

# AZ agreement with Aralez for Toprol-XL in US

This announcement contains inside information

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## ASTRAZENECA ENTERS AGREEMENT WITH ARALEZ FOR BETA-BLOCKER MEDICINE TOPROL-XL IN THE US

AstraZeneca today announced that it has entered into an agreement with Aralez Pharmaceuticals Trading DAC, a subsidiary of Aralez Pharmaceuticals Inc., for the rights to branded and authorised generic *Toprol-XL* (metoprolol succinate) in the US. *Toprol-XL* is a beta-blocker medicine for the control of hypertension (high blood pressure), angina (chest pain) and heart failure. It was first approved in the US in 1992.

Under the terms of the agreement, Aralez will pay AstraZeneca \$175 million to acquire the rights to *Toprol-XL* tablets in the US, and the authorised generic medicine marketed by Par Pharmaceuticals. Aralez will also pay AstraZeneca up to \$48 million in milestone and sales-related payments, as well as mid-teen percentage royalties on sales. AstraZeneca will continue to manufacture and supply *Toprol-XL* and the authorised generic medicine to Aralez.

Mark Mallon, Executive Vice President, Global Product & Portfolio Strategy at AstraZeneca said: "This agreement allows us to focus our resources on our new launches and pipeline of innovative medicines, while working with Aralez, a partner with expertise in cardiovascular disease, to ensure continued patient access to *Toprol-XL*."

Adrian Adams, Chief Executive Officer of Aralez Pharmaceuticals Inc. said: "We are pleased to be entering into this agreement with AstraZeneca. *Toprol-XL* represents a strong addition to our growing anchor position in cardiovascular disease. We look forward to helping patients continue to benefit from this important medicine."

### Financial considerations

In 2015, US Product Sales for *Toprol-XL* and the AstraZeneca share from the sale of the authorised generic medicine totalled \$89 million. The transaction is expected to complete in the fourth quarter of 2016, subject to customary closing conditions. As AstraZeneca will retain an ongoing interest in *Toprol-XL* in the US through the ongoing milestones, royalties and product supply, the upfront payment of \$175 million, milestones and sales-related payments of up to \$48 million and mid-teen percentage royalties will be reported as Externalisation Revenue in the Company's financial statements. The agreement does not include the transfer of any AstraZeneca employees or facilities and does not impact AstraZeneca's financial guidance for 2016.

### About Aralez Pharmaceuticals Inc.

Aralez Pharmaceuticals Inc. (NASDAQ: ARLZ) (TSX: ARZ) is a global specialty pharmaceutical company focused on delivering meaningful products to improve patients' lives while creating shareholder value by acquiring, developing and commercialising products primarily in cardiovascular, pain and other specialty areas. Aralez's Global Headquarters is in Mississauga, Ontario, Canada, the U.S. Headquarters is planned to be in Princeton, NJ and the Irish Headquarters is in Dublin, Ireland. More information about Aralez can be found at [www.aralez.com](http://www.aralez.com).

### About AstraZeneca

AstraZeneca is a global, science-led biopharmaceutical company that focuses on the discovery, development and commercialisation of prescription medicines, primarily for the treatment of diseases in three therapy areas - Respiratory, Cardiovascular & Metabolic Diseases, and Oncology. The Company is also selectively active in Neuroscience and Autoimmunity. AstraZeneca operates in over 100 countries and its innovative medicines are used by millions of patients worldwide. For more information, please visit: [www.astrazeneca.com](http://www.astrazeneca.com)

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