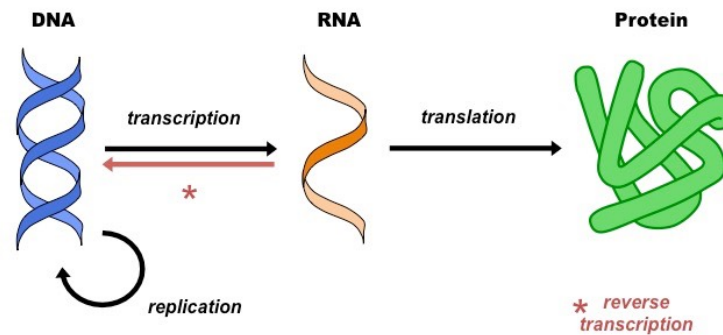


Non-invasive differential diagnostics of cancer using liquid biopsy

Paradigm shift in cancer standard of care

Victor Levenson MD, PhD

Central Dogma and Its Effects



Disease: abnormal expression of genes that can be detected as a change in DNA, RNA, or Protein.

Biomarkers for disease detection can be

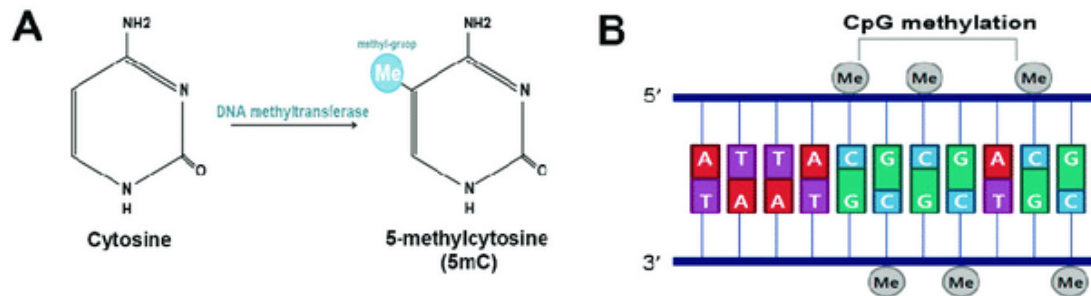
- ❖ Genomic
 - ❖ Transcriptomic
 - ❖ Proteomic
- } Amplifiable

BUT

- ❖ **Genomic:** stable, unknown expression
- ❖ **Transcriptomic:** unstable, undefined expression
- ❖ **Proteomic:** stable, uneven representation

