

ASTRAZENECA PLC
Form 6-K
February 21, 2017

FORM 6-K
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Report of Foreign Issuer
Pursuant to Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1934

For the month of (February 2017)

Commission File Number: 001-11960

AstraZeneca PLC

1 Francis Crick Avenue
Cambridge Biomedical Campus
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United Kingdom

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.
Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.
Yes No

If "Yes" is marked, indicate below the file number assigned to the Registrant in connection with Rule 12g3-2(b):
82-_____

This announcement contains inside information

20 February 2017 07:00GMT

ASTRAZENECA ENTERS AGREEMENT WITH TERSERA THERAPEUTICS FOR ZOLADEX IN THE US AND CANADA

AstraZeneca to receive upfront payment and sustainable and ongoing sales-based income

Agreement expands the commercial potential of Zoladex in US and Canada

AstraZeneca today announced that it has entered into an agreement with TerSera Therapeutics LLC (TerSera) for the commercial rights to Zoladex (goserelin acetate implant) in the US and Canada. Zoladex is an injectable luteinising hormone-releasing hormone agonist, used to treat prostate cancer, breast cancer and certain benign gynaecological disorders. It was first approved in the US and Canada in 1989.

TerSera will pay AstraZeneca \$250 million upon completion. AstraZeneca will also receive sales-related income through milestones totalling up to \$70 million, as well as recurring quarterly sales-based payments at mid-teen percent of Product Sales. AstraZeneca will also manufacture and supply Zoladex to TerSera, providing a further source of ongoing income from Zoladex in the US and Canada.

Mark Mallon, Executive Vice President, Global Product & Portfolio Strategy at AstraZeneca said: "This agreement allows us to retain a significant share of the value of Zoladex in the US and Canada, while concentrating our resources on our innovative New Oncology medicines. It also ensures patients have continued access to Zoladex, with TerSera's dedicated focus helping to expand the potential of this important medicine."

Ed Fiorentino, Chairman and CEO of TerSera Therapeutics, said: "We are very pleased to be partnering with AstraZeneca, and investing in the future growth of Zoladex, which continues to be a mainstay of treatment for its indicated uses."

Financial considerations

In 2016, Product Sales for Zoladex were \$69 million in the US and Canada, and \$816 million globally. AstraZeneca will continue to commercialise Zoladex in all markets outside the US and Canada. The transaction is expected to complete in the first quarter of 2017, subject to customary closing conditions. AstraZeneca will maintain a significant ongoing interest in Zoladex in the US and Canada through the sustainable and ongoing income from the upfront, milestone, quarterly sales-based and supply payments received from TerSera. The \$250 million upfront, \$70 million milestone payments and double-digit percentage quarterly sales-based payments received from TerSera 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 2017.

About TerSera Therapeutics LLC

TerSera Therapeutics LLC acquires, develops and markets specialty pharmaceutical products with a focus on select therapeutic areas. Its mission is to provide products which truly make a difference for patients. For more information about TerSera Therapeutics, please visit www.tersera.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 main therapy areas - Oncology, Cardiovascular & Metabolic Diseases and Respiratory. The Company also is selectively active in the areas of autoimmunity, neuroscience and infection. 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 and follow us on Twitter @AstraZeneca.

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Adrian Kemp
Company Secretary, AstraZeneca PLC

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

AstraZeneca PLC
Date: 20 February 2017 By: /s/ Adrian Kemp
Name: Adrian Kemp
Title: Company Secretary