

AMBIT BIOSCIENCES CORP
Form SC TO-C
September 30, 2014

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE TO
TENDER OFFER STATEMENT
under Section 14(d)(1) or Section 13(e)(1)
of the Securities Exchange Act of 1934

AMBIT BIOSCIENCES CORPORATION

(Name of Subject Company)

CHARGE ACQUISITION CORP.

a wholly-owned subsidiary of

DAIICHI SANKYO COMPANY, LIMITED

(Names of Filing Persons Offeror)

Common Stock, Par Value \$0.001 per share

(Title of Class of Securities)

02318X100

(CUSIP Number of Class of Securities)

Seth Flaum

Daiichi Sankyo, Inc.

2 Hilton Ct.

Parsippany, NJ 07054-4410

Telephone: (973) 944-2600

(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications on Behalf of Filing Persons)

with copy to:

Patrick Naughton

Simpson Thacher & Bartlett LLP

425 Lexington Avenue

New York, New York 10017-3954

Telephone: (212) 455-2000

CALCULATION OF FILING FEE

Transaction Valuation*

Not Applicable

Amount of Filing Fee*

Not Applicable

* A filing fee is not required in connection with this filing as it relates solely to preliminary communications made before the commencement of a tender offer.

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Check box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

Amount Previously Paid: Not applicable.
Form or Registration No.: Not applicable.

Filing Party: Not applicable.
Date Filed: Not applicable.

Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

Check the appropriate boxes below to designate any transactions to which the statement relates:

- third-party tender offer subject to Rule 14d-1.
- issuer tender offer subject to Rule 13e-4.
- going-private transaction subject to Rule 13e-3.
- amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer.

On September 28, 2014, Ambit Biosciences Corporation (Ambit) and Daiichi Sankyo Company, Limited (Daiichi Sankyo) issued a joint press release announcing the execution of an Agreement and Plan of Merger (the Merger Agreement). Pursuant to the Merger Agreement, Charge Acquisition Corp., a wholly-owned subsidiary of Daiichi Sankyo (Purchaser), will commence a tender offer (the Offer) to purchase all of the issued and outstanding shares of Ambit common stock for (a) \$15.00 per share in cash, plus (b) one non-transferrable contingent value right for each share of Ambit common stock, which represents the contractual right to receive up to \$4.50 per share upon the achievement of certain commercialization-related milestones. If successful, the Offer will be followed by a merger of Purchaser with and into Ambit (the Merger).

This Schedule TO filing consists of the following documents relating to the proposed Offer and Merger:

(i) Presentation by employees of Daiichi Sankyo at a meeting of Ambit Biosciences employees on September 30, 2014.

Jeff
Warmke,
PhD
Sr.
Vice
President
External Scientific Affairs
Town Hall Meeting
September 30, 2014

2

Today is the start of a new future for us

because Ambit Biosciences and Daiichi Sankyo have entered into an agreement for Daiichi Sankyo to acquire Ambit Biosciences

The agreement establishes a new opportunity for us to meet our mutual goal of delivering new medicines to patients with unmet needs

Why is Daiichi Sankyo (DS) interested in Ambit Biosciences?

Our missions are similar

Ambit's strategy to seek partnerships to accelerate development of compounds aligns with DS's strategy to explore mutually beneficial partnerships and executing strategic acquisitions

DS wants to be a leader in oncology

DS has great respect for the people and the accomplishments of

Ambit

The

quizartinib

Ph2

data

are

impressive,

and

quizartinib

will

fit

seamlessly

into our oncology pipeline

About Daiichi Sankyo

One of the Top pharmaceutical companies in Japan

Ranked among the top 20 global pharmaceutical companies

Worldwide Presence:

Ground presence in more than 50 countries

Manufacturing locations in 13 countries

R&D locations in Japan, US, Germany, UK, India, and etc.

Consolidated net sales

JPY 997.9 Bn (FY2012) = 9.9 Bn US\$ *

>32,000 employees globally represented by 50 nationalities

Business model encompassing;
Innovative and Established pharmaceuticals, OTC, and Vaccines

*Currency rate : JPY/USD=100.0

2014 September 30 Ambit Town hall

3

Daiichi
Sankyo Co., Ltd.
SANKYO
CO., LTD.
DAIICHI SANKYO CO., LTD.
DAIICHI
PHARMACEUTICAL CO.,
LTD.
Merger 2007
Founded 1899
Founded 1918
4

Our Values and Commitments

1.
To create first-in-class
and best-in-class drugs
2.
To take a global
perspective, and respect
local values
- 3.

To foster intellectual
curiosity and strategic
insight

Innovation

Innovation

Our Imperative

4.