Epigenomic: stable, directly linked to expression, amplifiable

Central Dogma of Epigenomics and Its Effects

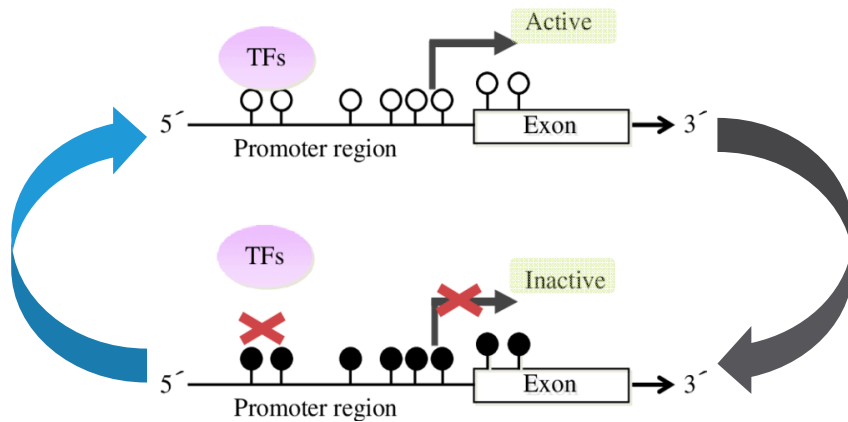


Epigenetic biomarkers

- ❖ Reflect gene expression
- ❖ Can be amplified

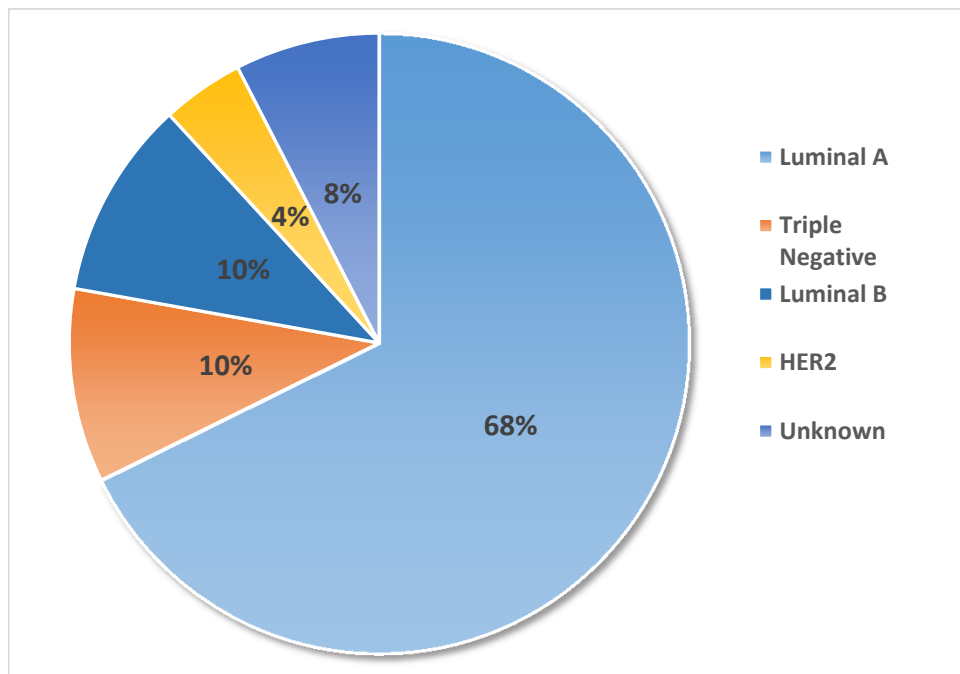
M-Test

- ❖ Discovery of epi-biomarkers



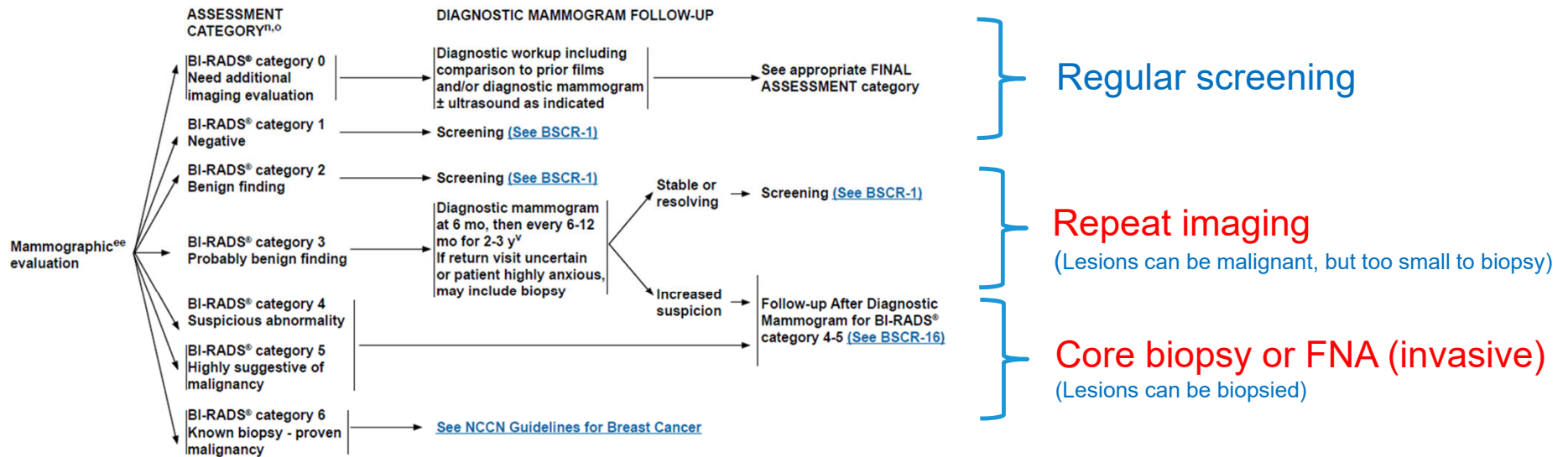
BREAST CANCER

Breast Cancer is one the five deadliest cancers worldwide



- Estimated ~ 300,000 new cases of female breast cancer in the US and >2 million worldwide (2020)
- Accurate diagnosis is required to select the best treatment for each type
- Regular monitoring with diagnostic imaging is required if the lesions cannot be biopsied
- Tissue biopsy is the current standard to confirm breast cancer diagnosis (\$535.8 M market in 2019)

NCCN GUIDELINES FOR BREAST CANCER



ⁿSee Assessment Category Definitions (BSCR-C).

^oMammography results are mandated to be reported using Final Assessment categories (Quality Mammography Standards: Final Rule. Federal Register. 1997;62:55988).

^yThere may be variability on the follow-up interval based on the level of suspicion.

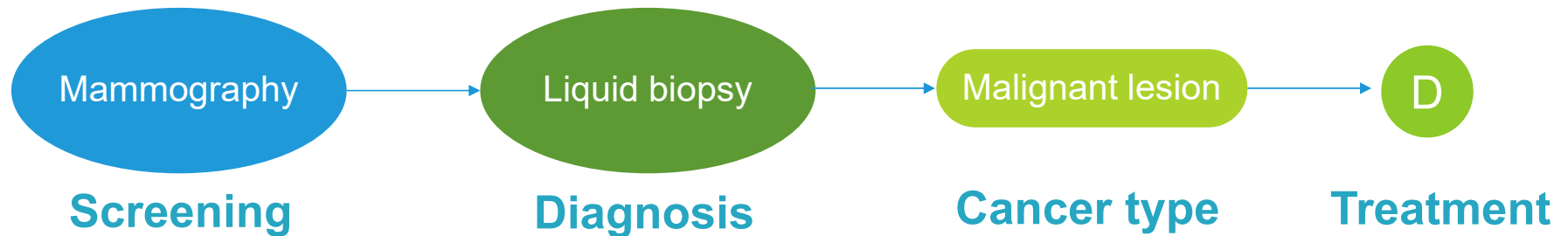
^{ee}Mammogram considerations: Specify if mammogram is screening or diagnostic and comparison should be made with prior noncopied films (original films), obtainable.

Note: All recommendations are category 2A unless otherwise indicated.
Clinical Trials: NCCN believes that the best management of any cancer patient is in a clinical trial. Participation in clinical trials is especially encouraged.

Our approach can

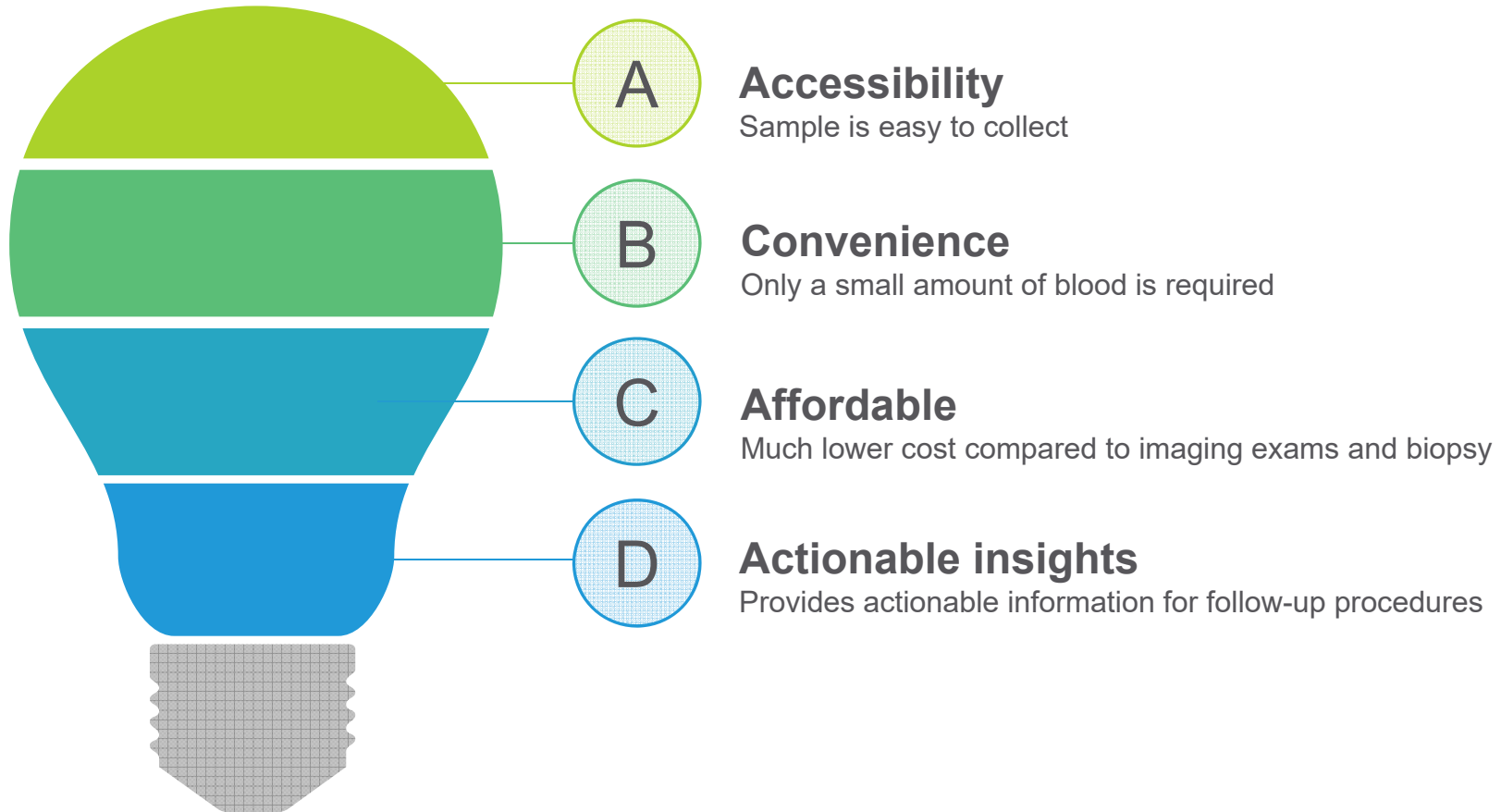
1. Replace repeat imaging and biopsy;
2. Reduce errors;
3. Improve screening results (interval cancers)

