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Takeda to acquire LigoCyte Pharmaceuticals

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Singapore: The wholly owned subsidiary of Japan-based Takeda Pharmaceutical, Takeda America Holdings, has entered into a definitive agreement with LigoCyte Pharmaceuticals to acquire LigoCyte for an upfront payment of $60 million. Future contingent consideration will be based on the progress of development projects.

LigoCyte is a privately-held biopharmaceutical company specializing in innovative vaccine products headquartered in Bozeman, Montana. Its lead product, a vaccine to prevent norovirus gastroenteritis, is in phase I/II of clinical development. "Takeda's acquisition of LigoCyte is a major step forward in the expansion of Takeda's vaccine business, and a demonstration of Takeda's dedication to preventing illness in children and adults around the world," said Dr Rajeev Venkayya, executive vice president of Takeda's Vaccine Business Division (VBD), which was launched in January 2012. "Norovirus is the most common cause of outbreaks of gastroenteritis and food-borne illness in the US, and is responsible for 200,000 deaths each year, most of them in developing countries. With the only norovirus vaccine in clinical trials today, Takeda will be in a position to change this picture."

LigoCyte is focused on the development of innovative vaccine products based on its proprietary virus-like particle platform (VLP) technology. LigoCyte's lead product, the norovirus vaccine, uses VLP technology which enables the production of vaccines designed to cover multiple genetic varieties of norovirus. The vaccine candidate has been shown to confer protection in an initial human challenge trial. Approval for the vaccine will be sought in the US, Europe and other countries based on disease burden.

"This milestone underscores Takeda's commitment to innovation and the advancement of global public health through the development of novel vaccines," said Dr Tadataka Yamada, Takeda's chief medical and scientific officer and member of the Takeda board of directors. "Norovirus is responsible for a significant burden of disease around the world and is notoriously difficult to control. With this acquisition, Takeda will help to protect families and communities from this virus."

In recent years, norovirus has become recognized as the most common cause of outbreak and food-borne gastroenteritis in developed countries. Each year, outbreaks are reported on cruise ships, in healthcare and long-term care facilities and in

childcare settings, often requiring closure of facilities for cleaning, and resulting in significant disruption of operations and economic consequences. According to the Centers for Disease Control and Prevention in the US, norovirus infects 21 million people in the US each year.

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In addition to the norovirus vaccine candidate, LigoCyte has also initiated preclinical development of vaccines against respiratory syncytial virus, influenza and rotavirus. "LigoCyte is pleased to become a part of a leading research-based global pharmaceutical company with a commitment to vaccines and the resources to develop our pipeline," said Mr Donald P Beeman, chief executive officer, and member of the LigoCyte board of directors. "Together, we believe we have the right combination of expertise and dedication to bring our norovirus vaccine to market. We look forward to supporting Takeda's vaccine research and development efforts and contributing to the long-term success of Takeda's Vaccine Business Division."

To preserve continuity and build upon LigoCyte's success, Takeda will continue operating LigoCyte in Bozeman, Montana, for the foreseeable future and intends to retain the management team and its employees. Once the acquisition is complete, Mr Beeman and his management team will become a part of Takeda's Vaccine Business Division. Pending the satisfaction of customary closing conditions, the deal is expected to close in the next several weeks.