To provide the highest
quality medical
information

5.

To provide a stable
supply of top-quality
pharmaceutical products

6.

To be an ethical, trusted,
and respectful partner

Integrity

Integrity

Our Strength

7.

To be accountable for
achieving our goals

8.

To demonstrate
professionalism, respect
for others and
teamwork

Accountability

Accountability

Our Culture

To Contribute to the Enrichment of Quality of Life Around the World

Through the Creation of Innovative Pharmaceuticals, and

Through the Provision of Pharmaceuticals Addressing Diverse Medical Needs

Mission

5

Tradition of innovation and giving
Dr. Takamine isolated
adrenaline, and developed Taka-
Diatase for medicinal use
Dr. Jokichi Takamine,
Sankyo's first president
Dr. Takamine funded the gift

of cherry trees from Tokyo to
Washington, DC in 1912.

7

Daiichi Sankyo is a global company
30,000 employees worldwide
3,000 employees in the U.S.
Daiichi Sankyo US
Daiichi Sankyo Europe
Daiichi Sankyo Japan
Latin American Affiliates
Venezuela, Brazil
Asia Affiliates
China, Taiwan, Korea, Thailand

India
8

3
Daiichi Sankyo Co., Ltd
R&D Division
Daiichi Sankyo RD
Novare
Asubio Pharma
(R&D)
Daiichi Sankyo Inc.
Edison, NJ
(Development)

Daiichi Sankyo
Development
London (Development)
Daiichi Sankyo Europe GmbH
Munich (Development,
Pharmaceutical technology)
Daiichi Sankyo (China)
(Development)
U3 Pharma
Munich
(oncology, mAB)
Daiichi Sankyo Life
Science Research
Center India
Ranbaxy Laboratories
(R&D)
Daiichi Sankyo Brazil
(Development)
Daiichi Sankyo Venezuela
(Development)
Plexxikon
Berkeley, CA
(oncology)
Global R&D Locations
Asubio (Development)
Edison, NJ

9

Our innovation history

Pravastatin : HMG-CoA inhibitor

Anti-cholesterol

launched in 1989

licensed to BMS

Pravachol

Levofloxacin : Broad spectrum anti-biotic

quinolone

launched in 1993

licensed to J&J

Levaquin

The innovation of Taka-diastase by Dr. Jokichi Takamine,

1

st

president

of

ex-Sankyo,

continues

today

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10

11

Our innovation history

Olmesartan :

Blocker (ARB)

Anti-hypertensive

launched in 2002

Benicar

®

, Benicar HCT

®

Azor

®

, Tribenzor

®

Prasugrel : ADP receptor inhibitor

Anti-platelet

launched in 2009

co-promotes with Eli Lilly & Co.

launch in Japan this year

Effient

®

Edoxaban :

FXa inhibitor

Anti-coagulant

Approved in Japan (VTE, AF) as *Lixiana*

NDA globally

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Angiotensin Receptor

®

12

Representative Business Development Activity

Partner

Description

Strategic Rationale

Charleston Labs (2014)

Development and Commercialization

Collaboration

Collaboration to develop and commercialize novel

hydrocodone combination products for acute pain
UCSF
Institute for Neurodegenerative
Diseases(2014)
Drug Discovery Collaboration
Discovery of novel therapeutics and diagnostics for multiple
neurodegenerative diseases
Sanford Burnham Medical Research
Institute
(2014)
Research and Development Collaboration
Enhance internal drug discovery in CV & Metabolic
diseases; leverage their Translational Medicine expertise
Virtici and Celdara Medical (2013)
Research and Development Collaboration
Enhance internal drug discovery in oncology and other
therapeutic areas
Amplimmune (2012)
Research and Development Collaboration
Enhance internal drug discovery in autoimmune disease
NGM Biopharmaceuticals (2012)
Research Collaboration
Enhance internal drug discovery in diabetes
Mitsubishi Tanabe (2012)
Strategic Sales Alliance in Japan
Leverage sales/marketing infrastructure, improve near term
pipeline
Coherus (2012)
Research and Development
Collaboration; Equity Investment
Collaboration to develop and commercialize bio-similars
Plexxikon (2011)
Acquisition
Broaden pipeline and expand small molecule research
programs (oncology, immunology, CVM); add personalized
medicine approach
U3 Pharma (2008)
(2008)
Acquisition
Broaden oncology pipeline and expand antibody research
programs
ArQule (2008)
Research, Development and Commercial
Alliance
Broaden oncology pipeline and support drug discovery
efforts