OUR SOLUTION FOR BREAST CANCER



- ✓ Provide physicians and patients with actionable answers at critical decision points
- ✓ Replace invasive surgical sampling with non-invasive liquid biopsy
- ✓ Reduce patients' anxiety due to unknown or inconclusive diagnosis
- ✓ Eliminate false-negative and uncertain results
- ✓ Reduce the time to diagnose and select the best treatment option
- ✓ Fast-to-market opportunity (4-6 months to clinical grade test)

KEY ADVANTAGES



CLINICAL DATA (proof-of-principle M-Test-56 platform)

- 4 peer-reviewed publications and 1 issued patent

DISEASE*	CLINICAL DIFFERENTIATION**	SENSITIVITY, %	SPECIFICITY, %
Breast cancer	No cancer vs Benign	70	80
	No cancer vs non-invasive cancer	80	88
	No cancer vs invasive cancer	87	85
	Benign vs non-invasive cancer	79	82
	Benign vs invasive cancer	79	82
	Invasive cancer vs non-invasive cancer	87	76

* The feasibility is also shown for Lung, Colon, Ovarian and Pancreatic cancers and some chronic diseases

**At least 30 samples per group,

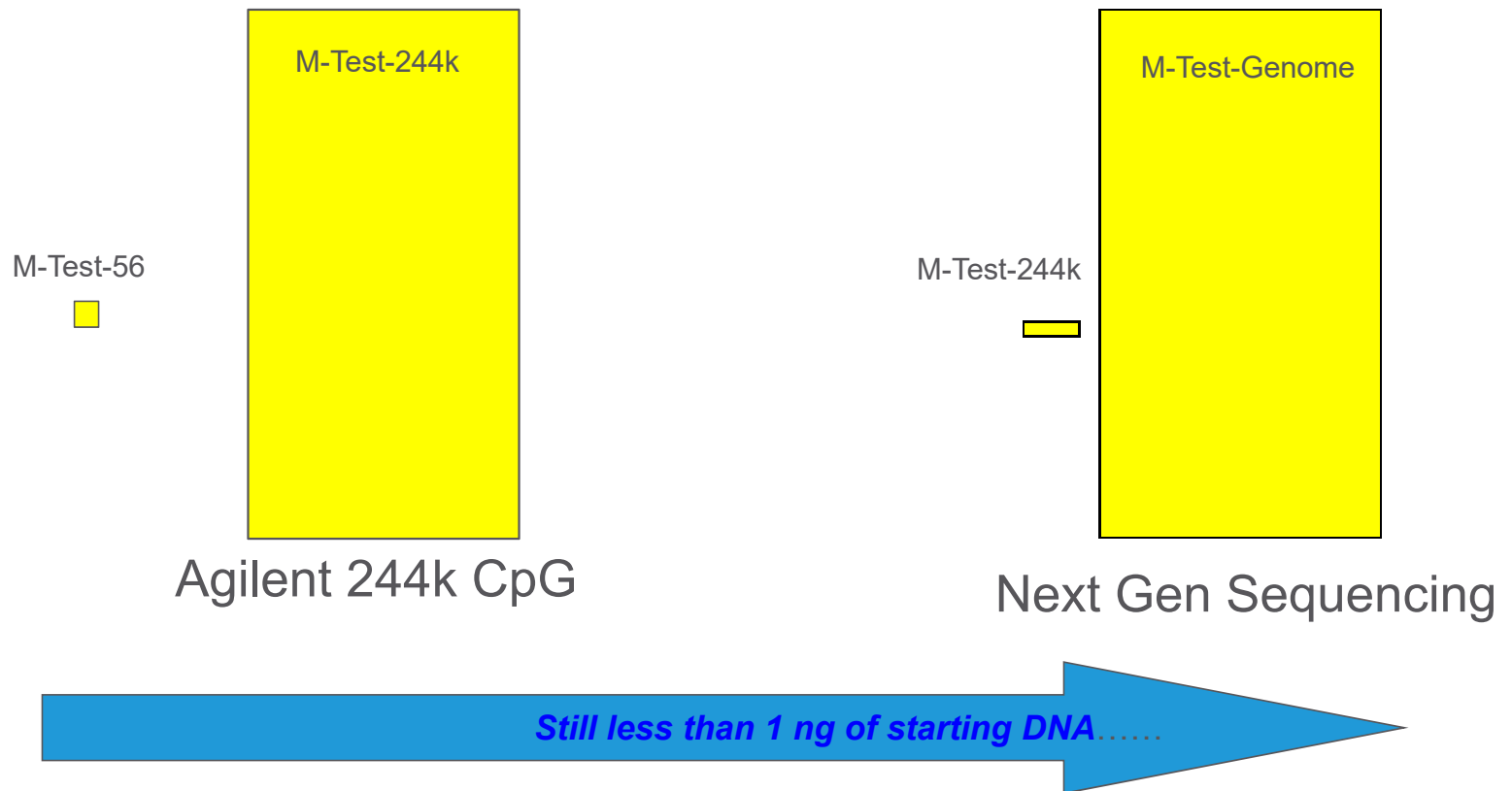
IMPROVING CLINICAL PERFORMANCE

Improved performance by increasing selection space (Colon Cancer)

Platform	# of fragments	Sensitivity	Specificity
M-Test-56	6	84%	68%
M-Test-244k	6	100%	100%

There are **4800 additional fragments** with significantly different ($p < 0.05$) methylation and more than 2 fold difference between patients with colon cancer and healthy controls.

