



## Current Agreements

### Dealdoc

#### Licensing, marketing and supply agreement for Belviq (Lorcaserin)

Eisai

Arena Pharmaceuticals

Nov 07 2013

## Licensing, marketing and supply agreement for Belviq (Lorcaserin)

<b>Companies:</b>	<a href="#">Eisai</a> <a href="#">Arena Pharmaceuticals</a>
<b>Announcement date:</b>	Nov 07 2013
<b>Deal value, US\$m:</b>	1796.5 : transaction value
<b>Related contracts:</b>	<a href="#">Licensing, marketing and supply agreement for Lorcaserin to treat obesity and weight loss</a>

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### Details

<b>Announcement date:</b>	Nov 07 2013
<b>Industry sectors:</b>	Bigpharma Pharmaceutical
<b>Brand name:</b>	BELVIQ
<b>Compound name:</b>	lorcaserin
<b>Exclusivity:</b>	Exclusive
<b>Asset type:</b>	Compound Product
<b>Therapy areas:</b>	Public Health » Obesity
<b>Technology types:</b>	Small molecules Distribution Licensing
<b>Deal components:</b>	Manufacturing Marketing Supply
<b>Stages of development:</b>	Marketed Worldwide Asia » China Asia » Japan
<b>Geographic focus:</b>	Europe » Germany North America North America » United States South America Asia » Israel Asia » South Korea
<b>Excluded geography:</b>	Asia » Taiwan Oceania » Australia Oceania » New Zealand

### Financials

<b>Deal value, US\$m:</b>	1796.5 : transaction value
<b>Upfront, US\$m:</b>	60 : upfront payment
<b>Milestones, US\$m:</b>	176.5 : triggered by regulatory and development milestones \$1.56 billion in one-time purchase price adjustment payments based on annual sales levels of lorcaserin
<b>More details:</b>	

## Termsheet

07 November 2013

Arena Pharmaceuticals and Eisai Inc. announced today the expansion of the BELVIQ (lorcaserin HCl) marketing and supply agreement.

The expanded agreement provides Eisai with exclusive commercialization rights for all countries worldwide, except for South Korea, Taiwan, Australia, Israel and New Zealand.

This agreement amends and restates the previous agreement that granted Eisai rights to commercialize BELVIQ in most of North and South America.

Eisai's commercialization rights are subject to applicable regulatory approval.

Arena will receive from Eisai an upfront payment of \$60 million.

Is eligible to receive up to a total of \$176.5 million in regulatory and development milestone payments.

The total for milestone payments represents an increase of \$123 million from the amount remaining available under the previous agreement.

Arena is also eligible to receive a total of \$1.56 billion in one-time purchase price adjustment payments based on sales in the territories covered by the agreement.

The total for purchase price adjustment payments represents an increase of \$185 million from the amount available under the previous agreement.

BELVIQ is believed to decrease food consumption and promote satiety by selectively activating serotonin 2C receptors in the brain. The exact mechanism of action of BELVIQ is not known.

## Press Release

07 November 2013

Arena Pharmaceuticals and Eisai Expand Marketing and Supply Agreement for BELVIQ® (lorcaserin HCl) to Include Most Countries Worldwide

Collaboration to Focus on Global Commercialization and Development for Weight Management and Potential New Indications -- SAN DIEGO, Calif. and WOODCLIFF LAKE, N.J., Nov. 7, 2013 /PRNewswire/ -- Arena Pharmaceuticals, Inc. (NASDAQ: ARNA [FREE Stock Trend Analysis]) and Eisai Inc. announced today the expansion of the BELVIQ® (lorcaserin HCl) marketing and supply agreement between Arena Pharmaceuticals, Inc.'s wholly owned subsidiary, Arena Pharmaceuticals GmbH, and Eisai Inc. along with its parent company Eisai Co., Ltd. The expanded agreement provides Eisai with exclusive commercialization rights for all countries worldwide, except for South Korea, Taiwan, Australia, Israel and New Zealand. This agreement amends and restates the previous agreement that granted Eisai rights to commercialize BELVIQ in most of North and South America. Eisai's commercialization rights are subject to applicable regulatory approval.

"This new agreement not only expands Eisai's territory for commercialization, but it also prioritizes our global development program for BELVIQ," said Jack Lief, Arena's President and Chief Executive Officer. "Expanding our collaboration with Eisai provides the potential to make BELVIQ available to physicians and patients worldwide for weight management and creates a powerful platform to investigate this novel compound for possible new indications by leveraging our combined drug development and regulatory expertise."

Lyonel Coats, Eisai Inc.'s President and Chief Executive Officer, added, "Our expanded commitment to BELVIQ reflects the company's human health care mission to bring new, innovative therapies to patients. Our belief in this product is strengthened by the feedback we have received from patients, physicians and payers since the US launch of BELVIQ. We have a strong foundation on which Eisai and Arena can build a global franchise for BELVIQ."

Under the terms of the agreement, Arena will receive from Eisai an upfront payment of \$60 million and is eligible to receive up to a total of \$176.5 million in regulatory and development milestone payments. The total for milestone payments represents an increase of \$123 million from the amount remaining available under the previous agreement.

Arena will continue to sell BELVIQ to Eisai for commercialization in the US and in the other territories in North and South America for a purchase price starting at 31.5% and 30.75% of Eisai's net sales, respectively. With respect to the new territories added under the amended agreement, the purchase price starts at 27.5% of Eisai's net sales in Europe, China and Japan, and at 30.75% of Eisai's net sales in all other territories. The purchase price will increase on a tiered basis in the US and the other territories, other than Europe, China and Japan, to as high as 36.5% and 35.75%, respectively, on the portion of Eisai's annual net sales exceeding \$750 million. The purchase price will increase to 35% in Europe, China and Japan on the portion of Eisai's annual net sales exceeding \$500 million.

Arena is also eligible to receive a total of \$1.56 billion in one-time purchase price adjustment payments based on sales in the territories covered by the agreement. The total for purchase price adjustment payments represents an increase of \$185 million from the amount available under the previous agreement.

In addition to pursuing regulatory approval for weight management in the expanded territory, under the terms of the agreement, Eisai and Arena plan to investigate the potential of BELVIQ in new areas, such as smoking cessation, a once-daily formulation, a fixed-dose combination with phentermine, as well as explore BELVIQ's impact on diabetes and cardiovascular outcomes.

About BELVIQ® (lorcaserin HCl)

BELVIQ is believed to decrease food consumption and promote satiety by selectively activating serotonin 2C receptors in the brain. The exact mechanism of action of BELVIQ is not known.

BELVIQ® (lorcaserin HCl) CIV is Approved by the US Food and Drug Administration (FDA)

Indications

BELVIQ is indicated in the United States as an adjunct to a reduced-calorie diet and increased physical activity for chronic weight management in adult patients with an initial body mass index of:

30 kg/m<sup>2</sup> or greater (obese), or 27 kg/m<sup>2</sup> or greater (overweight) in the presence of at least one weight-related comorbid condition (e.g., hypertension, dyslipidemia, type 2 diabetes). Limitations of Use:

The safety and efficacy of coadministration of BELVIQ with other products intended for weight loss, including prescription drugs (e.g., phentermine), over-the-counter drugs, and herbal preparations, have not been established. The effect of BELVIQ on cardiovascular morbidity and mortality has not been established. IMPORTANT SAFETY INFORMATION

Contraindication

BELVIQ should not be taken during pregnancy or by women who are planning to become pregnant.

## **Filing Data**

*Not available.*

## **Contract**

*Not available.*