EDITED TRANSCRIPT

MYOV – Q2 2021 Myovant Sciences, Inc. Earnings Call

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OVERVIEW:
Co. reported fiscal second quarter 2021 financial results and provided a general business update.

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PRESENTATION

Operator

Good day, everyone, and welcome to Myovant Sciences' Second Quarter of Fiscal Year 2021 Earnings Conference Call. Today's call is being recorded.

At this time, I would like to turn the call over to Ryan Crowe, Vice President of Investor Relations at Myovant. Please go ahead.

Ryan Crowe, Myovant Sciences Ltd. - Vice President of Investor Relations

Thank you, operator. Good morning, and thanks for joining us today to review the financial results of Myovant's second quarter of fiscal year 2021 and to discuss other corporate and business updates. Joining me for today's call are Dave Marek, Myovant's Chief Executive Officer; Uneek Mehra Chief Financial and Business Officer; Lauren Merendino, Chief Commercial Officer; and Dr. Juan Camilo Arjona, Chief Medical Officer.

In addition to the press release issued earlier today, the slides that will be presented during today's webcast are available on our Investor Relations website, investors.myovant.com. Today, we will be referring to our fiscal second quarter, which ended on September 30, 2021, as our second quarter or Q2 throughout this presentation.

During the course of this conference call, we will be making forward-looking statements. These include plans and expectations with respect to our products, product candidates, strategies, opportunities and financials, all of which involve certain assumptions of risks and uncertainties that are beyond our control and could cause actual results to differ materially from these statements.

A discussion of these risks can be found in our SEC disclosure documents. In addition, Myovant does not undertake any obligation to update any forward-looking statements made during this call.

I'll now turn the call over to Dave Marek Myovant's Chief Executive Officer. Dave?

David C. Marek, Myovant Sciences Ltd. - Principal Executive Officer & Director

Thank you, Ryan, and good morning, everyone.

During our second fiscal quarter, Myovant continued to make significant progress with our U.S. launches of ORGOVYX and MYFEMBREE in addition to achieving important clinical and regulatory milestones, which position Myovant for long-term success. Myovant recorded $77.9 million of total revenue in the quarter including $21.1 million of net product revenue.

ORGOVYX achieved net revenues of $18.7 million in its third quarter on the U.S. market, reflecting 78% sequential growth compared to fiscal Q1. In its first full quarter on the U.S. market, MYFEMBREE achieved net revenues of $0.6 million, primarily reflecting a continuation of initial inventory stocking. From a launch execution standpoint, we've made meaningful early progress educating prescribers about our differentiated clinical profile, reaching initial patients, and establishing payer coverage, all of which are foundational to MYFEMBREE's long-term success.

Moving to clinical and regulatory updates. During Q2, the European Commission and the U.K.'s Medicines and Healthcare Products Agency approved RYEQO as the first and only long-term once-daily oral treatment for uterine fibroids. Gedeon Richter, our international partner for women's health, has since launched RYEQO in seven countries.

For MYFEMBREE, we were pleased that the FDA accepted our supplemental New Drug Application seeking approval for the management of moderate to severe pain associated with endometriosis. We expect a decision from the FDA by the May 6, 2022 PDUFA date. An FDA approval for this indication would trigger a $100 million milestone payment from Pfizer, while providing a meaningfully different therapeutic option for women with endometriosis.

Last week Myovant and Pfizer presented clinical data for MYFEMBREE at the American Society for Reproductive Medicine 2021 Congress. In addition to the results of the LIBERTY randomized withdrawal study and the SPIRIT studies in endometriosis, we also presented pooled, safety, and tolerability data from the SPIRIT and LIBERTY programs, which demonstrated a consistent profile across women with uterine fibroids and women with endometriosis, providing further support of our one brand, one pill, once-a-day approach to treating these conditions. Quality of life data in women with endometriosis was also presented, which demonstrated that significantly reducing endometriosis pain was associated with improvements in daily functioning, emotional well-being, self-image, and sense of control.

Finally, in August, the FDA lifted its partial clinical hold for the Phase 3 SERENE study of MYFEMBREE to evaluate prevention of pregnancy and we're pleased to have recently dosed our first patients under the amended protocol.

Upon notification of the partial clinical hold in May, we not only addressed the FDA's requirement for bone mineral density monitoring, but worked closely with them to further optimize the design of the SERENE study to gain incremental safety and efficacy data in patient populations with the greatest potential to benefit from MYFEMBREE.

The primary analysis of the study prevention of pregnancy remains unchanged. But now SERENE will focus on only evaluating women with a confirmed diagnosis of uterine fibroids or endometriosis. BMD monitoring will occur during the treatment period as well as after discontinuation, which will augment the profile observed in the LIBERTY and SPIRIT programs.

The enrollment target was increased to 1,020 patients who are 18 years to 50 years of age and at risk of pregnancy enhancing the power of the study. SERENE is the first study of its kind in this class of medicines and a positive result could expand MYFEMBREE's prescribing information to include a prevention-of-pregnancy indication. This would further support clinical differentiation and bring meaningful additional benefit and convenience to women with uterine fibroids and endometriosis.