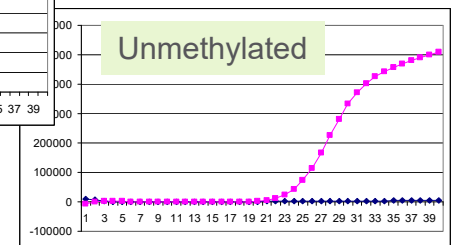
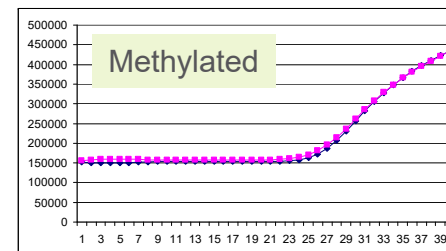
PROOF of PRINCIPLE vs PRODUCTION



CLINICAL TEST

Principle: cfDNA \longrightarrow Treatment \longrightarrow Amplification of selected fragments

Hospital lab (low volume):
qPCR for individual fragments



Centralized lab (high volume):
NGS for selected fragments



MULTI-CANCER APPLICATIONS

Clinical feasibility has been shown for five different cancers

01 Breast: <ul style="list-style-type: none">• differentiates benign, non-invasive, and invasive• identifies response to treatment	02 Colon: <ul style="list-style-type: none">• differentiates pre-invasive and invasive cancer	03 Lung: <ul style="list-style-type: none">• differentiates different forms of lung cancer	04 Pancreas: <ul style="list-style-type: none">• <u>differentiates pancreatitis and pancreatic cancer</u>	05 Ovaries: <ul style="list-style-type: none">• differentiates benign disease and ovarian cancer• predicts response to treatment
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None of the existing methods can differentiate chronic disease and cancer!

SUMMARY OF CLINICAL DATA (proof-of-principle M-Test-56 platform)

ORGAN	CLINICAL DIFFERENTIATION	SENSITIVITY, %	SPECIFICITY, %
Ovaries	No cancer vs Benign	79-90	74-77
	No cancer vs Cancer	79-90	87-87
	Benign vs Cancer	73-82	72-80
Pancreas	No cancer vs Pancreatitis	78	82
	No cancer vs Cancer	76	59
	Pancreatitis vs Cancer	91	91
Lung	No cancer vs Adenocarcinoma	87	73
	No cancer vs Squamous	80	87
	Adenocarcinoma vs Squamous	87	90
Colon	No cancer vs Cancer	84	68
	No cancer vs Advanced Adenoma	55	65

** At least 30 samples per group, published in > **15 peer-reviews papers and 6 patents***

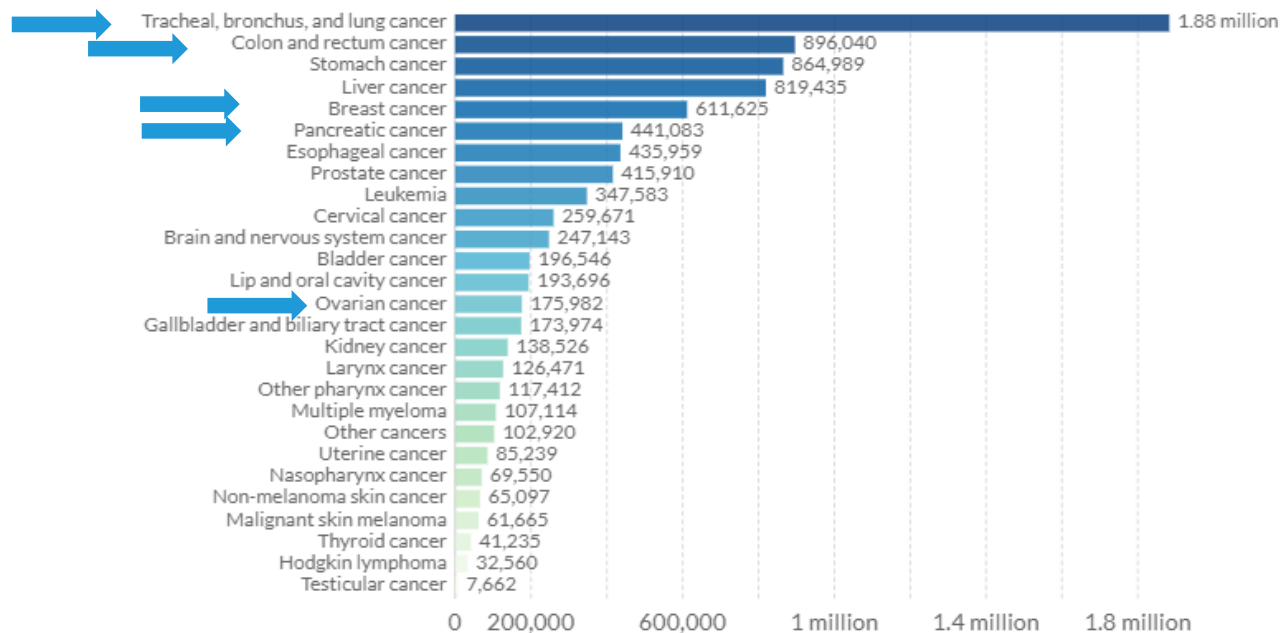
TARGETED MARKET SIZE

Our test covers 45% of all cancers worldwide

Cancer deaths by type, World, 2017

Total annual number of deaths from cancers across all ages and both sexes, broken down by cancer type.

Our World
in Data



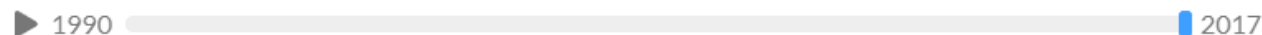
8.9M total of cases in 2017

Cancer type	# cases
Tracheal, bronchus and lung	1,880,000
Colon and rectum	896,040
Breast	611,625
Pancreatic	441,083
Ovarian	175,982
total	4,004,730

