

Ironwood Pharmaceuticals and AstraZeneca Amend LINZESS Collaboration in China

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Ironwood to receive up to \$125 million, consisting of \$35 million in non-contingent payments and up to \$90 million in commercial milestones, in addition to tiered royalties up to 20 percent



Ironwood Pharmaceuticals, Inc. a GI healthcare company has announced that it has amended its collaboration agreement with AstraZeneca for the development and commercialization of LINZESS in China. LINZESS was approved by the National Medical Products Administration for adults with IBS-C in China in January 2019. LINZESS is expected to be launched in China in the second half of 2019.

Under the terms of the amended agreement, AstraZeneca will obtain exclusive rights to develop, manufacture and commercialize linaclotide in China (including Hong Kong and Macau) and will be responsible for all expenses associated with these activities. In return, Ironwood will receive up to a total of \$125 million, including non-contingent payments totaling \$35 million paid in three installments through 2024 and up to \$90 million in commercial milestone payments contingent on the achievement of certain net sales targets. Additionally, Ironwood will receive royalties beginning in the mid-single-digit percent and increasing up to 20 percent based on annual net sales of LINZESS in China. In connection with the amended agreement, Ironwood will no longer be jointly funding the development and commercialization of linaclotide or sharing in the net profit from sales in China.

Mark Mallon, chief executive officer of Ironwood, stated, “This amended collaboration – combined with our recent amendment to our Astellas agreement – reflects our continued strategy to focus our efforts in the U.S., thereby streamlining our business while enabling strong partners to bring linaclotide to patients worldwide. AstraZeneca has substantial experience and capabilities in developing and commercializing medicines in China. There are approximately 14 million adults suffering from IBS-C in China, and we believe AstraZeneca is well-positioned to bring LINZESS to these patients.”

The original collaboration between Ironwood and AstraZeneca for linaclotide was established in 2012. Linaclotide is available for the treatment of adults with IBS-C or chronic idiopathic constipation (CIC) in the United States and more than 30 other countries.