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ASIA EDITION

GENFIT, Terns Pharma announce $228M strategic partnership

June 25, 2019 | News

The cooperation will introduce the clinical phase III product that complements existing product line mechanism for Takuya Bio; strengthen the Tio's product combination therapy strategy

GENFIT, a late-stage biopharmaceutical company dedicated to the discovery and development of innovative therapeutic and diagnostic solutions in metabolic and liver-related diseases, has announced the signing of a licensing and collaboration agreement with Terns Pharmaceuticals, a global biopharmaceutical company based in the U.S. and China with a focus on developing novel and combination therapies to treat liver disease. Under the agreement, Terns will have the rights to develop and commercialize elafibranor, GENFIT's proprietary compound, in Greater China, for the treatment of non-alcoholic steatohepatitis (NASH) and primary biliary cholangitis (PBC).

Under the terms of the licensing agreement, GENFIT will receive an upfront payment from Terns of $35 million and will be eligible to receive up to $193 million in potential clinical, regulatory and commercial milestone payments. Terns obtains the exclusive rights to develop, register and market elafibranor in mainland China, Hong Kong, Macau and Taiwan ("Greater China") for both NASH and PBC. Upon commercial launch of elafibranor for the treatment of NASH in Greater China, GENFIT will be entitled to receive mid-teen percentage royalties from Terns based on sales in the territory.

As part of the deal, GENFIT and Terns will also undertake joint R&D projects in liver disease, including the development of elafibranor in combination with Terns' proprietary compounds.

Backed by experienced investors in the pharmaceutical industry, including Orbimed, Lilly Asia Ventures, Vivo Capital and Decheng Capital, Terns has extensive clinical development capabilities in China and a robust pipeline of early-stage candidates that present promising opportunities for potential combination therapy with elafibranor.

GENFIT believes that, with a strong presence in China, a seasoned leadership team, and roots in the San Francisco Bay Area biotechnology hub, Terns is well-positioned to maximize elafibranor's value in China. Terns' large footprint in both geographies provides an advantage in navigating the development and regulatory processes required to obtain approvals in Greater China territories, while also ensuring the preparation for a strong commercial launch and long-term sales growth. New regulations currently being implemented in China are expected to accelerate and facilitate the approval of innovative therapies developed by both domestic and international companies.