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Taiwan-based startup AnnJi Pharma inks deal worth $250 M for muscular atrophy treatment

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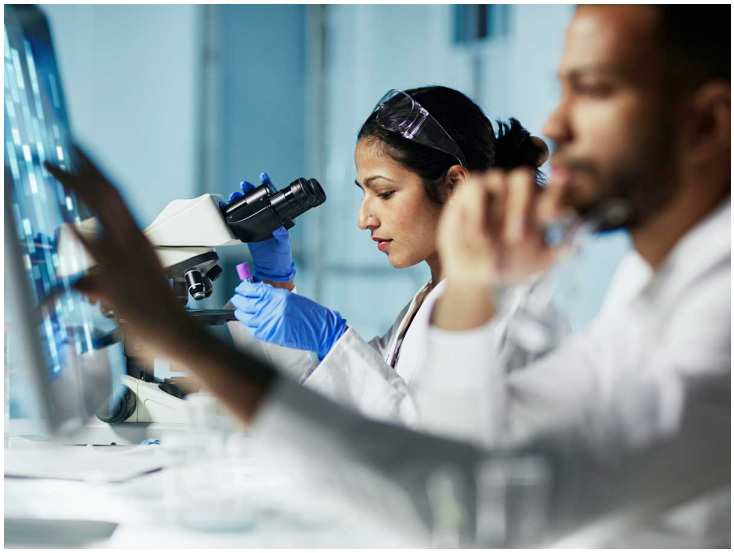
One of the largest license deals for a small molecule drug in early Phase 1b/2a clinical development



Taiwan's AnnJi Pharmaceutical Co. has entered into an exclusive license agreement with Amercian firm Avenue Therapeutics Inc. for the development and commercialisation of AJ201 for spinal and bulbar muscular atrophy (SBMA), also known as Kennedy's Disease.

Under the terms of the license agreement, AnnJi will receive upfront payments of $3 million and is entitled to receive future development, regulatory and commercialisation milestone payments amounting up to $250 million, as well as up to 2-digit percentage royalty of the net sales.

This agreement is one of the largest license deals for a small molecule drug in early Phase 1b/2a clinical development in the past twenty-four months. Greenberg Traurig served as AnnJi's legal advisor in this transaction.

AJ201 is a novel small molecule new drug and a first-in-class treatment, which has the potential to treat Kennedy's Disease through multiple mechanisms including degradation of the abnormal androgen receptor (AR) protein, which is believed to be the cause of the disease, as well as suppression of proinflammatory cytokines and protection of cells from oxidative stress. Phase 1 clinical trial in healthy subjects has demonstrated the safety of AJ201 in humans. AJ201 is currently being investigated in a multicentre, randomized, double-blind clinical trial in six clinical sites across the US.

AJ201 has been granted Orphan Drug Designation (ODD) by the US FDA for the indications of SBMA, Huntington's Disease and Spinocerebellar Ataxia. AJ201 also received ODD from European Medicines Agency for the indications of SBMA.