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Zydus' US Sentynl Therapeutics expands rare disease portfolio in partnership with Mereo BioPharma

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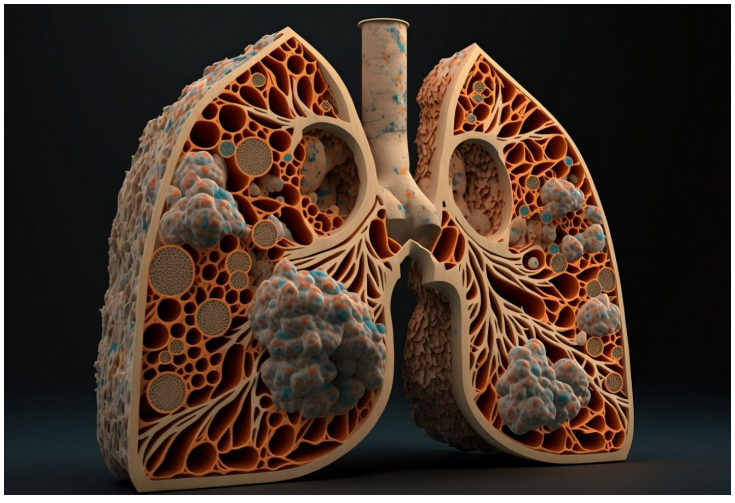
Mereo will lead the global Phase 3 study and regulatory interactions until the study is completed



Sentynl Therapeutics, Inc., a US-based biopharmaceutical company and wholly-owned subsidiary of Zydus Lifesciences, and Mereo BioPharma Group plc, a clinical-stage biopharmaceutical company focused on rare diseases, have entered into an option and license agreement for the US commercial and global manufacturing rights to alvelestat for Alpha-1 Antitrypsin Deficiency-Associated Lung Disease (AATD-LD).

Alvelestat is a neutrophil elastase inhibitor being readied for Phase 3 and, if approved, would be the first oral treatment for this rare, progressive genetic lung disease affecting an estimated 50,000-80,000 individuals in the United States.

The option and license agreement grants Sentynl the exclusive right to acquire a license to commercialise alvelestat for AATD-LD in the United States, with Mereo retaining commercial rights in the rest of the world. The agreement also grants Sentynl global rights to manufacture alvelestat for AATD-LD and on option exercise, it provides funding for the alvelestat Phase 3 development programme, which could be initiated in early 2027.

Mereo will receive a non-refundable option fee from Sentynl and, on exercise of the option, the company would also receive up to $40 million in upfront and R&D payments until NDA filing. Under these terms, Mereo would also be eligible to receive double-digit tiered royalties on US net sales of alvelestat. Mereo will lead the global Phase 3 study and regulatory interactions until the study is completed. However, during the option period, the companies will collaborate to advance manufacturing and streamline the Phase 3 study design.