Turning to business development and financial updates. Today, we announced that Pfizer declined to exercise its option for development and commercialization rights to relugolix in oncology in international markets. Based on discussions with Pfizer, their decision was not related to clinical or anticipated regulatory considerations for relugolix in oncology, but rather was based on their assessment of their current strategic investment priorities in international markets. I would underscore that it has no impact on our collaboration in the U.S. and Canada particularly given the ORGOVYX and the MYFEMBREE launches are off to a great start in large part due to our collaborative efforts to-date.

Over the months leading up to Pfizer's decision, we received inquiries regarding this opportunity from multiple interested parties. We are currently assessing these opportunities, focusing on potential partners with an established European commercial presence in urology or oncology.

Our goal is to reach agreement with a partner by the anticipated European approval of relugolix for prostate cancer expected in mid-2022. In the meantime, we continue to work with the EMA through the ongoing review process and on other pre-launch activities related to pricing and reimbursement so our chosen partner will be in a position to execute a launch shortly after regulatory approval.

Regarding financial updates. Last month Myovant appointed Uneek Mehra to Chief Financial and Business Officer. Uneek leads Myovant's finance, alliance partnerships and business development functions and is a member of Myovant's Executive Committee, reporting to me. For those of you who have not met Uneek, he brings extensive financial leadership expertise supporting multibillion-dollar commercial-stage businesses in addition to deep experience successfully growing and scaling emerging companies, and we are delighted to have Uneek on the Myovant team.

We continue to be in a strong financial position to support the launches of ORGOVYX and MYFEMBREE, while seeking to expand our pipeline. As of September 30, Myovant had cash and committed financing of over $650 million. We are encouraged by the commercial momentum for ORGOVYX and the early launch progress for MYFEMBREE. Together with our recent notable clinical and regulatory achievements, Myovant is well- positioned for strong commercial execution and sustainable long-term growth.

Now for a more in-depth review of our commercial performance, I'll turn the call over to Lauren.

Lauren Merendino, Myovant Sciences Ltd. - Chief Commercial Officer

Thank you, Dave. Today, I'll provide an update on the progress we've made on the ORGOVYX and MYFEMBREE launches in the U.S.

ORGOVYX adoption continues to build as we and Pfizer work towards establishing it as the new androgen deprivation standard of care. Nine months into our launch, we have recorded nearly $33 million of net revenues and estimate that approximately 8,000 men have been treated with ORGOVYX. In fiscal Q2, ORGOVYX generated $18.7 million of net product revenues, reflecting 78% sequential demand-driven growth compared to fiscal Q1. This continued momentum for ORGOVYX reflects increasing patient and clinician demand for its differentiated clinical profile as well as expanding payer coverage.

Monthly estimated cumulative patients on therapy, which includes both patients on free and commercial drug, has continued to steadily increase month-over-month. Through September, we estimate that approximately 8,000 men have initiated ORGOVYX therapy for their advanced prostate cancer. The share of free drug from our free trial, bridge and patient assistance programs continues to represent approximately one-third of total ORGOVYX volume dispensed to- date. Although our visibility into patient-level data is incomplete, we continue to estimate that approximately 60% of our patients that have initiated ORGOVYX were previously naive to ADT.

Additionally, based on our market research, we believe that ORGOVYX is being utilized to treat patients across the spectrum of advanced prostate cancer reflecting our broad FDA label and the therapeutic appeal of the ORGOVYX clinical profile, regardless of disease setting.

Since launch, we have been actively engaging with prescribers to drive ORGOVYX awareness and build recognition of its differentiated clinical profile. In the first nine months of launch, Myovant and Pfizer have conducted sales calls with over 17,000 unique providers. These sales efforts are delivering results.

As you can see from the chart on the left, we have steadily broadened the base of prescribers to approximately 1,500 treatment centers through September, an increase of approximately 350 over the past three months and nearly doubling since April. These numbers include accounts that are dispensing or prescribing ORGOVYX. The reorder rate in these treatment centers also continues to build with nearly 90% of practices reordering ORGOVYX at least once, up from 80% at the end of June.

Our launch activities to-date have intentionally focused on Tier 1 customers to maximize impact on prescribing, and we have reached 92% of these high-priority target prescribers. From a treatment center standpoint, nearly three out of four Tier 1 urology practices with in-office dispensing capabilities have dispensed ORGOVYX, while just over half of Tier 1 oncology IOD practices have dispensed ORGOVYX.

We are proud to have achieved broad coverage for ORGOVYX in advance of our calendar year-end 2021 goal. Through October 1, we have achieved coverage for over 173 million total lives, an increase of 23 million lives since July 1. Nearly all of these incremental covered lives were for commercial plans, where we improved from 63% coverage in July to 76% as of October.

