

J&J to acquire cancer drug firm for \$1 bn

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Singapore: Johnson & Johnson is going to acquire US-based Aragon Pharmaceuticals for \$650 million in cash up front along with \$350 million in contingent development milestone payments that could bring the total transaction value to \$1 billion. Aragon is a leader in developing drugs for hormone driven cancers.

Prior to closing, Aragon will spin off an independent, newly formed corporation called Seragon Pharmaceuticals, which will be focused primarily on Aragon's Selective Estrogen Receptor Degradar (SERD) platform, including ARN-810, its lead SERD currently being evaluated in a Phase I trial for ER+ metastatic breast cancer. Johnson & Johnson will not have an ownership stake in Seragon nor retain any rights to its technology or product development pipeline. BofA Merrill Lynch is serving as as exclusive financial advisor and Wilson Sonsini Goodrich & Rosati are serving as legal advisor to Aragon during the acquisition. The acquisition includes Aragon's androgen receptor antagonist program, including its most advanced compound, ARN-509, a second generation androgen receptor signaling inhibitor that is currently being evaluated in a phase II trial in patients with castration-resistant prostate cancer.

Dr Richard A Heyman, CEO and co-founder, Aragon Pharmaceuticals, said that, "This agreement represents seamless transition between biotech and Pharma and will provide an optimal outcome for the ARN-509 program and the prostate cancer patient community."

Dr Peter Svennilson, founder and managing partner, The Column Group and chairman, Aragon, said that, "In just four years since the founding of Aragon the company has advanced ARN-509 from an early preclinical asset through phase II as well as building a strong pipeline of novel therapeutics targeting hormone dependent cancers. I would also like to thank Dr Charles Sawyers for his pioneering work, which made the founding of Aragon possible. This is an ideal path which will hopefully translate to improving the lives of patients in the near-term as well as providing a new opportunity to advance the Aragon pipeline in the newly created spin off structure of Seragon."