

Global Blood Therapeutics latest biotech to double in debut

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Blood disorder drug developer Global Blood Therapeutics shares more than doubled Wednesday as the company became the latest biotechnology company to get a powerful response from investors in its stock market debut.

Global Blood Therapeutics Inc. says its treatment for sickle cell disease might stop red blood cells from becoming misshapen, treating the disease rather than its symptoms. The drug, GBT440, is in early clinical testing: as of July 31, it had been given to 30 healthy volunteers and six people with sickle cell disease. The company wants to begin at least one mid-stage trial of the drug in early 2016.

The offering of 6 million shares priced at \$20 each, raising a greater-than-expected \$120 million. The stock surged to a closing price of \$43.11, a gain of 116 percent. FactSet says the company's market capitalization is now around \$3.5 billion, and it's the third biotech to have its shares more than double in value on their first day of trading this year.

Sickle cell disease is an inherited disorder that causes red blood cells to become misshapen and leads to blocked blood vessels, causing severe pain and eventually organ failure and death. The National Institutes of Health says a stem cell transplant from a donor is the only cure for the condition, but most patients are too old for a transplant or don't can't find a good enough genetic match. One drug is approved to treat pain caused by sickle cell disease, and blood transfusions are also used as

treatments.

Two other biotech drug developers have had even bigger first-day leaps this year. Shares of cancer drug developer Aduro Biotech climbed 147 percent in their first day of trading and shares of gene therapy company Spark Therapeutics advanced 117 percent.

In June shares of a pharmaceutical company which is developing drugs intended to restore gut bacteria and fight infections, Seres Therapeutics, nearly tripled in value after their IPO.

Global Blood Therapeutics is the third company in the sickle cell disease field to go public recently. Bluebird Bio Inc., which went public in 2013, is studying a potential gene therapy for the condition, while Bellicum Pharmaceuticals Inc., which had its IPO in December, is studying a drug designed to reduce the side effects of stem cell transplants.

Bluebird Bio is studying treatments for several other diseases and its shares have climbed from a starting price of \$17 to \$134.86 Wednesday. Bellicum shares also opened at \$17 and rose to \$18.13 Wednesday.

Global Blood, based in South San Francisco, California, had expected to price its offering at \$16 to \$18 per share. Its stock is listed on the Nasdaq Global Market under the symbol "GBT."

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