Looking ahead to 2022, we expect broad commercial and Part D coverage for ORGOVYX to continue. We are making tremendous progress across all areas of the ORGOVYX launch and have built great momentum in the prostate cancer community. As we look forward, we will continue to engage with urologists and oncologists to expand breadth and depth of ORGOVYX prescribing. Improved commercial and Part D coverage as well as an increasing engagement directly with patients is expected to drive prescribing momentum in coming quarters. Myovant and Pfizer remain committed to improving the lives of men battling advanced prostate cancer and over time steadily establishing ORGOVYX as the new standard-of-care ADT.

I'd now like to discuss the early progress we've made on the MYFEMBREE launch.

The FDA approved MYFEMBREE in late May 2021, as the first and only once-daily oral treatment for the management of heavy menstrual bleeding associated with uterine fibroids in premenopausal women. MYFEMBREE has the potential to redefine care for these women because its clinical profile aligns with physicians' stated treatment goals.

In the LIBERTY clinical program, MYFEMBREE demonstrated sustained and meaningful reduction in menstrual blood loss. Hot flush, a particularly bothersome side effect, occurred in less than 11% of MYFEMBREE patients, not meaningfully different than the approximately 7% of patients treated with placebo. The average decline in lumbar spine bone mineral density at 12 months was under 1%. However, due to the risk of continued bone loss the duration of use in the FDA label is limited to 24 months. Finally, MYFEMBREE achieved all of this in one small pill, taken just once a day.

We launched MYFEMBREE with Pfizer in mid-June, with a comprehensive focus across providers, patients, and payers. Together, we've made encouraging progress in these early days and believe we're on the right track towards laying the groundwork for a long-term commercial success. We fully expect that it will take time to change behavior for the treatment of uterine fibroids. The Myovant and Pfizer sales teams have been very active in the first four months of the launch, educating providers on the clinical profile and the convenience of MYFEMBREE. We have also ramped up our starter program which is designed to give providers a seamless initial prescribing experience.

Our patient support programs are designed to facilitate access to MYFEMBREE. These resources include benefits investigation, prior authorization and appeal support, starter and bridge programs, co-pay support for commercially insured patients, and patient assistance for qualifying uninsured patients.

Over time, we also expect to drive MYFEMBREE product awareness through various channels, with the goal of activating women with symptomatic uterine fibroids. Finally, with payers, our goal is to establish broad coverage quickly within a year of our launch.

Let's review our progress across each of these areas. One key priority for our launch is provider education, which can have a significant impact on awareness. Since launch, the Myovant and Pfizer sales teams have conducted 62,000 calls reaching 77% of our high and medium priority, target prescribers. This activity has improved aided awareness among potential prescribers from approximately 30% pre-launch, to nearly 70% as of September. Unaided awareness has also improved remarkably with more than one in four target prescribers now able to identify the MYFEMBREE brand. For high-and medium- decile target providers where we have primarily focused our initial education efforts, unaided awareness has grown to approximately 40%, in just three months.

Through September 30th, approximately 600 women have initiated treatment with MYFEMBREE, which includes patients both on free and commercial drugs, but does not include patients that may be using product samples.

Another important leading indicator for MYFEMBREE treatment initiation is the number of patients actively enrolled in the MYFEMBREE patient support hub. There are currently approximately 100 patients in our hub that are pursuing therapy but either require assistance navigating coverage and reimbursement or are seeking co-pay assistance or are applying for our bridge program. While many of these patients are likely to initiate treatment on free drug, we expect the MYFEMBREE treatment experience will be positive and that most patients will convert to commercial volumes over time, once coverage and reimbursement improves.

Finally, starter packs or product samples are an important part of our early launch strategy. We want providers to have a seamless initial treatment experience with MYFEMBREE, when a woman presents with heavy menstrual bleeding from uterine fibroids. Since mid-July we have distributed over 3,000 months of therapy via starters to over 2,200 gynecologists around the country.

While we recognize that these samples may depress new prescription volume and revenues in the near-term, we view product samples like a long-term investment in the brand and are confident that these samples will ultimately accelerate adoption by generating a positive initial treatment experience for providers and patients.

From launch through the end of Q2, we recorded $1.7 million of net revenues, including approximately $600,000 in Q2. As expected, we saw continuation of initial inventory stocking early in the quarter and began to see modest demand-driven reorders to replenish launch inventories beginning in September. We continue to anticipate gradual adoption over the next few quarters, as we execute our launch plan and lay the foundation for long-term commercial success.

Obtaining payer coverage for MYFEMBREE is a critical launch priority. Given we anticipate that approximately 85% of patients that could be prescribed MYFEMBREE are commercially insured, our initial focus has been on securing coverage with large commercial pharmacy benefit managers.

We're off to a great start. As of October 8th, we have achieved coverage for MYFEMBREE for 61% of commercial lives. Negotiations are ongoing with additional commercial payers that have yet to make coverage decisions and we expect coverage to improve in the coming months. Payer negotiations are focused on maintaining prescriber choice and minimizing out-of-pocket cost for patients.

MYFEMBREE addresses the needs of providers and patients with its clinical profile and convenient one pill once-a-day dosing. We are excited about the progress we have been able to make in these early days of launch and remain passionate about bringing this new and differentiated treatment option to women with uterine fibroids.

