

# Strategic Collaboration to Maximize the Value of DS-8201

## The DS-8201 Strategic Collaboration

In order to maximize the value of DS-8201, created using our proprietary ADC technology, we entered into joint development and commercialization agreement in March 2019 with AstraZeneca, a company with a wealth of global experience and expertise in oncology.

## Financial Terms

**Up to \$6.90 billion** (759.0 billion yen) **in total**

▶ Upfront payment	<b>\$1.35 billion</b> (148.5 billion yen)
▶ Regulatory and other contingencies (Maximum)	<b>\$3.80 billion</b> (418.0 billion yen)
▶ Sales-related milestones (Maximum)	<b>\$1.75 billion</b> (192.5 billion yen)

(\$1 = 110 yen)

## Overview of the Collaboration

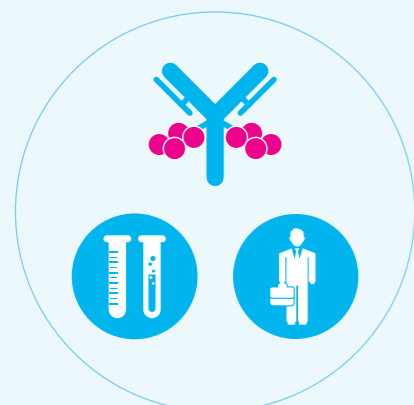
### Our collaborator:

AstraZeneca plc (headquarters: Cambridge, UK)



### Content of collaboration:

Joint development and commercialization for DS-8201



## Development

- ▶ Joint development as monotherapy and combination therapy for HER2 expressing cancers
- ▶ Equally share development costs and efforts
- ▶ Daiichi Sankyo will continue development of combination therapy that are currently being investigated



## Commercialization

- ▶ **Global (excluding Japan):** Both companies will jointly commercialize and share profits
- ▶ **Japan:** Daiichi Sankyo will commercialize on a stand-alone basis and pay royalties to AstraZeneca



## Sales booking by region

- **Daiichi Sankyo:** Japan, US, certain countries in Europe, and certain other markets where Daiichi Sankyo has affiliates
- **AstraZeneca:** All other markets worldwide, including China, Australia, Canada and Russia

## Manufacturing and supply

- ▶ Daiichi Sankyo manufactures and supplies DS-8201



### The Significance of This Collaboration

## 1 Accelerate DS-8201 commercialization and development

This collaboration will allow earlier market penetration for cancer types and indications currently in development. AstraZeneca's oncology business reaches over 70 countries around the world. They have extensive expertise in market access through the relationships with payers and oncology specialists, and medical affairs. The early market penetration of DS-8201 can be realized through our collaboration with AstraZeneca.

For example, in regions such as China where Daiichi Sankyo has little experience in development and commercialization, AstraZeneca's development experience and sales network can be used to realize earlier launches and increase revenue.

## Accelerate DS-8201 commercialization and development

### Early market penetration

Cancer types and indications currently under development

- ▶ Accelerating market penetration in U.S. and Europe
- ▶ Early launch in other markets other than Japan, U.S and Europe

### Accelerate and expand development

Cancer types and indications for future development

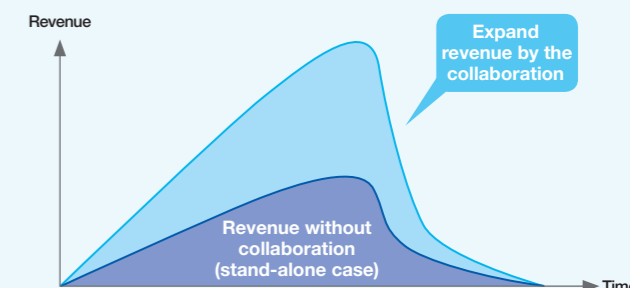
- ▶ Advancing development plans
- ▶ Further expansion of cancer types and indications

In addition, this collaboration will accelerate/expand any future development on cancer types and indications. AstraZeneca has developed many innovative oncology drugs and has extensive development and registration experience globally including emerging countries.

As shown in the graph maximizing the product value of DS-8201, by collaborating with AstraZeneca, we can greatly increase the revenue of DS-8201 compared to if Daiichi Sankyo were to develop and market the product alone.

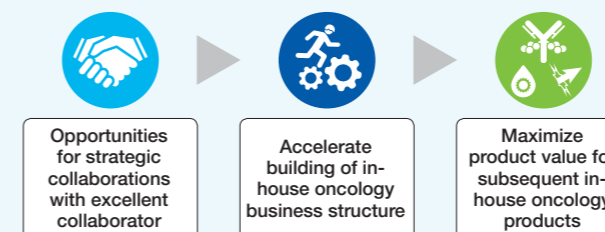
In addition, the product value of DS-8201 is maximized with considerations such as the upfront payment and various milestones.

## Maximizing the product value of DS-8201



### The Significance of This Collaboration

## 2 Accelerate the establishment of Daiichi Sankyo's global oncology infrastructure



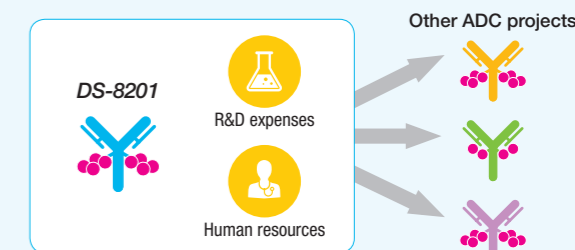
AstraZeneca has rich experience and resources in the global oncology area, and we will create various strategies in collaboration, assigning and sharing roles and executing the strategy. This will also accelerate the establishment of Daiichi Sankyo's oncology business infrastructure.

In addition to DS-8201, we have 6 other ADCs and other oncology-related projects. We will be able to maximize the product values of those projects in the future through this experience.

### The Significance of This Collaboration

## 3 Expand resource allocation for other ADC projects following DS-8201

By being able to allocate R&D expenses and human resources that was focused on DS-8201 to other ADC projects, it can accelerate development and increase the value of our pipeline.



## Governance with AstraZeneca

A joint committee framework has been established between Daiichi Sankyo and AstraZeneca, and the creation/execution of development and marketing strategies is implemented through discussion and mutual agreement between the two companies. Currently, the joint committee framework has a common vision to "Transform" treatments for patients with HER2-expressing cancer. More specifically, this involves the creation of an overall vision and strategy for DS-8201, management of profits and losses for business collaborations, approval of major investments in development and business, management of overall results and important milestones, and promotion of preparations for a global launch.