

Kyowa Kirin buys back Tivozanib rights from AVEO oncology

02 August 2019 | News

Kyowa Kirin will reobtain the non-oncology rights of tivozanib in AVEO territories excluding the rights which are currently sublicensed to EUSA Pharma

Japan based pharma company Kyowa Kirin Co. and US headquartered AVEO Oncology announce that they have amended their license agreement to allow Kyowa Kirin to buy back the non-oncology rights of tivozanib in AVEO territories, which includes the U.S. and EU. The agreement is an amendment to the terms of the 2006 tivozanib license agreement between Kyowa Kirin and AVEO which granted AVEO exclusive rights of tivozanib in all indications.

Under the terms of the amended license agreement, Kyowa Kirin will reobtain the non-oncology rights of tivozanib in AVEO territories excluding the rights which are currently sublicensed to EUSA Pharma. Kyowa Kirin will be obligated to a \$25 million upfront payment to AVEO, waive AVEO's obligation to make an \$18 million milestone payment upon AVEO gaining U.S. marketing approval, and up to \$391 million in potential milestone payments upon the successful achievement of certain development and commercial objectives in non-oncology indications of tivozanib. Kyowa Kirin will also be obligated to make tiered royalty payments on the net sales of these indications, which range from a high single-digit to low double-digit percent.

"This is a strategically important agreement for us to maximize the value of tivozanib by keeping it in oncology development by AVEO and having it back to our pipeline in non-oncology areas," said Takeyoshi Yamashita, Ph.D., Executive Officer, Director of Corporate Strategy & Planning Department of Kyowa Kirin. "This amended agreement on tivozanib is consistent with our portfolio strategy and we'll keep working to prove its possibility."

"This agreement marks another chapter in our successful partnership with Kyowa Kirin, and is consistent with our mission to develop and commercialize our oncology-focused pipeline while retaining meaningful economic interest and advancing our non-oncology pipeline through partnerships," said Michael Bailey, president and chief executive officer of AVEO.

"It also provides AVEO with \$25 million in non-dilutive capital upfront and an \$18 million reduction of potential future payment obligations, which strengthens our balance sheet as we pursue U.S. approval of tivozanib in renal cell carcinoma (RCC) and advance our pipeline programs, including tivozanib-immunotherapy combinations, ficlatuzumab in head and neck squamous cell carcinoma, acute myeloid leukemia, and pancreatic cancer and AV-380 for cachexia. We look forward to realizing the

value of Kyowa Kirin's development initiatives with tivozanib in non-oncology indications.”