

Horizon pays \$500m for gout clout



[Madeleine Armstrong](#)

Horizon Pharma must think it can do a better job of selling the gout drug Krystexxa than its failed originator, Savient – it is paying \$510m for the asset's current owner, Crealta.

This might seem like a big sum for a product set to bring in \$70-80m next year, but Horizon's Irish domicile could boost the deal's bottom line: the company forecasts adjusted EBITDA of \$45-50m from the transaction. However, Crealta is the biggest winner here, making a healthy return on the \$120m it paid for Savient around two years ago.

Krystexxa was FDA approved in 2010 for patients with chronic refractory gout, but fell short of overblown sellside expectations as safety concerns limited uptake, and Savient filed for bankruptcy protection three years later after failing to find a partner.

Old timers

Horizon is now focusing its orphan drug know-how on gout, an area that seems ripe for disruption. The disease has hardly been a hotbed of pharma activity with one of the mainstays of treatment, allopurinol, having been around since the 1960s.

However, this is far from perfect, with serious side effects and a dwindling response rate, thought to be linked to the changing profile of a typical gout patient. On allopurinol's side is its low price.

So it seems that the time is right for new blood, but is Krystexxa the drug to rejuvenate the market? So far it seems not; as well as failing to dislodge allopurinol it also lags another relatively recent entrant, Takeda's febuxostat. Horizon believes that it can change this, aided by its 41-strong rheumatology sales force and an underserved market.

The company estimates that chronic refractory gout affects around 50,000 people in the US, which should rise in line with the obesity epidemic – yet only 4,000-5,000 patients have been treated with Krystexxa since its approval.

Astra entrant

Complicating matters is a potential new gout contender, AstraZeneca's lesinurad, which has a PDUFA date of December 29.

With a positive advisory committee vote under its belt this looks set to become the first selective uric acid reabsorption inhibitor in the US, in spite of kidney toxicity issues ([Lesinurad data far from a crystal clear win for Astra, August 13, 2014](#)).

Lesinurad is forecast to be the top gout drug in 2020 with sales of \$388m, according to *EvaluatePharma* consensus data. But even this is a disappointment when factoring in the \$1.26bn that Astra spent on lesinurad's originator Ardea Biosciences.

And febuxostat will still be number one if its various trade names – Uloric, Feburic and Adenuric – are taken into account. Like allopurinol febuxostat is a xanthine oxidase inhibitor, but it is much more potent.

Top-five gout drugs in 2020

Project	Company	Class	Status	2020e sales (\$m)
Lesinurad	AstraZeneca	URAT1 inhibitor	Filed	388
Uloric	Takeda	Xanthine oxidase inhibitor	Marketed	263
Feburic	Teijin	Xanthine oxidase inhibitor	Marketed	164
Adenuric	Menarini	Xanthine oxidase inhibitor	Marketed	120
Arhalofenate	CymaBay Therapeutics	Selective PPAR modulator	Phase II	66

The next promising contender on the horizon is CymaBay Therapeutics' arhalofenate, which is partnered with Johnson & Johnson. According to CymaBay this is the only project that reduces gout flares while also lowering serum uric acid levels - but it is some way away from approval.

There are no forecasts for Krystexxa, and Horizon will need to make the most of its head start to transform the drug into a success. With Astra breathing down its neck, Horizon will be hoping that its gout gamble pays off.

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