

Janssen inks deal with Yuhan for lung cancer drug

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Korea-based Yuhan Corporation announced that it has entered into a licensing agreement with Janssen Biotech, a subsidiary of Johnson & Johnson, to develop Lazertinib, a treatment for non-small cell lung cancer (Nslc) that is undergoing clinical trials in Korea.

Under the agreement, Yuhan will receive an upfront payment of \$50 million and is eligible for double-digit royalties on future sales. It is also eligible for up to \$1.255 billion in payments according to development phases.

Going forward, Janssen will be responsible for developing the drug, manufacturing and commercialization with exclusive worldwide rights to Lazertinib excluding Korea, where the rights belong to Yuhan.

The companies will work together on global clinical trials evaluating Lazertinib. Trials are expected to begin in 2019.

“We are excited to start this collaboration and dive into advancing this treatment regimen with a focus on improving the lives of people who suffer from lung cancer,” said Lee Jung-hee, president and CEO of Yuhan, in a statement.

The combined \$1.255 billion Yuhan is set to receive from Janssen is the second-largest export contract for a single pharmaceutical product from Korea, according to people in the industry.

Lazertinib is a potent, mutant-selective, irreversible, brain-penetrant and orally-active third-generation inhibitor for Nscl, with the potential to be a first-line therapy.

The compound is in a Phase 1/2 clinical trial in Korea. Interim results showed that Lazertinib inhibited robust disease activity in patients with Nscl.

Established in 1926, Yuhan is one of the top pharmaceutical companies in Korea in terms of market capitalization and revenue.

Its core business consists of primary and specialty care, dietary supplements, household and animal care, and contract manufacturing of active pharmaceutical ingredients. On the news of the agreement with Janssen Biotech, shares of Yuhan spiked 29.78 percent to close at 231,000 won (\$205) Monday.