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Daiichi Sankyo signs deal with AstraZeneca for $6B

July 27, 2020 | News

AstraZeneca to pay Daiichi Sankyo up to $6 billion in total consideration, including a $1 billion upfront payment and up to an additional $5 billion contingent upon achievement of future regulatory and sales milestones



Japanese firm Daiichi Sankyo Company, Limited has announced that it has entered into a global development and commercialization agreement with AstraZeneca for Daiichi Sankyo's DS-1062, a TROP2 directed DXd antibody drug conjugate (ADC), currently in phase 1 clinical development for non-small cell lung cancer (NSCLC) and triple negative breast cancer (TNBC).

Daiichi Sankyo and AstraZeneca will jointly develop and commercialize DS-1062 worldwide, except in Japan where Daiichi Sankyo will maintain exclusive rights. Daiichi Sankyo will manufacture and supply DS-1062.

This agreement represents the second global ADC collaboration between the two companies following a similar agreement in March 2019 for Daiichi Sankyo's ENHERTU®, a HER2 directed DXd ADC.

Under the terms of the agreement, AstraZeneca will pay Daiichi Sankyo an upfront payment of $1 billion, of which $350 million is due upon execution, $325 million after 12 months and $325 million after 24 months. Contingent payments of up to $5 billion include $1 billion for achievement of future regulatory milestones, and $4 billion for sales-related milestones. Total payments under the agreement have the potential to reach up to $6 billion.

Daiichi Sankyo and AstraZeneca will share equally development and commercialization costs as well as profits from DS-1062 worldwide, except for Japan. Daiichi Sankyo is expected to book sales in U.S., certain countries in Europe, and certain other markets where Daiichi Sankyo has affiliates. AstraZeneca is expected to book sales in other markets worldwide, including China, Australia, Canada and Russia.