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Singapore: If reports are to be believed, Japan's Astellas pharma is all set to acquire Belgium's clinical-stage drug discovery firm Ogeda for around $\text{\$}800\text{m}$. Ogeda is engaged in the discovery and development of small molecule drugs that target G-protein coupled receptors (GPCRs).

As per the terms, Astellas will pay around $\text{\$}500\text{m}$ for 100% equity in Ogeda. In addition, Astellas will also pay about $\text{\$}300\text{m}$ for Ogeda shareholders based on the achievement of certain clinical development and regulatory milestones for fezolinetant. Ogeda's investigational candidate fezolinetant (ESN364) is currently in phase 2 clinical development to treat women's health disorders.

The phase II data, announced in January, showed fezolinetant to reduce the frequency and severity of menopausal hot flashes versus placebo, with statistical significance, in 80 women suffering from menopause-related vasomotor symptoms. At that point, Ogeda said it would develop the project as a breakthrough treatment for hot flashes, aiming to start a larger phase IIb study later this year.

Ogeda's focus is on therapeutics against G protein-coupled receptors (GPCRs), which have numerous biological applications, though fezolinetant is its only clinical asset. Fezolinetant's target is the GPCR neuropeptide Y receptor, which was earlier thought to have utility in central nervous system disorders. The company also has additional small molecules targeting GPCRs in pre-clinical development in multiple therapeutic areas such as inflammatory and autoimmune diseases.

Ogeda will become a wholly owned subsidiary of Astellas. The deal will only close once certain conditions are met, but Astellas has the support of Ogeda and its shareholders. Investors stand to profit handsomely from the takeover. Subject to certain conditions, the deal is expected to complete in the second quarter of this year.

Astellas president and CEO Yoshihiko Hatanaka said in a statement, "The transaction fits with our strategy to deliver

innovative drugs in therapeutic areas with high unmet medical needs. Ogeda has been pioneering the development of a NK3 receptor antagonist fezolinetant for the treatment of MR-VMS.

Ogeda CEO Jean Combalbert said, "We welcome the acquisition by Astellas and look forward to developing fezolinetant, first non-hormonal treatment of Hot Flashes (HF)/ MR-VMS, inside a leading global pharmaceutical company. With its strong development and commercialization capabilities, resources and vision, I am convinced that Astellas will be able to turn fezolinetant promising clinical results into near-term value for patients."