BIOPHARMADIVE

Apellis shares sink on reports of rare side effects with new vision loss drug

An organization of retinal specialists flagged six cases of a severe type of eye inflammation in commercial use of Syfovre.

Published July 17, 2023

Ben Fidler
Senior Editor

Courtesy of Apellis Pharmaceuticals

Apellis Pharmaceuticals' shares lost one-fifth of their value Monday after a major medical organization flagged rare, but potentially severe, side effects among patients using the company's new drug for a common type of vision loss.

In a letter issued to doctors over the weekend, a safety committee advising the American Society of Retinal Specialists said physicians have reported cases of eye inflammation in patients treated with the drug, called Syfovre and approved in February for geographic atrophy. The cases included six instances of occlusive retinal vasculitis, a potentially blinding type of inflammation that blocks blood flow through the vessels that feed the retina.

According to the letter, the side effects occurred one to two weeks after a patient's first injection with Syfovre, which is given every 25 to 60 days. The organization said the events weren't related to any specific batch of products, and added that their cause remains unclear. It urged "vigilance and reporting of any adverse treatment

related events," as well as "close follow up" after administration of Syfovre.

"Particularly in the setting of a newly approved drug or device, such reports are critical in defining our real-world experience through analysis of the aggregate of collected reports," the ASRS said. About 60,000 vials of Syfovre have been delivered since the drug was approved by the Food and Drug Administration, according to the letter.

In an emailed statement to BioPharma Dive, Apellis said the real-world safety profile of its drug is "consistent with clinical studies." The events of intraocular inflammation with retinal vasculitis have occurred at an estimated rate of 0.01% per injection, the company said.

"We are in the process of thoroughly investigating all cases with external experts," Apellis said.

Evercore ISI analysts Umer Raffat and Jon Miller added that there isn't a consensus on all six instances of retinal vasculitis, and noted how the findings haven't been peer reviewed. One of the six patients has significant vision loss, while the outcomes on the others "may not be as significant," they wrote in a note to clients Monday.

Still, news of the side effects is a setback for a commercial launch that, so far, has outpaced the expectations of Wall Street analysts.

Syfovre was approved based on its ability to improve a marker of geographic atrophy, a disease that causes patchy lesions to form in the eye. These lesions can obstruct vision and get larger with time.

Apellis estimates that the condition affects 1 million people in the U.S. alone, and claims its drug can slow disease progression.

But Apellis hasn't definitively shown Syfovre can slow vision loss. In clinical testing, treatment was associated with a small but increased chance of new blood vessels forming, which can require additional therapy. The risk may grow with time, too. Syfovre's labeling also includes warnings for inflammation and potential infections.

That risk-benefit profile led some analysts and experts to express caution. "As the potential benefit goes up, the risks go up," said Demetrios Vavvas, an ophthalmology professor at Harvard Medical School and the director of the Retina Service at Massachusetts Eye and Ear, in an interview prior to Syfovre's approval. "And the benefits are potential. The risks are real."

In testing, those risks hadn't so far included retinal vasculitis, even after about 23,000 injections and a secondary review of the handful of cases of severe eye inflammation, wrote Raffat and Miller. In their note, the analysts speculated the difference might be related to how the drug is distributed in the real world compared to in trials.

In commercial use, the drug is being transferred into syringes by retinal practices, which may "set up a perfect storm for contamination/infection" in the eye, they wrote.

Apellis shares fell from over $84 to about $67 apiece by midday Monday.

The company has reportedly been courted by larger drugmakers interested in new eye drugs and Iveric Bio, a competitor which has a similar drug now under regulatory review, was recently bought by Astellas.