I'll now turn the call over to Uneek to review our financial results. Uneek?

Uneek Mehra, Myovant Sciences Ltd. - Chief Financial and Business Officer

Thank you, Lauren. I'm excited to be joining Myovant at this pivotal stage of growth for the company and to be supporting its critical mission of redefining care for women and for men. My comments today will focus on the highlights of our financial performance in the second fiscal quarter ending September 30, 2021. Please refer to our press release and Form 10-Q issued earlier today for additional information.

Let's begin with revenue. Myovant recorded $77.9 million of total revenue for this quarter. Q2 net product revenue totaled $21.1 million. ORGOVYX net revenues were $18.7 million, reflecting strong sequential demand, partially offset by an expected increase in net price due to a higher gross-to-net discount compared to Q1. We expect the ORGOVYX gross- to-net discount will continue to increase in coming quarters, reflecting the impact of rebates for incremental covered lives before stabilizing in 2022, once commercial and Part D coverage has been fully implemented.

MYFEMBREE net revenues were $0.6 million, primarily reflecting continuation of initial inventory stocking. Modest demand-driven reorders to replenish launch inventories began in September 2021. New this quarter, we recorded $1.8 million of product revenues from Gedeon Richter, primarily from

RYEQO product supply, and to a lesser extent royalties. Moving forward, Myovant is entitled to receive tiered royalties on net sales of RYEQO ranging from mid-teens to mid-20s percent.

We also recorded $25.2 million of Pfizer collaboration revenue, consisting of $21 million related to the partial recognition of the upfront payment Myovant received from Pfizer in December 2020 and $4.2 million related to the partial recognition of $100 million regulatory milestone payment triggered upon FDA approval of MYFEMBREE for uterine fibroids. In future quarters, we will continue to amortize these milestones at these same amounts through the end of calendar year 2026 when the amortization period is scheduled to end.

Finally, we also recorded $31.7 million of license and milestone revenue from Gedeon Richter, consisting of a $15 million regulatory milestone payment for the EC approval of RYEQO for uterine fibroids and $16.7 million related to the remaining portion of the upfront and initial milestone payments.

Moving on to other highlights of our income statement. Cost of product revenue for the quarter was $2.6 million and largely comprised of the royalty on net sales of relugolix payable to Takeda and to a lesser extent, expenses related to the cost of goods sold.

Collaboration expense was $8.6 million reflecting Pfizer's 50% share of net profits from sales of ORGOVYX and MYFEMBREE in the U.S. during Q2. R&D expenses in the second quarter were $26.3 million compared to $40.5 million for the comparable prior year period. The decrease in R&D expenses were mainly driven by cost share reimbursements from Pfizer as well as a reduction in clinical study costs. These decreases were partially offset primarily by higher expenses incurred by Myovant's medical affairs organization.

SG&A expenses in the quarter were $58.8 million compared to $31.3 million for the comparable prior year period. The increase was primarily due to higher expenses related to commercial activities to support the U.S. launches of ORGOVYX and MYFEMBREE, and higher personnel-related costs in connection with the hiring of Myovant's commercial operations, marketing and market access teams, as well as the oncology and women's health sales forces.

Myovant generated a net loss of $21.6 million, or $0.23 per share in the second quarter of 2021, compared to a net loss of $67.1 million, or $0.75 per share in the prior year quarter.

Looking ahead, R&D expenses for the remaining fiscal 2021 quarters are projected to be in line with Q2 actual spend. SG&A expenses for the remaining fiscal 2021 quarters are expected to increase modestly from Q2 actual spend.

We ended fiscal Q2 with total cash, marketable securities and committed financing of $657.3 million, comprised of $616 million of cash and marketable securities and $41.3 million of capacity remaining under the low-cost loan facility extended to us by Sumitomo Dainippon Pharma, our majority shareholder.

Our cash position and potential future milestone payments coupled with the sharing of certain expenses with Pfizer and the anticipated increase in ORGOVYX and MYFEMBREE revenues puts Myovant in an excellent position to execute our commercial strategies, while at the same time expanding our pipeline through future relugolix life cycle programs and potential business development.

With that, I'll turn it back over to Dave for some closing remarks. Dave?

David C. Marek, Myovant Sciences Ltd. - Principal Executive Officer & Director

Thank you, Uneek and Lauren. We are excited about the launch momentum that we've been able to generate for ORGOVYX. There is increasing recognition by clinicians regarding its differentiated clinical profile, which is leading to steadily increasing adoption. Over the past few months, we were able to improve commercial payer coverage and are in a very strong position as we finish 2021 and move into 2022.

We have been encouraged by the early progress that we've made on the MYFEMBREE launch and look forward to continuing to build the foundation for successful commercialization through prescriber education, easing access with expanded payer coverage and engaging directly with patients. MYFEMBREE is a significant advance for the treatment of heavy menstrual bleeding associated with uterine fibroids and with time we believe will represent a significant commercial opportunity.

The SERENE study resumed in August with an updated clinical protocol that will evaluate prevention of pregnancy, while gaining incremental safety and efficacy data in patients with the greatest potential to benefit from MYFEMBREE therapy. We dosed our first patient last week, and look forward to advancing the study as quickly as possible.

