

## Press Cutting

Citigate  
Dewe Rogerson

Client: Chi-Med

Publication: Fierce Biotech

Date: 21 December 2011



### **AZ commits \$140M to cancer pact as it inks back-to-back deals**

December 21, 2011 - 9:19am ET | By John Carroll

A day after AstraZeneca managed to raise fresh doubts about its ability to efficiently develop new therapies with twin setbacks in the clinic, the pharma company is back with a pair of new pipeline pacts.

The pharma giant paid \$20 million upfront and pledged up to \$120 million in milestones for the rights to develop a preclinical cancer treatment discovered in China. And it snagged an option on a pair of diabetes drugs in Astellas's pipeline.

AstraZeneca's deal with Chi-Med revolves around Volitinib (HMPL-504), an inhibitor of the c-Met receptor tyrosine kinase, now slated to begin a near-term Phase I study. And AstraZeneca highlighted the role Chinese investigators will play in the development of the treatment. "Volitinib represents a highly attractive global opportunity for AstraZeneca as we seek to develop and commercialise novel, targeted cancer therapies," says Susan Galbraith, head of AstraZeneca's Oncology Innovative Medicines.

"This collaboration with HMP represents our commitment to China and brings together two groups with highly complementary capabilities."

AstraZeneca simultaneously completed an option deal with Japan's Astellas for the acquisition of PSN821, a mid-stage treatment, and the pre-clinical PSN842--both for type 2 diabetes. The drugs are oral G protein-coupled receptor GPR119 agonists, "a potential new class of medicines for diabetes." There's no word on exactly how much AstraZeneca is paying for the option to buy the drugs.

Neither of these deals are likely to compensate for the demise of AstraZeneca's ovarian cancer study for olaparib or the news yesterday that the second Phase III study of TC-5214 proved a bust, just like the first one. Olaparib was in Phase II for ovarian cancer when investigators decided to scuttle the program. And TC-5214 was one of the late-stage prospects that AstraZeneca needs to generate fresh revenue.