# Zealand Pharma secures $5.3bn deal with Roche to develop new obesity drug



The chief executive of Zealand Pharma has described the company’s recent $5.3bn partnership with Swiss pharmaceutical giant Roche as the “best deal ever,” emphasising its potential to preserve the Danish biotech firm’s independence and establish it as a major player in the obesity drug market.

Adam Steensberg, CEO of Zealand Pharma, spoke about the agreement, which was publicly announced last month, noting that the partnership would allow Zealand to become a “generational biotech” company without needing to sell itself to a larger pharmaceutical corporation. The deal centres around the development and commercialisation of petrelintide, a novel obesity treatment based on the gut hormone amylin, which is reported to have fewer side effects than current drugs on the market.

Steensberg revealed that discussions with several major pharmaceutical companies about petrelintide began in September of the previous year, eventually culminating in the agreement with Roche in March. He explained that Roche’s CEO, Thomas Schinecker, convinced Zealand’s leadership of Roche’s genuine commitment to becoming a leader in the obesity treatment sector, which is currently dominated by companies such as Novo Nordisk and Eli Lilly.

Petrelintide is designed to be developed both as a standalone drug and in combination with another of Roche’s experimental obesity treatments that mimics the gut hormone GLP-1, the basis for many current weight-loss drugs. The partnership involves an equal profit-sharing arrangement, whereby Roche and Zealand will split profits from sales of petrelintide 50/50. Zealand will also receive half the value from a planned combination product involving a drug Roche acquired from Carmot Therapeutics in 2023. Roche will bear the costs associated with building manufacturing facilities for the new treatments.

The announcement of the deal had an immediate positive impact on Zealand’s share price, which rose by as much as 40 per cent, although it has since declined in line with a broader market sell-off.

Early clinical studies of petrelintide have suggested it may cause fewer side effects, such as nausea, than GLP-1-based drugs, though initial weight-loss results were less pronounced in shorter trials. The drug is currently being examined in two mid-stage clinical trials and is not expected to reach the market before 2029 or 2030. This timeline means the drug will enter a market where patents for leading GLP-1 drugs like Novo Nordisk’s Ozempic and Wegovy will have expired or be near expiry, potentially facing competition from cheaper generic versions.

Despite this, Steensberg expressed confidence in the market demand, arguing there would be space for multiple obesity treatment options, especially if petrelintide maintains a lower side-effect profile. He also suggested that the availability of cheaper GLP-1 drugs could enable healthcare systems to allocate funds toward newer options such as petrelintide.

Highlighting the urgency of addressing obesity, Steensberg cited data from the US Institute for Health Metrics and Evaluation, which indicated that obesity was responsible for approximately 5 million deaths worldwide in 2019, surpassing the roughly 3.5 million deaths attributed to Covid-19 at its peak in 2021. In his words, “Obesity is killing more people... than corona did in the peak years.”

Earlier this week, Zealand also appointed Utpal Singh, a former executive at Eli Lilly, as its new chief scientific officer, signalling its intent to strengthen expertise in the obesity treatment field. The Financial Times is reporting.

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

1. <https://www.globenewswire.com/news-release/2025/03/12/3041113/0/en/Zealand-Pharma-and-Roche-enter-collaboration-and-license-agreement-to-co-develop-and-co-commercialize-petrelintide-as-a-future-foundational-therapy-for-people-with-overweight-and-o.html> - This source confirms the $5.3 billion partnership agreement between Zealand Pharma and Roche, detailing the collaboration to co-develop and co-commercialize petrelintide, and the terms including profit sharing and upfront payments which illustrate the scale and structure of the deal described by CEO Adam Steensberg.
2. <https://www.pharmexec.com/view/zealand-pharma-roche-reach-potential-5-3-billion-deal-develop-petrelintide-weight-management> - The article corroborates the strategic intent behind the partnership, highlighting that Roche will pay $1.65 billion upfront with potential milestones that could total $5.3 billion, and describes petrelintide’s development as a foundational obesity therapy, supporting Zealand’s position as a significant player in the obesity drug market.
3. <https://www.contractpharma.com/breaking-news/roche-zealand-pharma-partner-to-co-develop-co-commercialize-obesity-therapy/> - This source verifies that Roche and Zealand Pharma will co-commercialize petrelintide in the U.S. and Europe, with Roche maintaining exclusive rights elsewhere, and that Roche will handle manufacturing, aligning with the profit-sharing and operational arrangement discussed in the article.
4. <https://www.zealandpharma.com/about-us/partnering/> - The official Zealand Pharma partnering page confirms the global collaboration and license agreement with Roche announced in March 2025 for the development of petrelintide and emphasizes the importance of this partnership for Zealand’s future independence and growth in obesity therapeutics.
5. <https://www.npr.org/sections/health-shots/2025/04/08/obesity-is-a-global-health-crisis-its-killing-more-people-than-covid-data-show> - This news article presents data from the US Institute for Health Metrics and Evaluation that obesity caused about 5 million deaths worldwide in 2019, exceeding COVID-19 deaths at its peak, supporting Steensberg's statement regarding the urgency and severity of the obesity epidemic.
6. <https://www.biopharmadive.com/news/utpal-singh-eli-lilly-joins-zealand-pharma-obesity-drug-cso/626471/> - This article reports Zealand Pharma’s appointment of Utpal Singh, a former Eli Lilly executive, as chief scientific officer, reinforcing Zealand’s strategic move to strengthen its expertise in obesity treatment development as mentioned in the article.
7. <https://www.ft.com/content/e1071cf2-ef36-4d9b-b918-573030ed6681> - Please view link - unable to able to access data