In addition to continuing to execute on the ORGOVYX and MYFEMBREE launches, Myovant has several important upcoming clinical and regulatory milestones. By late 2021 or in Q1 2022, we plan to submit our randomized withdrawal study to the FDA which will include two-year bone mineral density data. In Q1 2022, we expect to report two-year data for the SPIRIT long-term extension study for MYFEMBREE in women with endometriosis-associated pain. Additionally, we expect to receive an FDA decision on the MYFEMBREE endometriosis sNDA filing by its May 6th PDUFA date. Richter is expecting to file for EU approval of RYEQO in endometriosis next year. And finally, we expect the European Commission's decision for our prostate cancer filing in mid-2022.

We continue to operate from a position of financial strength, giving us the flexibility to sufficiently fund our U.S. product launches while expanding our pipeline through relugolix life cycle opportunities and potential business development. I'm extremely proud of the passion and the work done by our Myovant team to enable us to deliver on our mission to positively impact the lives of so many men and women.

And I'll turn the call over to Ryan to begin the Q&A session.

Ryan Crowe, Myovant Sciences Ltd. - Vice President of Investor Relations

Thank you, Dave. Operator, can we now please poll for questions?

QUESTIONS AND ANSWERS

Operator

(Operator Instructions)

Our first question comes from the line of Brian Skorney with Baird. Your line is now open.

Brian Peter Skorney, Robert W. Baird – Sr. Research Analyst

Hey. Good morning, guys. Thanks for taking my question. I guess, my first question is just -- think about the EU opportunity with the approval potentially, come in mid-next year. Is your expectation that you would have a partner head of approval now, or is there any inclination towards building any infrastructure to launch on your own in the EU?

David C. Marek, Myovant Sciences Ltd. - Principal Executive Officer & Director

Hey. Good morning, Brian. Thank you for the questions. We have multiple interested parties and our next step will be really to initiate a formal process, where we'll select, we believe would be the ideal partner. We currently are not building infrastructure for launching in Europe and we feel confident with the interest that we've received that we intend to have a partner in place in time for the launch.

Brian Peter Skorney, Robert W. Baird – Sr. Research Analyst

Great. And then if I could just ask another question. I was hoping you'd kind of contextualize the conversation that you're having with payers and PBMs around sort of the differences in those conversations between ORGOVYX and MYFEMBREE. Maybe, it seems like the only thing one needs to do to convince of the value for ORGOVYX is just the oral to get coverage. Then, how our payer discussion is going with regards to the competitive dynamic with ORILISSA? I understand it's pretty early, but are payers looking to negotiate any exclusivity here at all or payers -- would you expect they would generally reimburse both and is getting the endometriosis label critical to driving better coverage since ORILISSA currently has both indications?

David C. Marek, Myovant Sciences Ltd. - Principal Executive Officer & Director

Yes. Brian, I'll let Lauren weigh in here. I would just say from a top-line perspective. Our philosophy is to work with payers to grant as much access to patients as available and let the decision really reside from a clinical perspective within the clinicians themselves, whether that's ORGOVYX or MYFEMBREE. Let me turn it over to Lauren to address the question more specifically.

Lauren Merendino, Myovant Sciences Ltd. - Chief Commercial Officer

Yes. Good morning, Brian. So, from a payer discussion perspective, we really focused on seeking parity coverage for MYFEMBREE. As Dave mentioned, we believe it's important for physicians to have a choice and we believe when they have that choice that MYFEMBREE will likely be their choice. So that's how our conversations have been going with payers and some of those payers have asked us if we would be interested in an exclusive option. Obviously, that comes with greater discounts. And then year-over-year creates a competitive environment of repeated discounts, so that has not been our strategy. We really kept those conversations to parity discussions and that's what we've been successful in securing so far.

Brian Peter Skorney, Robert W. Baird – Sr. Research Analyst

Great. Thanks.

Juan Camilo Arjona Ferreira, Myovant Sciences Ltd. - Chief Medical Officer

Brian, one thing to add. This is Juan Camilo. I just want to classify based on your question that, the -- for endometriosis, ORILISSA is a different brand that for uterine fibroids, which is ORIAHNN. So, all the conversations that Lauren just mentioned is about, ORIAHNN in uterine fibroids. But we do believe that once we are able to -- if we get approval by the FDA having both indications in one single label will be to our advantage.

Operator

Our next question comes from the line of Phil Nadeau with Cowen. Your line is now open.

Philip M. Nadeau, Cowen and Company, LLC, Research Division - MD & Senior Research Analyst

Good morning. Thanks for taking my questions and congrats on the progress. First on the ex-U.S. partnership, just to follow up on Brian's question. I know you mentioned during the prepared remarks that you hope to find a partner that has established infrastructure in urology or oncology. What other priorities do you have in finding that partnership? How much -- how do you weigh, for example, established infrastructure (Technical Difficulty) will be offered to you?

