

Edgar Filing: INFINITY PHARMACEUTICALS INC - Form 425

INFINITY PHARMACEUTICALS INC
Form 425
August 03, 2006

Filed by Discovery Partners International, Inc. Pursuant to Rule 425

Under the Securities Act of 1933

and Deemed Filed Pursuant to Rule 14a-12

Under the Securities Exchange Act of 1934

Subject Company: Infinity Pharmaceuticals, Inc.

Commission File No. 333-134438

Additional Information about the Merger and Where to Find It

In connection with the proposed merger transaction between Infinity Pharmaceuticals, Inc. (Infinity) and Discovery Partners International, Inc. (Discovery Partners), on July 11, 2006, Discovery Partners filed with the Securities and Exchange Commission (the SEC) an amended registration statement that contains a proxy statement/prospectus. Investors and securityholders of Discovery Partners and Infinity are urged to read the proxy statement/prospectus (including any amendments or supplements to the proxy statement/prospectus) regarding the proposed transaction because it contains important information about Discovery Partners, Infinity and the proposed transaction. Discovery Partners stockholders can obtain a free copy of the proxy statement/prospectus, as well as other filings containing information about Discovery Partners and Infinity, without charge, at the SEC 's Internet site (<http://www.sec.gov>). Copies of the proxy statement/prospectus can also be obtained, without charge, by directing a request to Discovery Partners International, Inc., 9640 Towne Centre Drive, San Diego, CA 92121, Attention: Investor Relations, Telephone: (858) 455-8600.

Participants in the Solicitation

Discovery Partners and its directors and executive officers and Infinity and its directors and executive officers may be deemed to be participants in the solicitation of proxies from the stockholders of Discovery Partners in connection with the proposed transaction. Information regarding the special interests of these directors and executive officers in the merger transaction is included in the proxy statement/prospectus referred to above. Additional information regarding the directors and executive officers of Discovery Partners is also included in Discovery Partners ' proxy statement for its 2006 Annual Meeting of Stockholders, which was filed with the SEC on April 6, 2006. This document is available free of charge at the SEC 's web site (<http://www.sec.gov>) and from Discovery Partners ' Investor Relations at the address listed above.

On August 2, 2006, Infinity made the presentation set forth below at the Robert W. Baird Focus on Oncology Conference.

RW Baird
Focus on Oncology Conference
August 2, 2006

2
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3
Forward-Looking Statements

Various statements in this presentation concerning our future expectations, plans and prospects constitute forward-looking statements for the purposes of the safe harbor provisions under The Private Securities Litigation Reform Act of 1995. Such forward-looking statements include statements regarding the proposed transaction

with
Discovery
Partner
International
(DPI),
DPI
and
the
combined
company's
net
cash
at
closing,
the
trading
of
the
combined
company's
shares
on
the
NASDAQ
National
Market,
the
potential
value
created
by
the
proposed
merger
for
DPI's
and
Infinity's
stockholders,
the
efficacy,
safety,
and
intended
utilization
of
Infinity's
product
candidates,
the

results
of
discovery
efforts
and
clinical
trials,
and
plans
regarding
regulatory
filings,
future
research
and
clinical
trials
and
current
and
future
collaborative
activities.
Actual
results
may
differ
materially
from
those
indicated
by
such
forward-looking
statement
as
a
result
of
various
important
factors,
including
risks
related
to:
the
ability
of
DPI

and
Infinity
to
complete
the
proposed
transaction;
the
amount
of
DPI's
net
cash
at
closing;
the
availability
of
funds
to
continue
research
and
development
activities;
the
results
of
future
clinical
trials
with
respect
to
Infinity's
product
candidates
and
compounds
and
Infinity's
ability
to
successfully
develop
and
commercialize
product
candidates;
the

success
of
Infinity's
collaborations
and
its
ability
to
enter
into
additional
collaborations;;
the
timing
and
success
of
regulatory
filings;;
the
scope
of
Infinity's
patents
and
the
patents
of
others;
competitive
factors
and
other
risks
and
uncertainties
more
fully
described
in
DPI's
filings
with
the
Securities
and
Exchange
Commission,
including
its

Registration
Statement
on
Form
S-4,
as
filed
on
May
24,
2006
and
subsequently
amended.

The
proposed
transaction
is
subject
to
customary
closing
conditions,
including
approval
of
DPI's
and
Infinity's
stockholders.

Any
forward-looking
statements
speak
only
as
of
the
date
made.
Infinity
undertakes
no
obligation
to
publicly
update
any
forward-looking

statements,
whether
as
a
result
of
new
information,
future
events
or
otherwise.