<https://ourworldindata.org/cancer>

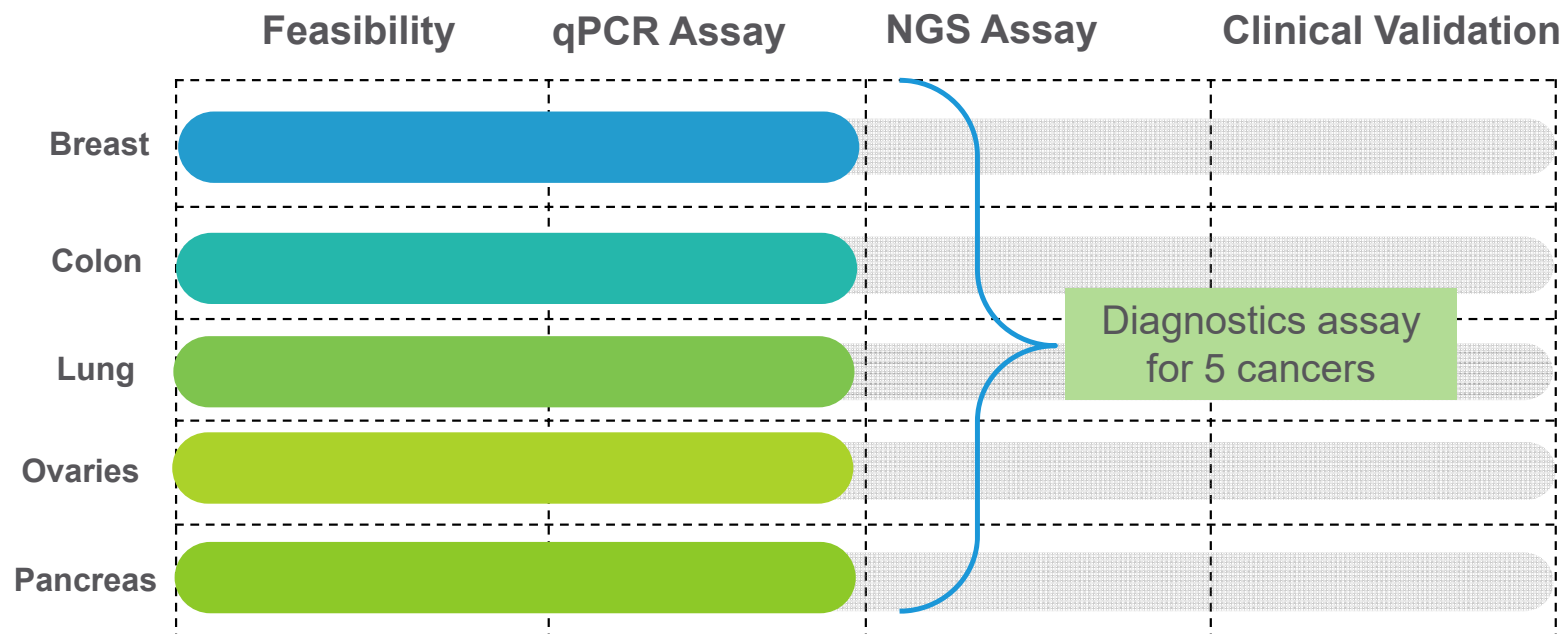
Source: IHME, Global Burden of Disease (GBD)

CC BY

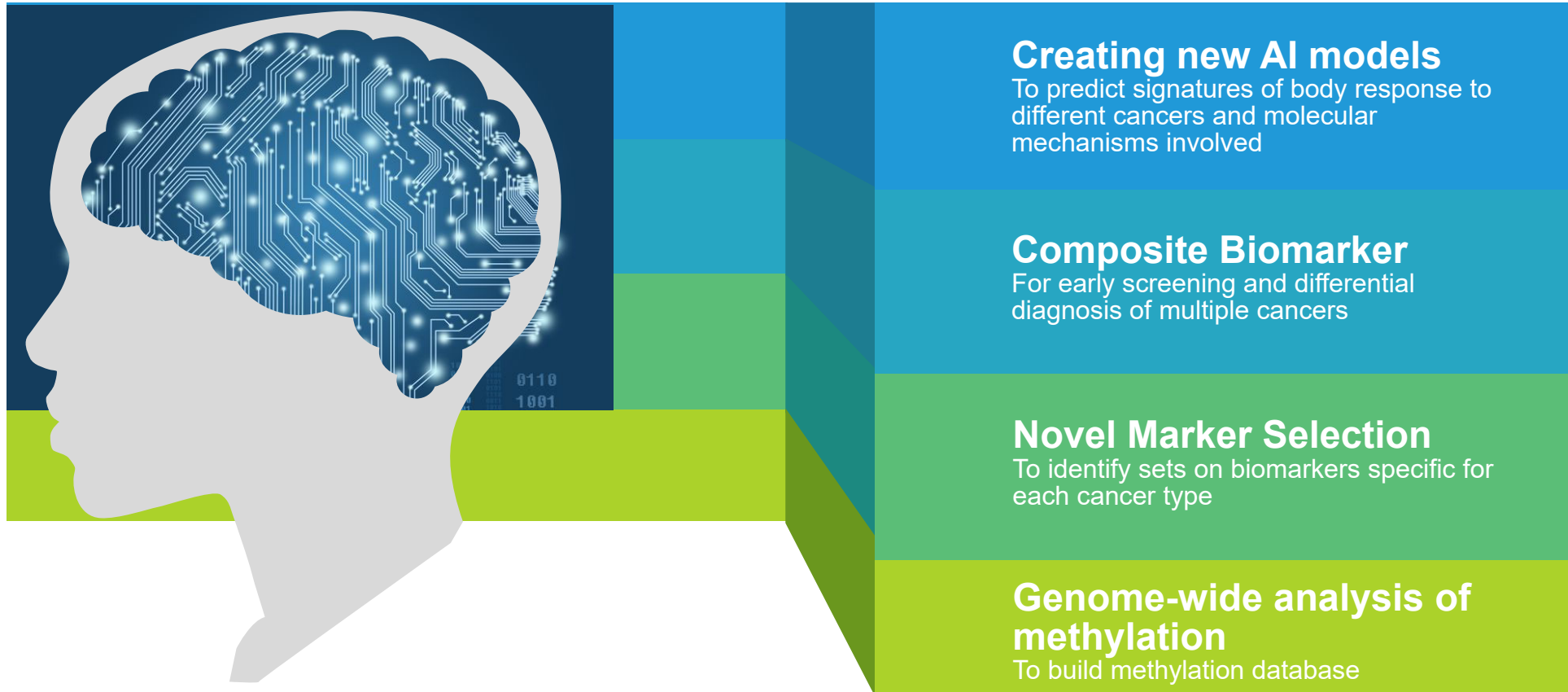


EXTENDED PRODUCT PIPELINE

- The overall goal is to develop clinical differential diagnostics assay for 5 major cancer types
- The roadmap considers developing and validating NGS assays for individual conditions to address more focused indications first starting **with Breast Cancer**

