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Evaluate Vantage 2020 Preview: Strong sales and product launches set the stage for biopharma growth, but underlying market concerns exist

LONDON, BOSTON, TOKYO (December 19, 2019) – Oncology dominates the growth outlook for pharma; four of the eight drugs expected to add \$1bn or more in new sales next year are for cancer, according to the *Evaluate Vantage 2020 Preview*, published today. Vaccines and diabetes also show strong growth, the latter despite heavy competition and pricing pressure. Vertex’s Trikafta – one of the mostly valuable R&D products of 2019 – will be a top performer as well.

Despite a strong outlook for many industry segments, biopharma investors have concerns about increasing market volatility next year. Although investors have seen time-to-exit by either M&A or IPO steadily decrease, in 2019 companies took bigger discounts to proposed valuations at IPO and private investors saw smaller returns on new flotations.

“Biopharma is poised for a strong finish in 2019, but many are wondering whether the current rally can be maintained for much longer,” said Amy Brown, report author. “Political and pricing uncertainty in the US could make stock market conditions tougher next year, which would make it much harder to float, and that could have knock-on effects to other sectors, like venture financing.”

Notable Report Findings:

- Keytruda (Merck & Co) is forecast to add the most new sales next year, with revenue growth of \$3.29bn taking the product to \$13.9bn in annual sales. Overall, sales of anti-PD-(L)1 antibodies are expected to grow by \$5.2bn in 2020.
- Trastuzumab deruxtecan (Daiichi Sankyo / AstraZeneca) is expected to be the top U.S. new drug approval next year, based on a forecast of over \$2bn in 2024 sales.
- CSL112 (CSL) is estimated to have the highest clinical spend in 2020 of any R&D project, with a \$621m bill forecast; Keytruda tops the ranking for marketed drugs, with \$1.69bn in estimated clinical spend next year.
- AstraZeneca will be the fastest growing drug company next year, projected to add over \$3bn in new sales; the acquisition of Celgene puts Bristol-Myers Squibb in second place.
- Tirzepatide (Eli Lilly) enters 2020 as the most highly valued R&D project, with a net present value of \$11.7bn.

This report is published by Evaluate Vantage, the independent editorial team at Evaluate Ltd. All data cited is from EvaluatePharma Vision, the first single view of pharmaceutical risk and return. Download the full report at: <https://www.evaluate.com/Pharma2020Preview>.

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Evaluate Vantage provides award-winning, thought-provoking news and insights into current and future developments in the industry.

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