4

Mission

To develop targeted therapies for the treatment of cancer and related conditions discovered through the use of our innovative small molecule drug technologies

5
Strategy

Drugs

Internally discovered novel small molecules

Targets

Well-credentialed, but not well-trodden

Products

Opportunity for first-in class or fast follower best-in-class

6

Leadership team

Mr. Steven Holtzman, CEO

Millennium, DNX

Dr. Julian Adams, President & CSO

Millennium, ProScript

Boehringer

Ingelheim, Merck

Ms. Adelene Perkins, CBO

Transform, Genetics Institute,

Bain, GE

Dr. Christine Bellon, Sr

Patent Counsel

Wyeth, Fish & Richardson

Dr. Michael Foley, VP Chemistry

Harvard ICCB, Glaxo, BMS

Dr. Christian Fritz, Sr

Dir Cancer Biology

Millennium, Chemgenix

Dr. David Grayzel, VP Clinical Development

& Medical Affairs

Dyax, Mass General Hospital

Dr. Vito Palombella, VP Biology

Syntonix, Millennium, ProScript

Dr. Margaret Read, Sr

Dir Cancer Biology

Millennium, ProScript

Dr. Jeffrey Tong, VP Corp Prod Dev

McKinsey & Co, Harvard Center for

Genomics Research

Dr. Jim Wright, VP Pharm

Dev

Millennium, Alkermes, Boehringer

Ingelheim, Syntex, U. of Wisconsin

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Product Pipeline: IPI-504 (Hsp90)

Discovery

Preclinical

IND Filing

Hsp90

(IPI-504)

Clinical Trials

Bcl-2/Bcl-xL &

Additional

Targets

2005

2007/2008 forward

Phase I ongoing

Phase II expected by

early 2007

Hedgehog

Pathway

Phase I expected by

early 2007

On-going studies

TBD based on data/results

8

Product Pipeline: IPI-504 (Hsp90)

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Preclinical

IND Filing

Hsp90

(IPI-504)

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Bcl-2/Bcl-xL &

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Hedgehog

Pathway

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early 2007

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TBD based on data/results

9

Broad activity, multiple cancers

Single agent activity

Synergy in combination

Activity in resistant settings

Large therapeutic window

2

nd

generation oral formulation

under development

Lead Clinical Product: IPI-504

IPI-504

OH

N

H
N
OH
O
OH
Me
O
O
O
O
NH
2
H
H
+
Cl
-

10

IPI-504: Broad Market Potential

Indications

Multiple Myeloma (MM)

Chronic Myelogenous

Leukemia (CML)

Acute Myelogenous

Leukemia (AML)

Non-Hodgkin's Lymphoma (NHL)

Gastrointestinal Stromal Tumors (GIST)

Breast cancer (HER2+)

Non-small cell lung cancer (NSCLC)

Renal cell carcinoma

Malignant Melanoma

Hormone Refractory Prostate cancer (HRPC)

Hematologic

malignancies

Solid

tumors

11

Stabilizes proteins in
functional conformations

Two roles in cancer

Generally: Maintaining
protein homeostasis in
cancer cells

Specifically: Stabilization
of key oncoproteins,
including drug-resistant
ones
Heat Shock Protein 90 (Hsp90)

12
Velcade
Gleevec / AMN107
Investigational
Gleevec / Sutent
Herceptin
Tarceva
/ Erbitux
Sorafenib
/ Sutent
Sorafenib
Investigational
Targeted therapy
The emerging world of targeted cancer therapies
Indication
Myeloma
CML
AML

GIST
Breast (HER2+)
NSCLC
Renal cell
Melanoma
Prostate (PTEN -/-)
NF-
B
Bcr-Abl
Flt3
c-Kit
HER2
EGFR
VEGFR / HIF-1a
b-Raf
p-Akt
Molecular Target

13

The emerging world of targeted cancer therapies

NF-

B

Bcr-Abl

Flt3

c-Kit

HER2

EGFR

VEGFR / HIF-1a

b-Raf

p-Akt

Molecular Target

All are clients of Hsp90

Inhibiting Hsp90 affects the
stability of these targets

14
Highly
responsive to
Hsp90
inhibition
Alternative to
chasing
mutations
T315I
T790M
T670I
Hsp90: Potential Universal Salvage Therapy
BCR-ABL
EGFR
KIT
Hsp90 Client
Disease
Drug
CML
NSCLC
GIST

Gleevec,
Dasatinib
Tarceva,
Iressa
Gleevec,
Sutent
Kinase
Inhibitor
Resistance
Mutation

15
Placebo
Gleevec
IPI-504
Collaboration:
Shauguang
Li, Jackson Labs
0.0%
20.0%
40.0%
60.0%
80.0%
100.0%
15
17
19
21

23

25

27

29

31

33

Days

Oral IPI-504: survival benefit in Gleevec-resistant T315I

CML transplantation model

Gleevec: 100 mpk

/ b.i.d.

