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CITELINE COMMERCIAL

28 May 2024 | **Interviews**

AstraZeneca Advancing Respiratory Aspirations In China

by Kevin Grogan

The company is adopting a two-pronged strategy to capitalize on its presence in the country to expand the market for its inhaled therapies and biologics for asthma and COPD.

China represents a significant prospect in the respiratory space and *AstraZeneca PLC* believes it is the best placed company to capitalize on this opportunity.

Pablo Panella, global head of respiratory and immunology at the UK major, told *Scrip* that "there is a phenomenon that has been happening in China in the last 20 years demographically, socially and economically with the incorporation of millions and millions of patients into the middle class." The country's unprecedented rural-to-urban migration has led to a huge investment in infrastructure to treat an enormous amount of people who are needing healthcare provision."

However, for pharmaceutical firms, "you can't win in that marketplace if you don't have a very established presence and covering China is easier said than done," he said. "It's an enormous country and establishing relationships in the multiple regions is very important."

AstraZeneca has long been established in China and is the market leader in inhaled therapies in the country, thanks to strong sales of the asthma and chronic obstructive pulmonary disease blockbuster Symbicort (budesonide/formoterol) and more recently Breztri (formoterol fumarate/glycopyrronium bromide/budesonide).

The COPD drug became the first triple-combination therapy in a pressurized metered-dose inhaler (made using the firm's Aerosphere delivery technology) to be approved by the National Medical Products Administration in late 2019.

In August last year, AstraZeneca said it would invest an additional $250m into its Breztri manufacturing facility in Qingdao, eastern Shandong, bringing the total investment in the factory to $700m.

China represents "one of the major untapped opportunities" in respiratory, Panella said, noting that COPD is the third leading cause of death globally and a third of those deaths occur in China. "We are the number-one company there both in asthma and COPD and we believe that gives us an extra edge in terms of how much we can leverage our portfolio."

AstraZeneca Confident Of Cementing Lead In Respiratory

By Kevin Grogan

17 May 2024

The UK major's head of respiratory and immunology, Pablo Panella, tells *Scrip* that AstraZeneca's well established presence in the field "gives us an edge."

Read the full article here

The principal challenge the firm faces is to establish maintenance therapy as a backbone for respiratory disease in China, an area in which the country is some 20 years behind the west, he claimed. "Diagnosis rates in chronic respiratory disease in the US and Europe are about 60% but about 20% in China so we are putting significant amounts of effort in this space, in partnership with the healthcare system in China, to foster better and faster diagnosis."

Panela said that improving care and outcomes and growing the maintenance therapy base in China was the critical first stage "because the patients who are uncontrolled on inhaled therapy are going to be the ones that will then be eligible to access biologics," the second phase of the firm's strategy in respiratory.

AstraZeneca's Fasenra (benralizumab) is under regulatory review in China for the treatment of severe eosinophilic asthma in China on the back of data from the MIRACLE Phase III trial where the interleukin-5 inhibitor demonstrated a 74% reduction in exacerbation rates over 48 weeks compared with placebo when added to standard of care in patients in several Asian countries, including China.

However, while 8%-10% of the asthmatic population in China, estimated at 46 million people, have severe asthma, it remains largely undiagnosed and undertreated. Panella said that AstraZeneca was partnering with the healthcare system to help build a network of severe asthma centers of excellence "so that doctors across the country know how to treat these patients. At the moment, that infrastructure doesn't exist."

China Innovation

China featured heavily at AstraZeneca's investor day in Cambridge, UK, on 21 May with CEO Pascal Soriot highlighting the explosion of innovation coming out of the country.

In particular, he referenced the firm's recent acquisition in December of cell therapy specialist

Gracell Biotechnologies Co. Ltd. for up to $1.2bn, noting that the country has become a rich source of innovation in the past five years while also being prepared to pay for innovative medicines. (Also see "*AstraZeneca's Gracell Acquisition Injects New Excitement For Cell Therapy In China*" - Scrip, 2 Jan, 2024.) (Also see "*AstraZeneca Targets $80bn Sales By 2030 But Analysts Still To Be Convinced*" - Scrip, 22 May, 2024.)

Soriot's comments echoed those of Shaun Grady, the UK major's head of business development operations, who told *Scrip* at the end of last year that China has become "much more cutting edge, driven by its universities and research institutions, which are well funded. A lot of terribly talented people are either there already or going home." (Also see "*AstraZeneca Likes What Chinese Innovation Has To Offer*" - Scrip, 6 Dec, 2023.)

The drugs giant has been busy on the BD front in China recently, paying $185m upfront with an overall deal consideration of around $2bn to *Eccogene (Shanghai) Co., Ltd* for access to an oral glucagon-like peptide 1 (GLP-1) receptor agonist for the treatment of obesity, type 2 diabetes and other cardiometabolic conditions.

AstraZeneca followed that deal by adding to its oncology pipeline and licensing a KRAS inhibitor from fellow Shanghai-headquartered biotech Usynova for $24m upfront and up to $395m in milestone payments, plus royalties. (Also see "*AstraZeneca Moves Into Obesity With Eye On Combinations*" - Scrip, 9 Nov, 2023.)