



MEMORANDUM

Adocia licenses BioChaperone Combo and BioChaperone Lispro to Tonghua Dongbao for development/commercialization in China - April 27, 2018

Adocia just [announced](#) a partnership with Tonghua Dongbao Pharmaceuticals, granting the Chinese company exclusive development and commercialization rights for phase 3-ready BioChaperone Combo (75/25 basal insulin glargine/prandial insulin lispro) and ultra-rapid-acting BioChaperone Lispro in China. The partnership encompasses "other designated countries" which were not specified, but Adocia retains all rights to these two products for the US, Europe, and Japan.

Under the terms of the agreement, Adocia received a total upfront payment of \$50 million (\$40 million for BC Combo + \$10 million for BC Lispro) from Tonghua Dongbao, and is eligible for later development milestone payments of up to \$85 million (\$50 million for BC Combo + \$35 million for BC Lispro). Adocia also expects double-digit royalties on sales of both products if they ultimately reach the Chinese market.

This news marks an important milestone for two of Adocia's most advanced pipeline products. As recently as the company's [1Q18 update](#) last week, management positioned this as a top priority - seeking phase 3 development and commercialization partners for BC Combo and BC Lispro. Adocia was primarily interested in [partnering BC Combo in China](#) (where premix insulin accounts for ~65% of total insulin prescriptions), and is hoping to find a partner for [BC Lispro](#) that supports phase 3 trials and commercialization in the US. We imagine the search continues for a partner who can develop and commercialize the ultra-rapid-acting mealtime insulin in other markets beyond China.

We look very forward to hearing updates on the timeline for phase 3 trials of BC Combo and BC Lispro.

-- by Abigail Dove, Payal Marathe, and Kelly Close