

Allergan to acquire KYTHERA Biopharmaceuticals

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Allergan and KYTHERA Biopharmaceuticals, have announced that they have entered into a definitive agreement under which Allergan has agreed to acquire KYTHERA in a cash and equity transaction valued at \$75 per KYTHERA share, or approximately \$2.1 billion, subject to the fulfillment of certain customary conditions.

The fixed-value transaction consideration will be payable 80 percent in cash and 20 percent in new AGN shares issued to KYTHERA shareholders.

The acquisition of KYTHERA immediately enhances Allergan's global facial aesthetics portfolio with the addition of KYBELLA (deoxycholic acid) injection, the first and only approved non-surgical treatment for contouring moderate to severe submental fullness, commonly referred to as double chin. KYBELLA is approved by the US Food and Drug Administration (US FDA).

KYBELLA injection is also being developed for potential introduction into international markets; KYTHERA has submitted KYBELLA injection for regulatory approval in Switzerland, Canada and Australia, with other market applications to follow. The acquisition will also add KYTHERA's development product setipirant (KYTH-105), a novel compound for the prevention of male pattern baldness, as well as additional early-stage development candidates.

"The acquisition of KYTHERA is a strategic investment that strengthens our leading global position in aesthetics and continues to position us for long-term growth," said Mr Brent Saunders, CEO and president of Allergan. He added, "KYBELLA is an exciting new product that offers patients the first and only clinically-proven, non-surgical treatment for submental fullness (excess fat under the chin). As a leader in aesthetics, we know our customers are looking to offer their patients new

options beyond traditional facial aesthetics. KYBELLA will do that while complementing our market leading facial aesthetics portfolio, which includes BOTOX, JUVEDERM XC, JUVEDERM VOLUMA XC, LATISSE and SKINMEDICA. KYBELLA is also a pivotal entry point for expanding the use of facial aesthetic products in men, while KYTHERA's setiprant (hair-loss) development program can drive additional long-term value."

"Allergan's world-class medical aesthetics, global footprint, history and commitment to developing leading aesthetic products makes them ideally suited to realize the maximum commercial potential of KYBELLA. I am deeply appreciative of the commitment and dedication of our KYTHERA team that worked so tirelessly to bring KYBELLA from early development through approval and launch. We look forward to working with Allergan to ensure a successful US launch of KYBELLA, as well as to secure additional approvals globally," said Mr Keith Leonard, CEO and president of KYTHERA.

The acquisition of KYTHERA is subject to approval by the shareholders of KYTHERA, expiration or termination of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 and fulfillment of certain other customary conditions to closing. Pending such approvals and fulfillment of other conditions, Allergan currently anticipates closing the transaction in the third quarter of 2015.

JP Morgan is serving as a financial advisor to Allergan and Covington and Burling LLP is serving as Allergan's lead legal counsel. Goldman Sachs is serving as financial advisor to KYTHERA and Latham and Watkins LLP is serving as KYTHERA's lead legal counsel.