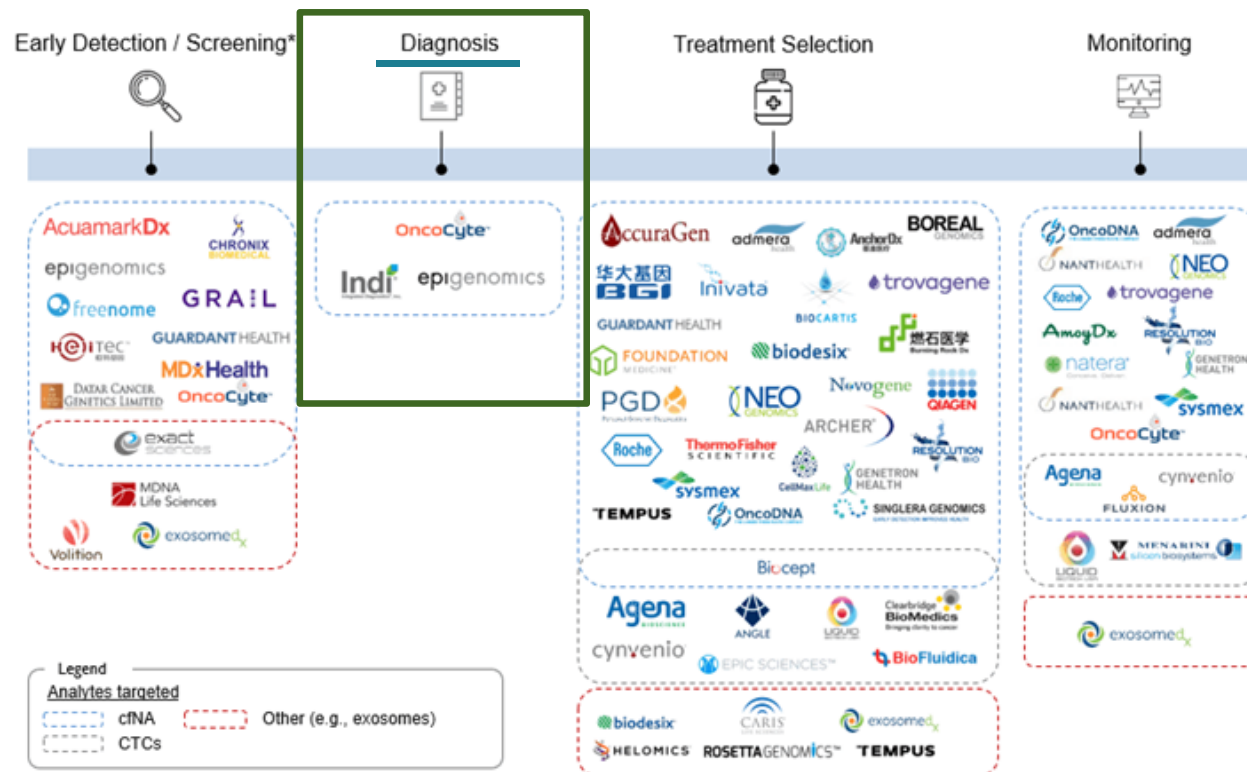


AI DRIVEN MODELS TO EXPLAIN CANCER



LIQUID BIOPSY MARKET 2017

- Liquid biopsy has become a very crowded market with > 100 active companies
- Our market segment is **Diagnosis** and has significantly smaller competition



Plan

- **Develop of the Breast Cancer test.**
- **Milestones:**
 1. Expand the assay to include additional fragments of cell-free DNA
 2. Convert prototype qPCR assays into NGS-assay for **Breast Cancer**.
 3. Perform CLIA-validation with the goal to secure FDA, CE-IVD and NMPA approvals in the future.
 4. Conduct clinical validation on a large number of samples for each **Breast Cancer** type.
- **Develop multi-cancer diagnostic test**

Technical Approach (Grail vs M-Test)

COMPLETELY DIFFERENT APPROACHES

Grail:

- Focusing on detecting ctDNA fragments originated from tumor tissue
- Methylated fragments discovered by sequencing of **tumor** may NOT appear in **blood** early on
- Biomarkers are not informative for pre-cancerous lesions
- Bisulfite conversion eliminates >50% of cell-free DNA
- High demand for input cell-free DNA (>1,000 ng ideally)

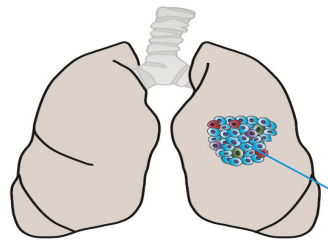
M-Test:

- Focusing on a systemic whole body response to cancerous or pre-cancerous processes
- The assay targets methylation patterns in total cell-free DNA rather than in tumor-specific fragments
- Enzymatic digestion instead of bisulfite conversion preserves > 80% of starting cell-free DNA
- Only 0.7 ng of cell-free DNA (0.5 ml of plasma) is required
- Designed to work with cell-free DNA fragments

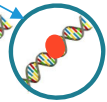
Repeating the errors of Epigenomics!

