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Pfizer acquires clinical stage biotech Therachon

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Pfizer's rare disease portfolio expands with potential first-in-class therapy for achondroplasia, a genetic condition and the most common form of short-limb dwarfism



Pfizer has recently entered into a definitive agreement to acquire all the shares of Therachon Holding AG, a privately-held clinical-stage biotechnology company focused on rare diseases, with assets in development for the treatment of achondroplasia and short bowel syndrome (SBS).

Under the terms of the agreement, Pfizer will acquire Therachon for $340 million upfront with an additional $470 million in additional payments contingent on the achievement of key milestones in the development and commercialization of TA-46 for the treatment of achondroplasia, a genetic condition and the most common form of short-limbed dwarfism.

Achondroplasia can result in serious cardiovascular, neurological and metabolic complications for approximately 250,000 people worldwide. There are currently no approved treatments for achondroplasia.

TA-46 is an investigational, soluble recombinant human fibroblast growth factor receptor 3 (FGFR3) decoy, a mechanism of action that is believed to normalize the overactive FGFR3 signaling pathways that underlie bone development abnormalities associated with achondroplasia. Therachon is developing TA-46 as a weekly subcutaneous injection for children and adolescents living with the condition. TA-46 has completed Phase 1 and has received Orphan Drug Designation from the European Medicines Agency (EMA) and the U.S. Food and Drug Administration (FDA).

Prior to the closing of the transaction with Pfizer, Therachon will spin-off its apraglutide development program into a separate, independent company. Apraglutide is a once-weekly, potential best-in-class GLP-2 analog in Phase 2 development for short bowel syndrome. Pfizer Ventures, the venture capital arm of Pfizer Inc., currently holds a minority stake and will continue to hold an equity stake in the new company.

The acquisition complements Pfizer’s existing research portfolio in rare diseases. “Through the acquisition of Therachon, we believe that we have a significant opportunity to transform the lives of young people with achondroplasia who courageously endure lifelong complications from short-limb dwarfism,” said Seng Cheng, Senior Vice President and Chief Scientific Officer of Pfizer’s Rare Disease Research Unit. “Pfizer’s existing research programs for pediatric growth disorders provide a complementary setting for this potential breakthrough therapy.”

No other terms of the transaction were disclosed.

Goldman Sachs is acting as exclusive financial advisor and Cooley LLP and Homburger AG are acting as legal advisors to Therachon. Arnold & Porter and Lenz & Staehelin are serving as legal advisors to Pfizer.