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ASIA EDITION

DiaMedica, Ahon Pharma sign license agreement for stroke treatment

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Under the terms of the license agreement, DiaMedica is entitled to receive an upfront payment of $5 million, consisting of $500,000 on signing and $4.5 million upon regulatory clearance to initiate a clinical trial in China.



Ahon Pharmaceutical Co Ltd., a subsidiary of Shanghai Fosun Pharmaceutical (Group) Co. Ltd, and DiaMedica Therapeutics Inc. have entered into a license and collaboration agreement, which allows Ahon to have exclusive rights to develop and commercialize DM199 for acute ischemic stroke (AIS) in mainland China, Taiwan, Hong Kong S.A.R. and Macau S.A.R.

DM199 (synthetic KLK1 protein) is an investigational product in development to treat patients who experience an acute ischemic stroke. Upon successful development, DM199 could provide a treatment option for patients worldwide who suffer from an acute ischemic stroke within 24 hours compared to the short, 3 to 4.5-hour treatment window available today with tissue plasminogen activator. In China, a human urine source form of the KLK1 protein, u-KLK1 or Kailikang, has been approved and widely used since 2005.

Under the terms of the license agreement, DiaMedica is entitled to receive an upfront payment of $5 million, consisting of $500,000 on signing and $4.5 million upon regulatory clearance to initiate a clinical trial in China. DiaMedica also has the potential to receive an additional $27.5 million in development and sales related milestones and high single and low double-digit royalties on net sales of DM199 in the licensed territories. All development, regulatory, sales, marketing, and commercial activities and associated costs in the licensed territories will be the sole responsibility of Ahon Pharma.

Fosun Pharma, with its partnership with SK Group (a South Korea based Fortune Global 100 Company) called Hermed Capital Healthcare Fund, is an investor in DiaMedica through its equity investment in 2016.