ASSAY TARGETS

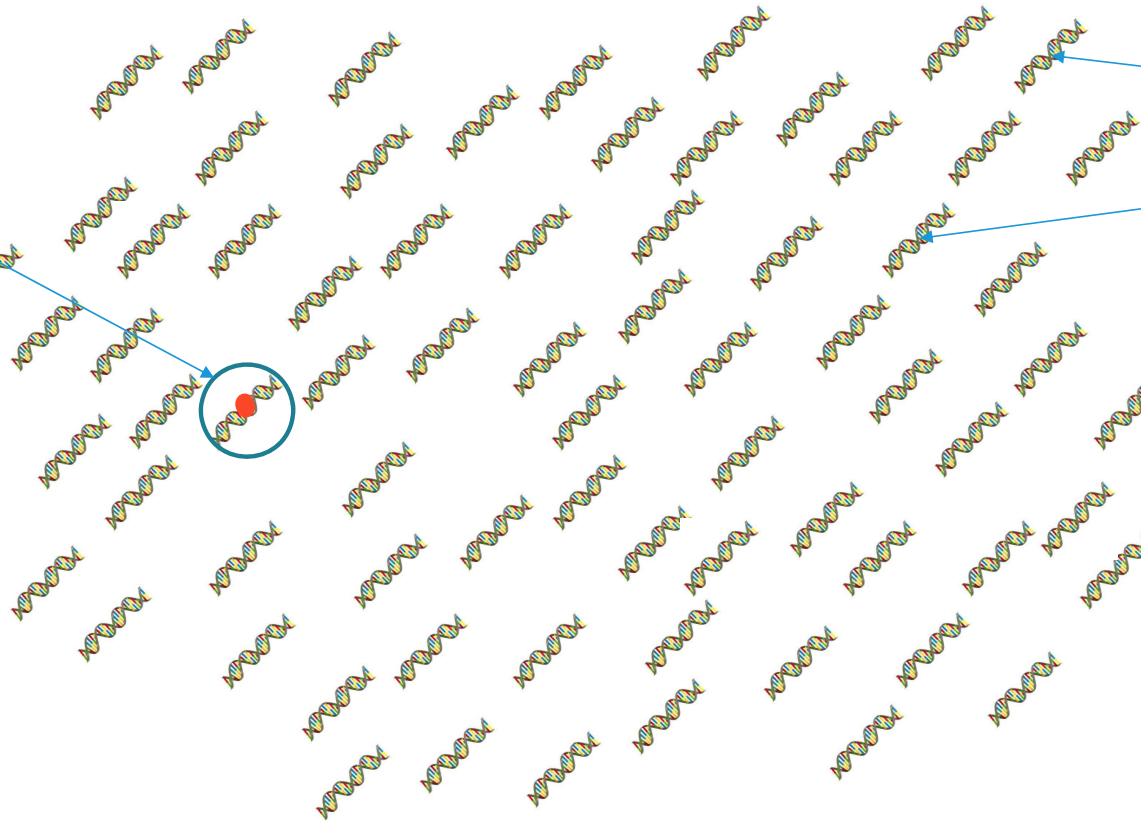
Grail's target



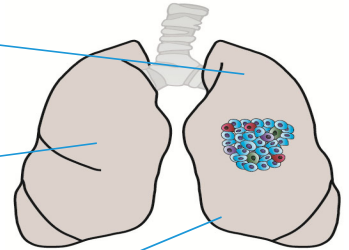
ctDNA fragment



cfDNA fragments



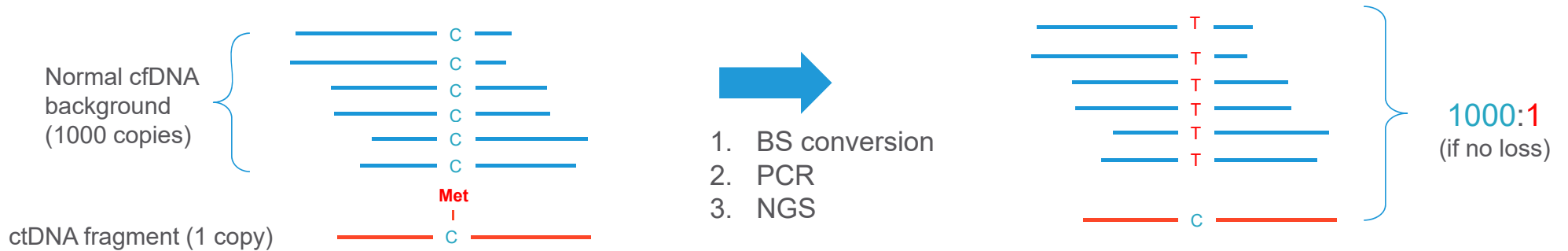
EpigeneDx target



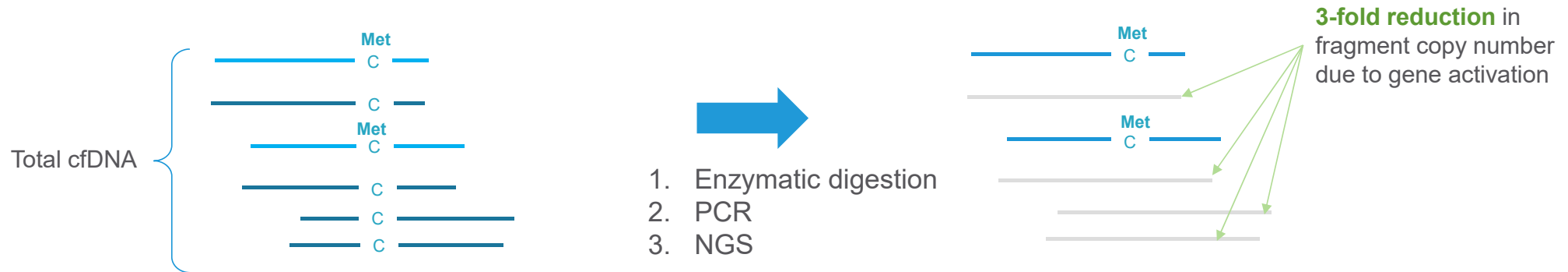
Tissue-specific
cfDNA fragments

COMPARISON OF TWO METHODS

Grail's approach, 0.1% ctDNA fraction (early stages)

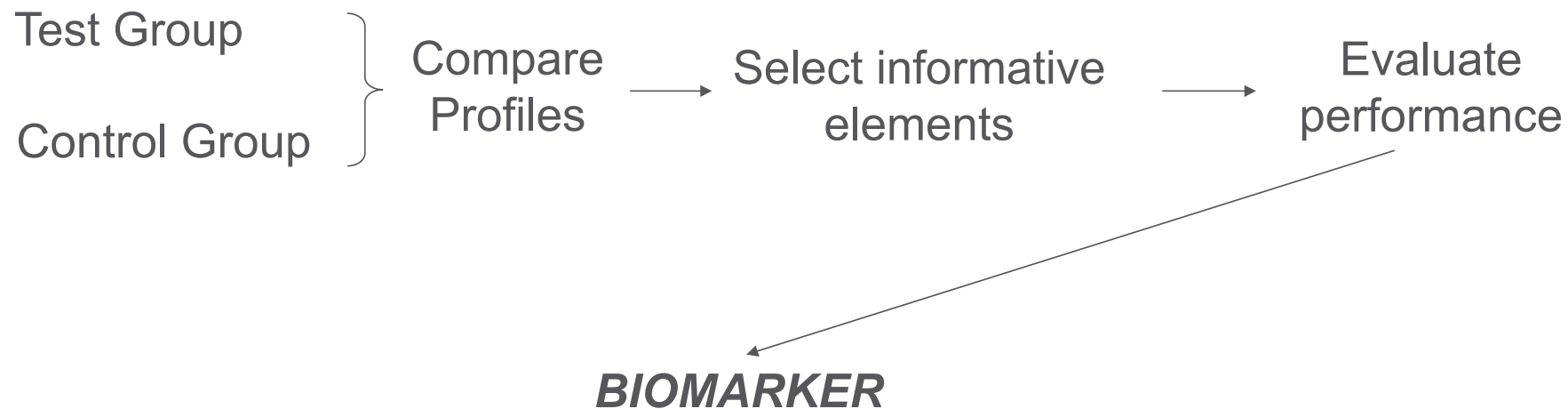


M-Test



Principles of the M-Test Method

Differentiate methylated and unmethylated fragments using
ENZYMATIC DIGESTION



Appendix

INTRODUCTION TO THE APPROACH

- The core approach is based on **detecting methylation profiles in blood** and is **fundamentally superior and different** from what Grail, Cirina, BioChain and others are using currently.
- The only molecular method which allows to **differentiate between chronic organ disease (such as pancreatitis) and early stage cancer**.
- Relatively low price of the test (**estimated cost is under \$100** compared to >\$5000 Guardant360) makes it very affordable for large, currently underserved populations.
- **Non-invasive sample collection** (finger stick or venous draw) makes it suitable for routine annual check ups with minimal discomfort to patients.
- Discovery and clinical feasibility phases **for 5 cancer types including: lung, colon, ovarian, breast and pancreatic** were completed using \$4.5M funding from NIH and private investors.
- Several patents on biomarkers and their use have been filed and issued.
- Key elements of the technology such as proprietary reagents and AI algorithm for data interpretation are kept as trade secrets.
- The current goal is to convert existing assays for individual cancers into a single pan-cancer test (NGS or microarray) and conduct clinical validation on larger number of samples.

