

AstraZeneca to sell rights of Alvesco, Omnaris, Zetonna

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Covis Pharma will pay AstraZeneca \$350 million upon closing, in addition to conditional sales-related payments of up to \$21 million over four years from 2019.



AstraZeneca has entered into an agreement with Covis Pharma B.V. (Covis Pharma) to sell its rights to the medicines Alvesco (ciclesonide), used for the treatment of persistent asthma, and Omnaris and Zetonna (ciclesonide), used for the treatment of nasal symptoms associated with rhinitis. The rights cover markets outside the US and the US royalties for the medicines. Covis Pharma currently commercialises Alvesco, Omnaris and Zetonna in the US and will become the owner of the medicines upon closing. The transaction does not include the transfer of any AstraZeneca employees or facilities.

Alvesco is an inhaled anti-inflammatory maintenance therapy delivered by a metered-dose inhaler to help control persistent asthma. Omnaris and Zetonna are nasal sprays for the treatment of nasal symptoms associated with seasonal allergic and allergic/non-allergic perennial rhinitis. The active ingredient in all three medicines is ciclesonide, a synthetic corticosteroid that helps relieve inflammation.

Covis Pharma will pay AstraZeneca \$350 million upon closing, in addition to conditional sales-related payments of up to \$21 million over four years from 2019. The agreement is subject to customary closing conditions and is expected to complete by the end of 2018. As AstraZeneca will not maintain a significant ongoing interest in the medicines following completion, the payments will be recognised as Other Operating Income in the Company's financial statements. Combined 2017 Product Sales of Alvesco, Omnaris and Zetonna, recorded by AstraZeneca, were \$106 million. The agreement does not affect the Company's financial guidance for 2018.