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PRODUCT DEVELOPMENT

Partner Amgen becomes investor as Carmot pushes diabetes therapies ahead with $47M series C

BY LAUREN MARTZ, SENIOR EDITOR

Amgen has joined the syndicate of investors backing Carmot in a $47 million series C round that will advance its lead Type II diabetes candidate — a therapy developed using the same platform that spawned Amgen's first-in-class KRAS inhibitor — through Phase II testing.

In addition to Amgen Inc. (NASDAQ:AMGN), existing investors The Column Group, Horizons Ventures and other institutional investors participated in the round.

The Berkeley-based company is planning Phase II and Phase I/II trials for peptide-small molecule hybrid GLP-1R/GIPR modulators, CT-868 and CT-388, created using its Chemotype Evolution drug discovery technology. The platform uses iterative library construction and screening processes to tune properties of new candidates.

The programs, which should begin to read out next year, follow first-in-class GLP-1R/GIPR agonist tirzepatide, a therapy from Eli Lilly and Co. (NYSE:LLY) that is in Phase III development.

Co-founder and CEO Stig Hansen believes Carmot's candidates have best-in-class potential.

"Most companies are trying to mimic the mechanism of action of the natural GLP-1 and GIP hormones, but we know that they have many effects in the body," he said. The hormones regulate functions ranging from gastric emptying and nausea to heart rate, insulin secretion and inflammation.

"We stepped away from mimicking the natural hormone to make a molecule that takes some of the desirable attributes of both hormones such as satiety and improved insulin response, but leaves out others such as nausea," he said. The Chemotype Evolution platform is used to change how the different signaling pathways are engaged in different cell types to modify activity.

It's also exploring applications of the platform beyond peptide hormones. The technology is a good fit for developing molecules against cysteine-containing targets such as KRAS, because Chemotype Evolution doesn't require large molecular libraries. Instead, it creates the libraries during the screening process. That's a benefit for cysteine targets because cysteine-reactive compounds are inherently unstable.

Carmot has formed two partnerships around the platform: a 2014 collaboration with Amgen that led to the discovery of closely watched KRAS inhibitor sotorasib (AMG 510), and a 2016 deal with the Genentech Inc. unit of Roche (SIX:ROG; OTCQX:RHHBY).

James Watson, Carmot's CBO, told BioCentury that the company is focusing on Type II diabetes, but that there are opportunities for partnering discussions about other indications and programs.

Watson, who joined Carmot this year, led the series C fund-raising process. Previously, he was CEO of a life sciences investment bank and CBO and president of islet cell therapy at Flagship Pioneering company Sigilon Therapeutics Inc., where he led the company's deal with Lilly in which the biotech received $63 million up front, an undisclosed investment and up to $410 million in milestones.

CT-868 is in Phase I testing for non-alcoholic steatohepatitis (NASH). The company is developing additional preclinical GLP-1R/GIPR modulators for other metabolic diseases.

Carmot also has preclinical candidates targeting deubiquitinating enzymes. Many of the enzymes are cysteine proteases, making them attractive targets for the platform.

Peter Svennilson, founder and managing partner of The Column Group, joined Carmot's board.

TARGETS

GIPR – Gastric inhibitory polypeptide receptor
GLP-1R (GLP1R) – Glucagon-like peptide-1 receptor
KRAS (K-Ras)

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