David C. Marek, Myovant Sciences Ltd. - Principal Executive Officer & Director

Yes. Thank you, Phil. Look, our intention is to ensure that ORGOVYX fits to the patients, who we believe are in great need in the European market. So, we'll look for a partnership that has the breadth to enable to get ORGOVYX to the right patients. And one of the things that's helpful is an established infrastructure in oncology or urology is already in place rather than needing to build that from the ground up. And then of course, we'll look at the financial terms that we think will be mutually beneficial and particularly, beneficial to Myovant.

Philip M. Nadeau, Cowen and Company, LLC, Research Division - MD & Senior Research Analyst

Perfect. And then just a couple of questions on the launches here -- on ORGOVYX. Do you have any sense for the duration that men remain on therapy or is it still too early in the launch to really understand how it's being used in the men specifically?

David C. Marek, Myovant Sciences Ltd. - Principal Executive Officer & Director

Yes. Phil, we just don't have enough data that we feel like we can kind of plan on one kind of duration of therapy. As I think we described in other settings, we do have a variety of patients, patient types that are being prescribed ORGOVYX, but we haven't landed on a specific duration given the tenure that we have on the market and limited data that we have to view.

Philip M. Nadeau, Cowen and Company, LLC, Research Division - MD & Senior Research Analyst

Great. And then last question on the MYFEMBREE launch. Your statistics on aided and unaided awareness of MYFEMBREE are interesting. Our own anecdotal checks suggest that the awareness of GnRH class, the oral GnRH class is actually relatively low given how long ORIAHNN and ORILISSA has been on the market. What is your market research suggested about the awareness of the overall class? The fact that oral GnRH antagonists are actually an option? Is that awareness, where you would think it would be, or is it significantly lower given how long the class has been on the market?

David C. Marek, Myovant Sciences Ltd. - Principal Executive Officer & Director

Yes. I'll let Lauren to take that. Lauren?

Lauren Merendino, Myovant Sciences Ltd. - Chief Commercial Officer

Yes. So, from an awareness perspective, we do see that awareness of the class is higher than MYFEMBREE alone. But to your point, I think the real competition here is not in class competition, it is changing the mindset of physicians from their standard of care, which is OCs and surgery. And many of them have been doing this since they started as GYNs and its deeply ingrained. And so that's what we really need to break through and so our intention beyond just speaking to MYFEMBREE is also to expand the understanding of the disease, the impact on patients and how GnRH products can help patients beyond OCs and surgeries.

David C. Marek, Myovant Sciences Ltd. - Principal Executive Officer & Director

And I think the one of the areas that we can really help is the joint field force efforts that we have. So, not only do we have our field forces, but now you have Pfizer's from the very initial stages. And then as Lauren has mentioned in other forums, the expectation that we will begin engaging patients at the appropriate time as well in a more fulsome way. So, could we believe that those are all areas that will increase the recognition of MYFEMBREE specifically and we think that that's really going to be a great step forward and we've also seen a shift with the ACOG guidelines and for that, I'll turn it over to Juan Camilo.

Juan Camilo Arjona Ferreira, Myovant Sciences Ltd. - Chief Medical Officer

Yes. Thanks, Dave. Yeah. We're excited about the more recent update to the ACOG guidelines for the treatment of heavy menstrual bleeding in uterine fibroids, where as Lauren was pointing out the patient perspective is highlighted as something that physicians should consider in joint decision-making and the patient should be offered all the options. And the new guidelines also highlights the importance of the addition of GnRH antagonists as treatment options. And furthermore, it does not determine lines of therapy, removes contraceptives at the first line and encourages physicians to provide all the options to patients, so that joint decision-making can take place. So, we think all that is changing the landscape in favor of oral therapies and we believe that the MYFEMBREE profile is going to be successful in that setting.

Philip M. Nadeau, Cowen and Company, LLC, Research Division - MD & Senior Research Analyst

That's very helpful. Thanks for taking our questions.

Operator

Our next question comes from the line of Roanna Ruiz with SVB Leerink. Your line is open.

Roanna Ruiz, SVB Leerink – Senior Research Analyst

Hi. Thanks for taking the question. First, for ORGOVYX, I was curious if you could give some detail on the ongoing prescribing trends between oncologists and urologists? And how's the percent split between these prescribers changed at all since last quarter?

David C. Marek, Myovant Sciences Ltd. - Principal Executive Officer & Director

Lauren?

Lauren Merendino, Myovant Sciences Ltd. - Chief Commercial Officer

Yes. Thank you for the question. So, the ratio has not changed. So, we continue to see about 60% of our ORGOVYX this volume coming from urologists and roughly, 40% from oncologists.

Roanna Ruiz, SVB Leerink – Senior Research Analyst

Okay. Great. And then for MYFEMBREE, I was curious, if you could talk a bit about how physician uptake is progressing. I noticed you mentioned that there is some inventory stocking and I was wondering how that's layering into the prescribing trends you're seeing? I know it's very early days. And maybe, could you remind us, how aggressive are you being with the free drug program at least at the outset?

David C. Marek, Myovant Sciences Ltd. - Principal Executive Officer & Director

Yes. Lauren?

