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ASIA EDITION

LEO Pharma, PellePharm enter into $760 M collaboration

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Danish dermatology specialists LEO Pharma and California based company PellePharm has announced a strategic development and commercialization collaboration to advance therapies for rare skin diseases.

Thorsten Thormann, vice president of research at LEO Pharma said, “We are very excited about the partnership with PellePharm, who are pioneers in Gorlin Syndrome and experts in rare skin diseases. Supporting our ambitious 2025 strategy, it marks LEO Pharma’s entrance in rare skin diseases and it offers a unique opportunity to bring the first treatment forward to people suffering from a very severe skin disease for which there currently are no approved therapies.”

Under the terms of the agreement, LEO Pharma has initially committed $70 million comprised of equity financing and financial R&D support to fund the global Phase 3 trial for patidegib topical gel 2% for the prevention and treatment of Gorlin Syndrome, with LEO Pharma securing an option to acquire all shares in PellePharm.

PellePharm and its stockholders could receive up to an additional $690 million including merger consideration, and regulatory and commercial milestone payments. In addition, PellePharm stockholders are eligible to receive a double-digit royalty after achieving certain commercial milestones.

Sanuj Ravindran, president and chief executive officer of PellePharm said, “Our company is founded on the commitment to targeting rare dermatologic diseases at the source and bringing new groundbreaking treatments forward to patients as efficiently and effectively as possible. As a global leader in medical dermatology, LEO Pharma is a great fit as both a development and commercialization partner. This collaboration puts us on track to commence our pivotal Phase 3 Gorlin Syndrome trial in early 2019. Then after the potential merger, we look forward to working with LEO Pharma to address other rare skin diseases with unmet needs.”

The agreement establishes a joint development committee with PellePharm maintaining responsibility for global development and LEO Pharma supporting in an advising role.

Currently, there are no FDA-approved therapies for Gorlin Syndrome, and the standard of care for this rare disease is surgery. Patients with this lifelong, severe and unrelenting disease can have as many as 30 surgeries per year beginning in their mid-teens.

Gorlin Syndrome is a rare, genetic disease characterized by constitutional, heritable mutations in one allele of the tumor suppressor gene encoding PATCHED1 (PTCH1), which acts as the primary inhibitor of the hedgehog signaling pathway. This leads to the formation of multiple basal cell carcinomas, often on the face.