R&D Unit as of April 2014
GRDHRC
Goddu
Global Head of R&D
Glenn Gormley
Asubio Pharma
Global Head
Research

RCI
TCRM
ROF
RD Novare
Global Head
Biologics
U3 Pharma
BOF
Global Head
Development
Ghazzi
Japan
DSPD (US)
Ghazzi
DSD (EU)
Asia
Plexxikon
Venture Science Lab.
Global Head R&D
Planning
GRDFC
GRaDiC
External Scientific Affairs
Warmke
Global Head Project
Management
13

R&D

Focus Therapeutic Areas

Discovery

Priority Areas

-

Oncology

-

Cardiovascular-Metabolics

New Areas

-
Drug creation based on
disease mechanisms,
developing products with
new mechanisms of action
that address heavily unmet
needs

Thrombotic
disorders

Hypertension

Bacterial
infections

Hyperlipidemia

14

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15
Phase 1
Phase 2
Phase 3
Application
Therapeutic area
Cardiovascular-
Metabolics
Oncology

Others

Prasugrel(JP)

(CS-747 prasugrel / ischemic stroke

/ anti-platelet agent)

DU-176b (US/EU)

(edoxaban / AF / oral factor Xa inhibitor)

DU-176b (US/EU)

(edoxaban / VTE / oral factor Xa inhibitor)

Tivantinib (US/EU)

(ARQ 197/ HCC / Met inhibitor)

Denosumab (JP)

(AMG 162 / breast cancer adjuvant

/ anti-RANKL antibody)

Denosumab (JP)

(AMG 162 / rheumatoid arthritis

/ anti-RANKL anti-body)

DS-5565

(Global)

(Chronic pain /

2

ligand)

Daiichi Sankyo R&D Pipeline

Levofloxacin (JP)

(DR-3355 / anti-infection

/ New quinolone)

Nimotuzamab

(JP)

DE-766/ Gastric cancer /

anti-EGFR antibody)

Prasugrel (US)

(CS-747 / Sickle Cell Disease / anti-platelet agent)

CS-3150 (JP)

(Anti-hypertensive/DM nephropathy

/ MR antagonist)

U3-1287 (US/EU)

(patritumab / anti-HER3 antibody)

PLX4032 (US/EU)

(vemurafenib / BRAF inhibitor)

PLX3397 (US)

(Fms/Kit/Flt3-ITD inhibitor)

DS-7309

(Anti-diabetes / Glucokinase activator)

DS-8500

(Anti-diabetes / GPR119 agonist)

DS-1040

(Acute ischemic stroke

/ TAFIa inhibitor)

U3-1565 (US/JP)

(Anti-HB-EGF

antibody)
DS-7423 (US/JP)
(PI3K/mTOR inhibitor)
DS-3078 (US/EU)
(mTOR
inhibitor)
CS-8958 (US/EU)
(laninamivir / anti-influenza
/ Outlicensing with Biota)
PLX5622
(Rheumatoid arthritis
/ FMS kinase inhibitor)
Hydromorphone
(DS 7113 / Narcotic analgesic
/ opioid mu-receptor regulator)
SUN13837
(US/EU)
(Spinal cord injury
/ Modulator of bFGF signaling system)
DS-3032 (US)
(MDM2
inhibitor)
PLX7486(US)
(Fms/Trk inhibitor)
DS-1093
(Anemia of chronic kidney
disease/HIF-PH inhibitor)
As of July 2014
DS-8895 (JP)
(Anti-EPHA2 antibody))
DS-8273 (US)
(Anti DR5 antibody)
PLX8384 US)
(BRAF inhibitor)
DS-
3801
(Chronic obstipation/GPR 38 agonist)
DS-1971
(Chronic pain)
Ioforminol (JP)
(GE 1451 x-ray contrast media/
Angiography)
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16
Global Clinical Committee
Global Clin Operations Committee
Global Regulatory Committee
Biostat & Data Mgmt Committee
Global TMCP Committee
DS Japan
DS Americas