IPI-504: 50 mpk

/ q.o.d.

16
Placebo
Gleevec
IPI-504
Collaboration:
Shauguang
Li, Jackson Labs
0.0%
20.0%
40.0%
60.0%
80.0%
100.0%
15
17
19
21

23

25

27

29

31

33

Days

Oral IPI-504: survival benefit in Gleevec-resistant T315I

CML transplantation model

Gleevec: 100 mpk

/ b.i.d.

IPI-504: 50 mpk

/ q.o.d.

17
Collaboration:
Shauguang
Li, Jackson Labs
Placebo
Gleevec
IPI-504
0.0%
20.0%
40.0%
60.0%
80.0%
100.0%
15
17
19
21

23

25

27

29

31

33

Days

Oral IPI-504: survival benefit in Gleevec-resistant T315I

CML transplantation model

Gleevec: 100 mpk

/ b.i.d.

IPI-504: 50 mpk

/ q.o.d.

18

Phase I MM trial: complete

Phase I GIST trial: complete

Phase II MM and/or GIST trial: initiate
Additional potential indications and milestone events

Phase
I
combination
studies
(*e.g.*
Taxotere,
Velcade,
Gleevec)

Additional
Phase
II
studies
(*e.g.*
NSCLC,
CML,
CLL)
IPI-504: Clinical Goals for Remainder 2006 / Early 2007

19
On-going trial
Phase II
additional
indication or combination
2005
2006
2007
2008
Multiple myeloma
Phase I

Multiple myeloma

GIST

Combinations
GIST
Phase II

GIST / MM

Other indications

Phase II

MM or GIST

TBD based on data/results

IPI-504: Clinical Plan

Phase Ib

combinations

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Product Pipeline: IPI-504 (Hsp90)

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Preclinical

IND Filing

Hsp90

(IPI-504)

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Bcl-2/Bcl-xL &

Additional

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early 2007

Hedgehog

Pathway

Phase I expected by

early 2007

On-going studies

TBD based on data/results

21

Hedgehog program summary

Potential for first-in-class systemic hedgehog inhibitor

Proprietary NCE s

Systemic (sub-cu and oral) products

Lead molecule in advanced preclinical development

First in man by 2007

Broad anti-cancer potential

Strong
data
supporting
pancreatic,
metastatic
prostate,
SCLC, others

Single agent activity

Potential for synergy with standards of care

22
1
Hahn
et
al.,
1996,
Cell
85:
841
2
Bale
&
Yu,
2001,
Human
Molec.

Genetic.

10:

757

(review)

3

Berman

et

al.,

2002

Science

297:

1559

4

Berman

et

al.,

2003

Nature

425:

846

5

Kayed

et

al.,

2004

Int.

J.

Cancer

110:

668

6

Thayer

et

al.,

2003

Nature

425:

851

7

Karhadkar

et

al.,

2004

Nature,

431:

707

8

Fan

et

al.,

2004
Endocrinology
145:
3961
9
Watkins
et
al.,
2003,
Nature
422:
313
10
Sicklick
2005
ASCO;
Mohini,
2005
AACR
11
Kubo
et
al.,
2004
Cancer
Res.
64
:6071
State
Normal
Basal cell carcinoma
1,2
Medulloblastoma³
Pancreatic cancer
4,5,6
Prostate cancer
7,8
Small cell lung cancer
9
Hepatocellular
cancer
10
Breast Cancer
11
Pathway activation
OFF
ON
ON
ON
ON

ON
ON
ON

Hedgehog Pathway: Broad Rationale in Solid Tumors

23
0
200
400
600
800
1000
1200
1400
1600
31
36
41
46
51
56

61

Days

Vehicle

IPI-609 10 mpk/day

IPI-609 efficacious in PC-3 prostate xenograft

24
F
I
L
E
I
N
D
2005
2006
2007
2008
IND-enabling studies
Clinical development
Pharmacology
GLP toxicology
Manufacturing
Phase I

Pancreatic

SCLC

Met Prostate, etc.

