ENDPOINTS NEWS

Q&A: Jade CEO talks about reverse merger and IgAN drugs

by Kyle LaHucik on October 31st, 2024

This week, biotech builder Paragon Therapeutics took two of its portfolio companies public through reverse mergers — Crescent Biopharma and now Jade Biosciences. Four of the antibody maker's five offshoots have now taken that path.

Jade plans to start testing its IgA nephropathy drug JADE-001 — an anti-APRIL monoclonal antibody that can potentially be dosed every eight weeks — in healthy volunteers in the second half of 2025, CEO Tom Frohlich told *Endpoints News*. Otsuka and Novartis-acquired Chinook also have anti-APRIL programs.

Frohlich declined to disclose details of Jade's two other preclinical antibodies. "When Paragon announces a target, there's a lot of competitors [that] pop out of the woodwork," he said, speaking to Endpoints about the company's latest move. This interview has been substantially edited for length and clarity.

LaHucik: There's been a few recent IgAN approvals, some Phase 3 successes, some acquisitions and some large financings.

Frohlich: IgAN is an extremely exciting area, and the FDA's willingness to use surrogate endpoints in this disease has really spurred a lot of innovation. All of the approved therapies, none of them actually treat that root cause of disease. That's ACE inhibitors, corticosteroids, the endothelial antagonists, complement [inhibitors]. They all preserve nephron function, but they're not attacking that root cause. We believe APRIL, which has proven to lower that pathogenic IgA in early clinical trials, will become the predominantly-used class within IgA nephropathy.

LaHucik: You and a lot of the leadership team comes from Novartis-acquired Chinook. Novartis just did another deal with Versant to create Borealis, taking some people from that Chinook team. Did any of you consider joining that team, or what appealed you all to Jade?

Frohlich: Borealis is a very exciting company. I'm actually on the board there. It's looking at very early research and building a platform technology around RNA interference targeted to the kidney. Our team is much more focused on development.

LaHucik: Why this route to the public markets, and why so quickly? (Jade emerged in August.)

Frohlich: There's a lot of demand right now for these types of companies. Raising this $300 million to date really allows us to focus on our programs and advance them at pace.

LaHucik: What types of companies?

Frohlich: Companies that have programs with high probability of success in the clinic and the opportunity to quickly accelerate through clinical development.

LaHucik: Was there ever any thought of going the IPO route?

Frohlich: We considered a number of options. But this is something that we could expedite. Our team is fairly impatient to get these programs to patients, and this proved to be a very fast transaction.

LaHucik: Some Paragon companies have talked about their antibodies being similar to ones already in development or on the market. Talk about the technology.

Frohlich: JADE-001 was actually created with a *de novo* screen so they are novel CDRs [complementarity-determining regions]. They were selected for high-binding affinity. We were looking for extremely potent compounds so we had the opportunity to inhibit APRIL completely throughout the dosing period.

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