

Synergy Pharmaceuticals inks deal with Luxion Pharma

10 August 2018 | News

The deal gives Luoxin exclusive rights to develop and commercialize Synergy's lead product TRULANCE (plecanatide) for the treatment of adults with chronic idiopathic constipation (CIC) and irritable bowel syndrome with constipation (IBS-C) in mainland China, Hong Kong and Macau



Synergy Pharmaceuticals recently announced that the company has entered into a license agreement with Luoxin Pharmaceutical Group, Shandong providing Luoxin with exclusive rights to develop and commercialize Synergy's lead product TRULANCE (plecanatide) for the treatment of adults with chronic idiopathic constipation (CIC) and irritable bowel syndrome with constipation (IBS-C) in mainland China, Hong Kong and Macau.

Under the terms of the agreement, Synergy will receive an upfront payment of \$12 million. Synergy is also eligible, in the event that certain regulatory and commercial milestones are met, to receive additional payments of up to \$56 million in aggregate. In addition, Synergy is eligible to receive tiered royalty payments on aggregate net sales. Luoxin will lead clinical development in China and be responsible for all activities and expenses relating to clinical development, regulatory approval, and commercialization in China. Yafa Capital acted as a financial advisor on this transaction.

"Luoxin is a leading pharmaceutical company in China with strong capabilities for successfully delivering TRULANCE to patients in its market," said Troy Hamilton, Chief Executive Officer of Synergy Pharmaceuticals Inc. "This partnership builds on the Canadian licensing deal we announced for TRULANCE earlier this year and demonstrates our team's continued execution towards our key business priorities of optimizing the value of TRULANCE, ensuring a strong financial foundation, and continuing to explore all strategic business development opportunities. We look forward to supporting the Luoxin team in their efforts to bring TRULANCE to patients suffering from CIC and IBS-C in China."

"We are pleased to partner with Synergy to bring this exciting new treatment option to benefit millions of patients suffering from these chronic gastrointestinal conditions in China," said Baoqi Liu, Chairman of Luoxin Pharmaceuticals. "Over the years, Luoxin Pharmaceuticals has established a strong product line of proton pump inhibitors to treat gastrointestinal diseases, and we are conducting a Phase III clinical trial on LXI-15028 (CJ-12420), a p-CAB inhibitor licensed in from the Korean pharmaceutical company CJ Healthcare and recently approved by Korean health authorities, which will further enrich

our product line in digestive system. We believe TRULANCE® will bring a great amount of value to our arsenal of solutions to fight these conditions. Luoxin Pharmaceuticals adheres to our corporate mission of 'Delivering Health', and we look forward to working with Synergy on our mutual goal of making TRULANCE available to as many patients and their health care providers as possible."