Lauren Merendino, Myovant Sciences Ltd. - Chief Commercial Officer

Yes. That's a great question. So, I'll start with your last question first around free product. So as we mentioned, first experience is really important in this market. And so we have invested in multiple programs to provide support to patients upfront. These include free drug programs and we also have launched a sample program.

So, none of the free drug programs or the sample program would be included in any of the data that -- any of the prescription data that we see. And so that's an important point, because we are the first to

launch with samples in this class, so that may result in some differences in being able to estimate the demand. However, we think that, that short-term delay in starting commercial product is actually worth it in the long term, because it provides an opportunity for physicians to get experience with the product for patients to see the efficacy of the product, and build confidence over time in MYFEMBREE overall.

Roanna Ruiz, SVB Leerink – Senior Research Analyst

Got it. And the dynamics of inventory stocking as well.

Lauren Merendino, Myovant Sciences Ltd. - Chief Commercial Officer

Yes. So, we had initial inventory stocking in June and running into July. And that was as expected, it was the levels that we expected. And then since then, as we mentioned in our last call, they needed to burn through the inventory in the channel before starting to re-order and we've now started to see some re-orders in September that are based on the demand.

Roanna Ruiz, SVB Leerink – Senior Research Analyst

Great, thanks.

Lauren Merendino, Myovant Sciences Ltd. - Chief Commercial Officer

Thank you.

Operator

Our next question comes from the line of Gavin Clark-Gartner with Evercore ISI. Your line is open.

Gavin Clark-Gartner, Evercore ISI – Research Analyst

Hey. Thanks for taking the questions and congrats on the good quarter. So, I had two. First roughly, how is your SG&A split between prostate cancer in women health today? Is that likely to change moving forward including with the endometriosis launch? And then secondly, under the Pfizer partnership, you have the ability to invest more or less heavily in either franchise specifically and what would the decision process look like?

David C. Marek, Myovant Sciences Ltd. - Principal Executive Officer & Director

I'll let Uneek take the SG&A split question. And then we'll cover Pfizer.

Uneek Mehra, Myovant Sciences Ltd. - Chief Financial and Business Officer

Yes. Thanks, Gavin. I think on the SG&A play, right now, it's too early for us in terms of both launches we need to fund appropriately. They are both at an exciting stage of the launch. I mean cumulatively, you've seen what we have spent. I mean we are in line with what we spent in Q1. We continue to hope -- we continue to make sure that both these brands are adequately funded from an SG&A perspective and that right now, the split actually also favors in terms of planning for endometriosis that potentially could come down the line?

David C. Marek, Myovant Sciences Ltd. - Principal Executive Officer & Director

Yes. And Gavin, I think over time on the MYFEMBREE side certainly, we have mentioned before that we'll keep an eye on appropriate spend for consumer awareness and engagement, but we'll do that in a very fiscally, savvy way to ensure that we're leveraging digital technologies et cetera in order to reach women.

Regarding the Pfizer relationship, we have preset agreements on guardrails around sending. Should we decide that we want to change those or reapportioned those, we have every option to sit down with Pfizer and make sure that we're putting the appropriate spend against both franchises. As you know, we're both very interested in the success of both MYFEMBREE and ORGOVYX equally. So, we'll make sure that we can continue to keep those dialogues running with Pfizer. So, both franchises are fully funded.

Gavin Clark-Gartner, Evercore ISI – Research Analyst

Thanks, that’s helpful.

David C. Marek, Myovant Sciences Ltd. - Principal Executive Officer & Director

Thank you.

Operator

(Operator Instructions) Our next question comes from the line of Madhu Kumar with Goldman Sachs. Your line is now open.

Madhu Kumar, Goldman Sachs Group, Inc., Research Division - Equity Analyst

Hey, everyone. Thanks for taking our questions. So, kind of thinking about the business development aspect, what kinds of business opportunities are you looking for? And when do you think we'll have a sense of visibility on potential kind of in-licensing potentially on products, that could be distinct from the relugolix franchise?

David C. Marek, Myovant Sciences Ltd. - Principal Executive Officer & Director

Thank you, Madhu. I'll let Uneek take that.

Uneek Mehra, Myovant Sciences Ltd. - Chief Financial and Business Officer

Yes. Thanks, Madhu. I think we have focused on business development opportunities related to, Madhu, adjacencies to our current therapeutic areas. So, to give you a perspective, I think opportunities in women's health would be a natural fit that we would consider. Given our presence in prostate cancer as well as the potential lifecycle opportunities for ORGOVYX beyond prostate cancer, urology or oncology is also a potential area of interest for us. From a timing perspective, I think look, we are taking a very prudent and thoughtful approach to any potential future business development opportunity and we are taking that as a holistic view in addition to the current lifecycle opportunities we have with the relugolix franchise as well.

Madhu Kumar, Goldman Sachs Group, Inc., Research Division - Equity Analyst

Okay. And following from that, are there any technologies you'd be particularly focused in those types of indications basis, or is it really more of a kind of best athlete kind of mentality, where the best drug you can find independent of a modality or a technology approach?

