

Grünenthal licenses-out osteoarthritis pain treatment to Shionogi in Japan

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The deal is worth \$500 million



German firm Grünenthal and Japan-based Shionogi have entered into a licensing agreement for Grünenthal's investigational medicine Resiniferatoxin (RTX). Shionogi has obtained the exclusive rights to commercialise Grünenthal's asset in Japan for pain associated with osteoarthritis of the knee.

RTX is currently in Phase III of clinical development for the treatment of patients with moderate to severe pain associated with knee osteoarthritis. Osteoarthritis, a progressive and often painful joint disease, is an indication with high unmet medical need. If approved, RTX could become a well-tolerated, non-opioid therapy option for patients, providing long-lasting pain relief and functional improvement of the affected knee joints.

Under the terms of the agreement, Shionogi will obtain the exclusive commercialisation rights for RTX in Japan for a total consideration of up to \$525 million plus additional sales based payments. Thereof, Shionogi will pay \$75 million upon signature, and further milestone payments of \$70 million prior to regulatory approval. The agreement includes competitive investment commitments for launch and commercialisation. Manufacturing and supply of RTX to Shionogi will be carried out exclusively by Grünenthal.

The global osteoarthritis market is expected to grow to approximately \$ 11.0 billion in 2025. Japan represents one of the most important markets in Asia, with significant revenue potential for RTX.