Ghazzi
DS Europe
DS Asia
Global Head of Development
Ghazzi
Regions
Regions
Functions
Functions
Chief Medical Advisor
Global Development Leadership Team (GDLT)
Global Development Leadership Team (GDLT)

Global Development Organization

Europe

DSD: UK

DSID, India

Japan

DS, Tokyo

DS RD Novare

Asubio, Kobie

Americas

DSPD, Edison, NJ

Plexxikon, Berkeley, CA

Ambit Biosciences, La Jolla, CA

Asia

Shanghai, China

Beijing, China

Taipei, Taiwan

Seoul, Korea

17

18
Global R&D Network
Daiichi Sankyo Life Science
Research Centre in
India
Asubio Pharma
Plexxikon
RCI

U3 Pharma
Daiichi
Daiichi
Sankyo
Sankyo
Global
Global
Research
Research
Functions
Functions
PLX4032
PLX3397
PLX8394
PLX7486
PLX5622
U3-1287
U3-1565
SUN13837
Research
Center
In India
DS RD Novare Co., Ltd
R&D
Partnership
with DS
Venture Science
Laboratory
New
Organization
Effective
April 2013
2014 September 30 Ambit Town hall

19
HER3
EGFR
DR5
c-Met
HB-EGF
U3-1565
Nimotuzumab
DE-766
ARQ-197
Tigatuzamab
CS-1008
Daiichi

Sankyo

Oncology

Research

Targets

BRAF

Zelboraf®

FLT3-ITD

Japanese Journal of Clinical Oncology. Jan. 2014. 00(0) 1-7

Denosumab

U3-1287

Quizartinib

RANKL

RANK

Osteoclast

Bone Metastasis

19

Making a difference in patients

lives

Our mutual goals to find medicines to improve patient's lives is a common objective of both Ambit Biosciences and Daiichi Sankyo.

So

our

first

priority

will

be

to

ensure

that

there

are

no

delays

in

the development activities for quizartinib. And for that, we need your help.

We respect that you may have many questions about your role moving forward.

Daiichi Sankyo commits to addressing your questions and needs

and as soon as our HR organization have had time to think through the integrations and future steps, we will share that with you.

20

21

What we can share with you today

Until closing, each company will continue as a separate, independent company

Integration planning will begin immediately

Anticipate impact to employees pre deal-close will be minimal

Post deal-close anticipate little change to current HR plans and policies (See your HR representative for details)

As integration planning progresses, a clearer understanding of individual employment impact will become clearer

Each employee will be treated as an individual

22

Research team members

Communication within and between
Discovery and Development globally

Development team members

Global R&D culture supports:

Importance of open discussion and debate

Respectful challenge for new ideas and innovation

Cross-functional, cross-cultural, and diverse ideas

23

An Integration Planning Steering Committee (IPSC) will be formed

DS co-leaders will be Jeff Warmke and Kym Goddu

DS and Ambit members of the IPSC and sub-teams will be appointed and confirmed

Communications regarding post-close integration plans will be shared as soon as we can for implementation post-close

Integration Planning Next Steps

DS and Ambit HR teams will be meeting to address questions from both organizations and understand our cultures

Integrations take time, they can be frustrating and not so simple

Patience and mutual respect are key

24

Important Information

This presentation is for informational purposes only and is not an offer to buy or the solicitation of an offer to sell any shares of Ambit Biosciences common stock. The tender offer described herein has not yet been commenced. On the commencement date of the tender offer, an offer to purchase, a letter of transmittal and related documents will be filed with the Securities and Exchange Commission (SEC). The solicitation of offers to buy shares of Ambit Biosciences common stock will only be made pursuant to the offer to purchase,

the
letter
of
transmittal
and
related
documents.

Investors and Ambit

Biosciences securityholders are strongly advised to read both the tender offer statement and the solicitation/recommendation statement that will be filed by Ambit Biosciences regarding the tender offer when they become available as they will contain important information. Investors and securityholders

may
obtain
free
copies
of
these
statements
(when
available)
and
other documents
filed
with
respect
to
the
tender
offer
at
the
SEC's
website
at
www.sec.gov.

In
addition,
copies of the
tender offer statement and related materials (when available) may be obtained for free by directing such requests to the information agent for the tender offer or by directing such requests to the Daiichi Sankyo Group investor relations at the e-mail address below. The solicitation/recommendation statement and related documents (when available) may be

obtained

by

directing

such

requests to

Ambit Biosciences investor relations at the phone number or e-mail address below.

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