Evaluate Vantage

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UCB makes a rare acquisition

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The Belgian group has bolstered its epilepsy offering with a $1.9bn move on Zogenix.

In its first big deal since purchasing Ra Pharmaceuticals in 2019 UCB has swooped on the rare epilepsy drug developer Zogenix. The acquisition looks sensible given UCB's existing focus on epilepsy and the fact that one of its big products in the space, Vimpat, is set to come off patent this year.

The price – $1.9bn taking into account a contingent value right of $2 per share – also seems fair in light of expectations for Zogenix's lead product, Fintepla, which is marketed in Dravet syndrome. *Evaluate Pharma* puts the net present value of the drug at $1.7bn.

New uses

In Dravet UCB believes that Fintepla can become the standard of care, having impressed on a cross-trial basis versus the rival rare epilepsy drug Epidiolex, now in the hands of Jazz Pharmaceuticals.

But to hit consensus sales forecasts of around $750m in 2026 Fintepla will also need a green light in another rare epilepsy, Lennox-Gastaut syndrome (LGS). In the US, where the drug has priority review status, a decision is due by March 25. In Europe Zogenix recently filed Fintepla in LGS, and the aforementioned non-tradeable CVR is contingent on the drug getting the nod here by the end of 2023.

Approval looks well within reach, but commercial prospects are less clear. Fintepla's LGS pivotal study was a technical success, but the results fell short of expectations and, crucially, of those seen with Epidiolex (*Zogenix hands GW a win, February 7, 2020*).

Fintepla might therefore be reserved for late-line use in LGS, where Epidiolex has been approved since 2018.

It is noteworthy that Epidiolex's originator, GW, once thought of as Zogenix's peer, managed to command a price tag of $7.2bn; however, that was last February, before the broad market correction, and it looked expensive at the time (*GW succumbs to a Jazz overture, February 03, 2021*).

For its part, Zogenix never recovered from the LGS setback, which has long left it vulnerable to an opportunistic takeout. However, Stifel analysts described today's news as a "great outcome" for Zogenix shareholders, suggesting that the deal, even at this price, would be welcomed.

That a buyer has taken so long to emerge might be explained, in part, by wariness over Fintepla's lack of safety: the product is a reformulation of fenfluramine, one half of the fen-phen obesity drug withdrawn in 1997

over links with serious heart problems.

But Fintepla has been on the market for just over a year with no toxicity concerns, despite close monitoring, Jefferies analysts noted.

Further expansion could come in CDKL5 deficiency disorder, where a phase 3 study of Fintepla is in the works. Here, the drug could end up competing against Marinus's ganaxolone, which has a March Pdufa date.

Zogenix also has another project in development, MT1621, gained via the purchase of Modis Therapeutics. A filing in thymidine kinase 2 deficiency is expected in the second half of this year.

Losing sales

However, the main draw for UCB was undoubtedly Fintepla. And no wonder the Belgian group wants fresh blood: two big growth drivers, Cimzia and Vimpat, are set to see sales shrink over the next few years as generics hit.

UCB's next big hope, Bimzelx, is facing a delayed US approval decision as Covid travel restrictions continue to hinder the FDA's ability to carry out inspections. Meanwhile, the myasthenia gravis projects rozanolixizumab, an FcRn antagonist, and zilucoplan, a C5 complement inhibitor, have yet to prove themselves in a very competitive field.

UCB's top products in 2026

			Sales ($m)	
Product	**Indication(s)**	**Status**	**2020**	**2026e**
Bimzelx	Psoriasis, psoriatic arthritis, axial spondyloarthritis, hidradenitis suppurativa	FDA decision in psoriasis delayed due to travel restrictions	-	1,863
Cimzia	Autoimmune diseases inc RA, Crohn's & psoriasis	Marketed; US patent expires 2024	2,054	1,503
Fintepla (via Zogenix)	Rare epilepsies	Marketed in Dravet; filed in LGS	10	757
Briviact	Epilepsy	Marketed	329	605
Vimpat	Epilepsy	Marketed; US patent expires 2022	1,587	518
Keppra	Epilepsy	Marketed; patent expired	659	469
Zilucoplan (via Ra)	Myasthenia gravis	Data from ph3 Raise study had been due Q4 2021	-	376
Rozanolixizumab	Myasthenia gravis	Data from ph3 MycarinG study toplined positive Dec 2021; filing due Q3 2022	-	349
Evenity*	Osteoporosis	Marketed; has black box warning for MI, stroke & CV death	2	221
Nayzilam	Epilepsy	Marketed	30	149

**Partnered with Amgen, sales figures for UCB only. Source: Evaluate Pharma.*