

Japan's pharmaceutical firm Daiichi Sankyo to merge 2 wholly-owned subsidiaries

November 2, 2023 | News

Post-merger, Daiichi Sankyo Propharma and Daiichi Sankyo Chemical Pharma will be extinct companies



Japan-headquartered pharmaceutical company Daiichi Sankyo's Board has passed a resolution on the basic policy for carrying out an absorption-type merger of its wholly owned subsidiaries, Daiichi Sankyo Propharma and Daiichi Sankyo Chemical Pharma, effective on April 1, 2025.

Daiichi Sankyo Propharma and Daiichi Sankyo Chemical Pharma manufacture the company's ethical pharmaceuticals and investigational new drugs. To stably supply antibody drug conjugates (ADCs), which drive the company's growth, and accelerate the development of new modalities, it needs to further deepen the alignment between the manufacturing function and pharmaceutical technology development function.

The current consolidation of the functions, which had been divided among three companies, into one company can organically fuse the processes from development to commercial production and take advantage of the experience which they have cultivated within the company, leading to improved rapidity, improved productivity, and a reinforced production system, indispensable to the development and production of anticancer agents.

The merger will be an absorption-type merger, in which the Daiichi Sankyo Company will be the surviving company while Daiichi Sankyo Propharma and Daiichi Sankyo Chemical Pharma will be extinct companies. Daiichi Sankyo Propharma and Daiichi Sankyo Chemical Pharma will be dissolved.

As Daiichi Sankyo Propharma and Daiichi Sankyo Chemical Pharma are the company's wholly owned subsidiaries, no new shares will be issued and no cash will be allocated due to the merger.