Heme malignancies
Phase II

Single or combo
Phase II or III

Registration trial
IPI-609 clinical plan
On-going studies
TBD based on data

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Product Pipeline: IPI-504 (Hsp90)

Discovery

Preclinical

IND Filing

Hsp90

(IPI-504)

Clinical Trials

Bcl-2/Bcl-xL &

Additional

Targets

2005

2007/2008 forward

Phase I ongoing

Phase II expected by

early 2007

Hedgehog

Pathway

Phase I expected by

early 2007

On-going studies

TBD based on data/results

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Bcl

family of proteins: key anti-apoptotic factors

Up-regulated in many cancers

Up-regulated in response to chemotherapy in many cancers

Highly attractive but historically intractable

Protein-protein interaction targets

Prospective products

Combination with chemotherapy: general chemo-sensitizing agent

Single agent: in cancers dependent on Bcl

family members for survival

Types of products:

Bcl-2 selective

Bcl-2 and Bcl-xL

dual selective

Bcl-2 / Bcl-xL

Antagonists: Opportunities

27

Total payments >\$400M
Bcl-2 alliance with Novartis

Joint discovery of novel Bcl-2
targeted cancer drugs

Infinity participation in clinical
development (at NVS expense)
COLLABORATION

Infinity participation in US sales
effort (at NVS expense)
\$30M

Upfront &
committed funds
FINANCIALS

Royalties on WW sales

28

Diversity Oriented Synthesis (DOS)

2004

2006: > \$60 million upfront/committed cash

Additional milestone and royalty potential

No license of proprietary Infinity product rights

Small Molecule Drug Technologies & Technology Access

Alliances

N

O

O

H

R²

R³
N
O
R³
H
H
H
O
O
N
R
4
O
R
R₂
R₁
N
O
NR
4
O
R₁
O
SR₂
R₃

29
Discovery
Preclinical
Start Clinical
Trials
IPI-504
(Hsp90)
Bcl2/Bcl-xL
2005
2007/2008
100% owned
100% owned
Novartis
Non-exclusive

Amgen

Novartis

J&J

Small molecule drug technologies

Alliance and financing strategy: value retention

Hedgehog

Pathway

(e.g., IPI-609)

By early

2007

30
Reverse Merger
with
Discovery Partners International, Inc.
(Nasdaq: DPII)

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*
*
*
*

31

Discovery Partners International (DPII) rationale

Response to dramatic changes in discovery business

Outsourcing to India, China

Price pressures

Better upside for investors in near-term product opportunities with significant potential

Therefore: divest and invest

32

Why DPI chose Infinity

Top-tier private company

Multiple near-term value driving events

Ongoing clinical trials

Pipeline

Partnerships

Management that has discovered drugs and built companies

Invest in/create a security with market-recognized value

33

Infinity's rationale for merger

Efficient, timely access to capital

Clinical trial / preclinical pipeline funding

Generate efficacy data on lead product candidate, IPI-504

Accelerate and expand Infinity pipeline

34

A financing event

DPI invests
cash and divests operating units

7/7/06: Sale of all DPI operating assets to Galapagos

If DPI cash between \$70M and \$75M, ownership:

DPII shareholders = 31%

Infinity shareholders = 69%

If cash above \$75M or below \$70M, adjustment applied
The reverse merger: a creative financing and access to
public markets

35

Lead clinical product in two ongoing Phase I cancer studies

Phase II expected by early 2007

Pipeline of preclinical cancer drug candidates

Internally discovered and developed, chemistry platform

4 Pharma/Biotech corporate alliances

Amgen, J & J and Novartis (2)

Proven biotech leadership team

Estimated approximately \$ 90 million cash

Projected cash runway into 2008 through key value driving events
before any additional alliances or financing

Snapshot of Post-Merger Infinity (NASDAQ: INFI)

36
Status of Reverse Merger
File Initial S4
Respond to 1
st
Round of SEC Comments
Respond to 2
nd
Round of SEC Comments
S-4 is Declared Effective
Mail S-4 to DPI and IPI Shareholders
Hold Shareholder Meeting / vote
Following Successful Vote, Deal Closes,
INFI publicly traded
May 24, 2006

July 11, 2006

Early August

Early August

September 12, 2006

September 13, 2006

* Projected: requires SEC approval

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Product Pipeline

IPI-504: Complete Phase I trials

IPI-504: Expect to initiate Phase II by early 2007

Hedgehog Pathway: Expect to initiate
Phase I by early 2007

Pipeline: New INDs
/ programs for 2007+

Successful alliance execution (Novartis, J&J, Amgen)

At least one new corporate alliance

Financing event

Year-end cash runway: =
12-24 months

NVS -

Bcl

2006 Goals, Achievements and Anticipated News Flow

Pending

DPII merger

AMGN

extension