

Japan's Astellas announces \$1.37 B deal with Vir Biotechnology to develop T-Cell therapies for prostate cancer

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Astellas to lead commercialisation of VIR-5500 in the US



Japan-based Astellas Pharma and US-based startup Vir Biotechnology have entered into a global strategic collaboration to advance VIR-5500, an investigational PRO-XTEN[®] dual-masked CD3 T-cell engager (TCE) targeting PSMA for the treatment of prostate cancer.

The collaboration aims to accelerate the development of VIR-5500 and further strengthen Astellas' oncology pipeline and prostate cancer leadership.

Despite recent advances in treatment, prostate cancer, especially metastatic castration-resistant prostate cancer (mCRPC), remains an aggressive and difficult cancer to treat; mCRPC has a 5-year survival rate of approximately 30%. Patients who progress to mCRPC develop therapeutic resistance and currently have limited treatment options.

VIR-5500 is a potential best-in-class dual-masked Prostate-Specific Membrane Antigen (PSMA)-targeting TCE and is currently in Phase 1 development for people with advanced, metastatic prostate cancer (NCT05997615). VIR-5500 combines a bispecific PSMA and CD3 binding TCE with the PRO-XTEN[®] masking technology, which is designed to keep the TCEs masked (or inactive) until they reach the tumor microenvironment, reducing off-target effects and improving the therapeutic index.

Under the terms of the agreement, Vir Biotechnology will receive \$335 million in upfront and near-term payments, including \$240 million in cash, \$75 million in equity investment at a 50% premium, and a near-term \$20 million milestone. Global development costs for VIR-5500 will be shared, with Astellas responsible for 60% and Vir Biotechnology responsible for 40% of all costs.

Vir Biotechnology will continue the ongoing Phase 1 trial, until responsibility is transitioned to Astellas, after which Astellas will be responsible for all development activities. In the US, Vir Biotechnology will have the option to co-promote VIR-5500 with

Astellas, and profit/loss will be shared equally.

Outside the US, Astellas will be exclusively responsible for commercialisation of VIR-5500. In addition, Vir Biotechnology is eligible to receive up to \$1.37 billion in development, regulatory and sales milestones, along with tiered, double-digit royalties on ex-US net sales. Under the terms of Vir Biotechnology's licensing agreement with Sanofi, a portion of certain collaboration proceeds will be shared with Sanofi.