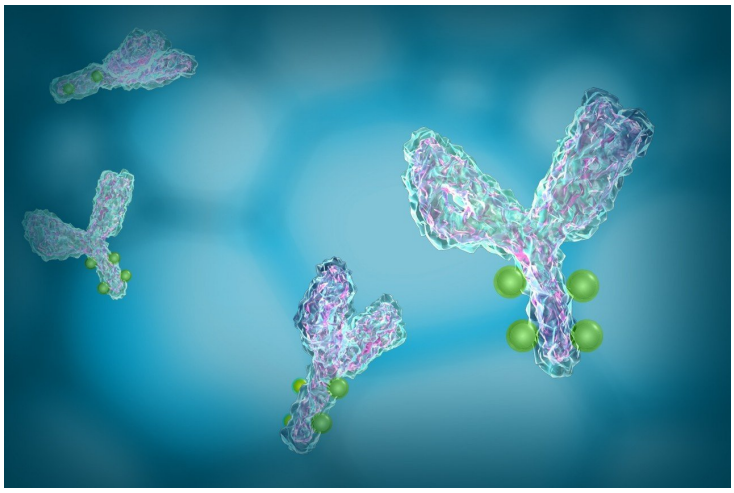
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ASIA EDITION

Japan's Taiho Pharma buys ADC firm Araris Biotech for $740 M

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Taiho Pharmaceutical to further expand its ongoing development portfolio in the field of oncology



Japan-based Taiho Pharmaceutical and Araris Biotech AG, a Swiss biotechnology company developing next-generation antibody drug conjugates (ADCs), have entered into a definitive agreement pursuant to which Taiho Pharmaceutical will fully acquire Araris. Following necessary procedures, the acquisition is expected to be completed in the first half of 2025.

Under the terms of the agreement, Taiho Pharmaceutical will pay $400 million at closing, with the potential for additional milestone payments of up to $740 million.

Araris is a spin-off company of the Paul-Scherrer-Institute in Switzerland and pioneering the development of best-in-class ADCs with superior design, high linker solubility and simple manufacturing that address the shortcomings of current generation ADCs.

ADCs are designed to selectively deliver cytotoxic drugs (payloads) to cancer cells by attaching them to antibodies that bind specifically to cancer cells through linkers. Foundational to its approach is its novel, proprietary ADC linker platform AraLinQ. This platform has generated highly uniform, stable and potent ADC therapeutic candidates that have demonstrated a wider range of safety and increased anti-tumour effect compared to conventional ADCs in preclinical studies.

Furthermore, Araris is advancing three products for the treatment of haematological and solid tumours developed using its unique AraLinQ technology, which are currently in the preclinical stage. These products are anticipated to enter into clinical trials between 2025 and 2026.

Taiho Pharmaceutical, in addition to antimetabolites, has established and created novel drugs through its proprietary small molecule drug discovery platform, Cysteinomix, enhancing cancer treatment and contributing to patient care. By acquiring Araris' innovative ADC drug discovery technology platform along with Cysteinomix, Taiho Pharmaceutical will further expand its ongoing development portfolio in the field of oncology.