medicine to Takeda.

Those deals validated the unorthodox path pursued by Nimbus, which Atlas and Schrödinger launched during the global recession in 2009. The company was formed as a limited liability company, or LLC, allowing it to house individual drug programs within subsidiaries, sell them to would-be buyers and generate returns for investors, while remaining private. Nimbus handed some of the proceeds of the Gilead and Takeda deals to its investors and used the rest to fund research.

The approach contrasts with that typically followed by most biotech startups, which are often built for initial public offerings or acquisitions down the road. It appears to have resonated with investors at a time when startups are having difficulty raising money.

"We were not an unknown quantity even though we have new investors," Keiper said. The company earned "credibility" through "a compelling plan of creating value [and] breakthrough medicines for patients," he added.

Nimbus' next act is led by a medicine dubbed NDI-101150. Like Nimbus' other medicines, the drug is a small molecule. It's aimed at a target called hematopoietic progenitor kinase 1, or HPK1,

which acts as a "key interface" between the innate and adaptive immune system and suppresses the body's response to cancer, Keiper said. Those characteristics have made HPK1 a drug target for cancer immunotherapies.

Nimbus hopes to prove the drug is useful as a monotherapy, meaning it doesn't need to be taken in combination with other medicines to have an effect. It's pursuing that strategy in response to the "fatigue" investors have had with experimental cancer drug combinations, many of which "broke hearts and broke wallets," Keiper said.

NDI-101150 is in a Phase 1/2 trial in solid tumors with results expected next year, according to a federal clinical trials database.

"The clinical data needs to speak," Keiper acknowledged.

Behind NDI-101150 are a handful of preclinical programs, among them another cancer drug prospect as well as metabolic disease treatments being developed with Eli Lilly.

For now, the company will continue to develop them privately, avoiding scrutiny that can follow an IPO. Staying private "allows us to stay out of the fray," Keiper said, and avoid the market "fluctuations that are uncoupled from accomplishments."

"Nimbus is becoming a R&D institution in Boston," he said.