PEER-REVIEWED PUBLICATIONS

- | | | |
|--|---|------------------------------|
| <p>1. A seven-gene CpG-island methylation panel predicts breast cancer progression.
 Li Y, Melnikov AA, Levenson V, Guerra E, Simeone P, Alberti S, Deng Y.
 BMC Cancer. 2015 May 19;15:417. doi: 10.1186/s12885-015-1412-9.
 PMID: 25986046 Free PMC Article</p> |  | <p>Breast cancer</p> |
| <p>2. Commonality and differences of methylation signatures in the plasma of patients with pancreatic cancer and colorectal cancer.
 Melson J, Li Y, Cassinotti E, Melnikov A, Boni L, Ai J, Greenspan M, Mobarhan S, Levenson V, Deng Y.
 Int J Cancer. 2014 Jun 1;134(11):2656-62. doi: 10.1002/ijc.28593. Epub 2013 Nov 29.
 PMID: 24288256 Free Article</p> |  | <p>Pancreatic and CRC</p> |
| <p>3. Molecular biomarkers in 2013.
 Levenson VV, Melnikov AA.
 Expert Rev Mol Diagn. 2013 Nov;13(8):773-6. doi: 10.1586/14737159.2013.850419. No abstract available.
 PMID: 24151845</p> |  | <p>Invited Expert Review</p> |
| <p>4. Methylation of death-associated protein kinase is associated with cetuximab and erlotinib resistance.
 Ogawa T, Liggett TE, Melnikov AA, Monitto CL, Kusuke D, Shiga K, Kobayashi T, Horii A, Chatterjee A, Levenson VV, Koch WM, Sidransky D, Chang X.
 Cell Cycle. 2012 Apr 15;11(8):1656-63. doi: 10.4161/cc.20120. Epub 2012 Apr 15.
 PMID: 22487682 Free PMC Article</p> |  | <p>CDx application</p> |
| <p>5. DNA methylation as clinically useful biomarkers-light at the end of the tunnel.
 Levenson VV, Melnikov AA.
 Pharmaceuticals (Basel). 2012 Jan 18;5(1):94-113. doi: 10.3390/ph5010094.
 PMID: 24288045 Free PMC Article</p> |  | <p>CDx review</p> |
| <p>6. The MethDet: a technology for biomarker development.
 Levenson VV, Melnikov AA.
 Expert Rev Mol Diagn. 2011 Nov;11(8):807-12. doi: 10.1586/erm.11.74.
 PMID: 22022943 Free PMC Article</p> |  | <p>Core technology</p> |

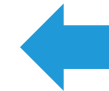
PEER-REVIEWED PUBLICATIONS

7. [DNA methylation patterns in blood of patients with colorectal cancer and adenomatous colorectal polyps.](#)
Cassinotti E, Melson J, Liggett T, Melnikov A, Yi Q, Replogle C, Mobarhan S, Boni L, Segato S, **Levenson V**.
Int J Cancer. 2012 Sep 1;131(5):1153-7. doi: 10.1002/ijc.26484. Epub 2011 Nov 19.
PMID: 22020530 [Free PMC Article](#)



CRC and pre-cancer

8. [Distinctive DNA methylation patterns of cell-free plasma DNA in women with malignant ovarian tumors.](#)
Liggett TE, Melnikov A, Yi Q, Replogle C, Hu W, Rotmensch J, Kamat A, Sood AK, **Levenson V**.
Gynecol Oncol. 2011 Jan;120(1):113-20. doi: 10.1016/j.ygyno.2010.09.019. Epub 2010 Nov 6.
PMID: 21056906 [Free PMC Article](#)



Ovarian Cancer

9. [Methylation patterns in cell-free plasma DNA reflect removal of the primary tumor and drug treatment of breast cancer patients.](#)
Liggett TE, Melnikov AA, Marks JR, Levenson VV.
Int J Cancer. 2011 Jan 15;128(2):492-9. doi: 10.1002/ijc.25363. Epub 2010 Apr 5.
PMID: 20473856 [Free PMC Article](#)



Breast cancer therapy

10. [DNA methylation as a universal biomarker.](#)
Levenson VV.
Expert Rev Mol Diagn. 2010 May;10(4):481-8. doi: 10.1586/erm.10.17. Review.
PMID: 20465502 [Free PMC Article](#)



Invited Expert review

11. [Differential methylation of cell-free circulating DNA among patients with pancreatic cancer versus chronic pancreatitis.](#)
Liggett T, Melnikov A, Yi QL, Replogle C, Brand R, Kaul K, Talamonti M, Abrams RA, **Levenson V**.
Cancer. 2010 Apr 1;116(7):1674-80. doi: 10.1002/cncr.24893.
PMID: 20143430 [Free Article](#)



Pancreatic cancer

PEER-REVIEWED PUBLICATIONS

- [Methylation patterns of cell-free plasma DNA in relapsing-remitting multiple sclerosis.](#)
 12. Liggett T, Melnikov A, Tilwalli S, Yi Q, Chen H, Replogle C, Feng X, Reder A, Stefoski D, Balabanov R, **Levenson V**.
 J Neurol Sci. 2010 Mar 15;290(1-2):16-21. doi: 10.1016/j.jns.2009.12.018. Epub 2010 Jan 12.
 PMID: 20064646 Free PMC Article

- [CpG methylation analysis—current status of clinical assays and potential applications in molecular diagnostics: a report of the Association for Molecular Pathology.](#)
 13. Sepulveda AR, Jones D, Ogino S, Samowitz W, Gulley ML, Edwards R, **Levenson V**, Pratt VM, Yang B, Nafa K, Yan L, Vitazka P.
 J Mol Diagn. 2009 Jul;11(4):266-78. doi: 10.2353/jmoldx.2009.080125. Epub 2009 Jun 18.
 PMID: 19541921 Free PMC Article

- [Differential methylation profile of ovarian cancer in tissues and plasma.](#)
 14. Melnikov A, Scholtens D, Godwin A, **Levenson V**.
 J Mol Diagn. 2009 Jan;11(1):60-65. doi: 10.2353/jmoldx.2009.080072. Epub 2008 Dec 12.
 PMID: 19074590 Free PMC Article

- [Methylation profile of circulating plasma DNA in patients with pancreatic cancer.](#)
 15. Melnikov AA, Scholtens D, Talamonti MS, Bentrem DJ, Levenson VV.
 J Surg Oncol. 2009 Feb 1;99(2):119-22. doi: 10.1002/jso.21208.
 PMID: 19065635

- [Array-based multiplex analysis of DNA methylation in breast cancer tissues.](#)
 16. Melnikov AA, Scholtens DM, Wiley EL, Khan SA, Levenson VV.
 J Mol Diagn. 2008 Jan;10(1):93-101. doi: 10.2353/jmoldx.2008.070077. Epub 2007 Dec 28.
 PMID: 18165279 Free PMC Article



Multiple sclerosis



Expert article



Ovarian cancer



Pancreatic cancer



Breast cancer

PEER-REVIEWED PUBLICATIONS

17. [Biomarkers for early detection of breast cancer: what, when, and where?](#)

Levenson VV.

Biochim Biophys Acta. 2007 Jun;1770(6):847-56. Epub 2007 Feb 12. Review.

PMID: 17368950



Breast cancer

19. [DNA methylation biomarkers of cancer: moving toward clinical application.](#)

Levenson VV.

Pharmacogenomics. 2004 Sep;5(6):699-707. Review.

PMID: 15335290



Original discovery

Total > 50 peer-review articles were published by 2 co-founders