

Luye Pharma acquires AstraZeneca's signature products

28 May 2018 | News

A Move Aimed at Enriching the Existing CNS Portfolio and Enhancing Strategic Synergy across International Markets



Luye Pharma Group recently announced their acquisition of AstraZeneca's core CNS products - Seroquel and Seroquel XR. As with previous acquisitions such as Lipusu, Xuezhikang, Beixi and Rivastigmine Transdermal Patch, the decision to acquire Seroquel and Seroquel XR was made by Luye Pharma based on a comprehensive evaluation of the target.

Factors considered include: whether the target is a signature product with a high sales volume and high margins, whether it has good competitive positioning, how much it can contribute to existing core product portfolio and whether it can help improve the group's operating capabilities or optimize strategic resource integration.

In accordance with the acquisition agreement, Luye Pharma will acquire the assets of Seroquel and Seroquel XR in 51 countries and regions including China, the United Kingdom, Brazil, Australia, Saudi Arabia, Mexico, South Korea, Thailand, Argentina, Malaysia and other countries and regions in Asia, Latin America, Africa, Oceania and Eastern Europe. The assets include marketing authorizations, regulatory information, certain patents, relevant business materials and data, manufacturing know-how and sales networks, among others.

In addition, AstraZeneca has agreed to grant exclusive, permanent, free and sub-licensable trademark licensing, along with other licensing rights, to Luye Pharma. The total transaction amount of 546 million U.S. dollars will be paid by Luye Pharma in four installments over the coming years, with an initial payment of US\$260 million.