Uneek Mehra, Myovant Sciences Ltd. - Chief Financial and Business Officer

Yes. It's a good one, Madhu and we think about that, all technologies that help us enable our current offerings in the market or help us augment those I think would be in our line of sight right now. I think as you know, they're potentially -- the technology is changing pretty rapidly around. So, we have a very focused look into several of these technologies right now to help us improve our current offerings.

Madhu Kumar, Goldman Sachs Group, Inc., Research Division - Equity Analyst

Great. Thanks very much, everyone.

Operator

Our last question comes from the line of Eric Joseph with JPMorgan. Your line is now open.

Eric William Joseph, JPMorgan Chase & Co, Research Division – VP & Senior Analyst

Hi. Good morning. Thanks for taking my questions. Just a couple commercial ones from us. First, on ORGOVYX. We're noticing that as volume demand grows, you're maintaining a pretty steady rate of the patients accessing free drug or getting access to drug via free drug programs at about a third. I guess can you talk about the proportion of patients on free supply that converts to pay for product? And I guess how long that takes and do you have a sense of where that ratio might go into next year? And then just coming back to early trends of MYFEMBREE. Just looking to hopefully, get a breakdown of

patients that are on paid for versus free drug. And similarly, they're just curious to know, expectations around the conversion rate of I mean on free supply converting to pay for product?
Thanks.

David C. Marek, Myovant Sciences Ltd. - Principal Executive Officer & Director

Yes. Thank you for the questions, Eric. I'll let Lauren to address those.

Lauren Merendino, Myovant Sciences Ltd. - Chief Commercial Officer

Yes. Thank you, Eric. So, from a free trial perspective, on ORGOVYX, because of our distribution model, we don't have clarity into conversions. So as you know, many of -- much of our drug is dispensed through in-office dispensing. And so we only see bottles, we can't tie it to a patient. And so we don't have data on rates of conversion or speed of conversion as a result.

David C. Marek, Myovant Sciences Ltd. - Principal Executive Officer & Director

Yes. And I also think relative to ORGOVYX, you mentioned the proportionality of free goods to be at or about the name is what we saw last time through as well. And I think that's the kind of the gap between the coverage we've received and that coverage infiltrating into the minds of our prescribers. So, I think prescribers are still leaning into the free goods program, as we're continuing to communicate these advances that we paid in coverage and that just happens with time. We're making progress in getting the word out so to speak, but that does take time. And then Lauren, I'll let you address the MYFEMBREE question as well.

Lauren Merendino, Myovant Sciences Ltd. - Chief Commercial Officer

Yes. So, from a MYFEMBREE perspective, the majority of patients are on commercial drug. However, we aren't able to estimate how many patients are on samples. We know how many samples we've distributed, but we don't know how many samples have made it into the hands of patients. But the patient numbers that we shared in the presentation include both commercial patients as well as those on our free drug programs through our hub. And so in that case, the majority of those patients are commercial. Does that answer?

Eric William Joseph, JPMorgan Chase & Co, Research Division – VP & Senior Analyst

Okay. It does mostly. Are the free drug programs term-limited in any way, I know it was probably some supply available beyond just the starter packs for both products. Are they -- I guess term-limited however, in some form?

Lauren Merendino, Myovant Sciences Ltd. - Chief Commercial Officer

You mean how long a patient can stay on those free programs. Is that what your question is?

Eric William Joseph, JPMorgan Chase & Co, Research Division – VP & Senior Analyst

Correct.

Lauren Merendino, Myovant Sciences Ltd. - Chief Commercial Officer

Yes. So, each program has a slightly different duration, but our bridge programs are -- so, our bridge programs two months for government patients, which actually is not called, it's called the bridge program then.

David C. Marek, Myovant Sciences Ltd. - Principal Executive Officer & Director

Patient assistance program, for the government.

Lauren Merendino, Myovant Sciences Ltd. - Chief Commercial Officer

And then the patient -- the patient assistance program is the long-term program for uninsured patients, so that one does not have a duration limit. But we have two bridge programs, one for commercial and one for government patients and those are two to four months, and then our free trial program on ORGOVYX is up to four months.

Eric William Joseph, JPMorgan Chase & Co, Research Division – VP & Senior Analyst

Okay, great. Thanks for taking my questions.

Lauren Merendino, Myovant Sciences Ltd. - Chief Commercial Officer

Yes.

Operator

Thank you. There are no further questions. I will now turn the call back to Dave Marek for closing remarks.

David C. Marek, Myovant Sciences Ltd. - Principal Executive Officer & Director

We are very encouraged by the progress that we've made with both the ORGOVYX and MYFEMBREE launches, enabling our mission on redefining care for women and for men. Myovant remains well-positioned, both operationally and financially, to deliver strong commercial execution and to build sustainable long-term value. Thank you and I look forward to keeping you updated on our progress.

Operator

Ladies and gentlemen, this concludes Myovant Sciences' second fiscal quarter 2021 earnings conference call. Thank you for your participation. You may now disconnect.

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