

March 17, 2025

Company Name	Otsuka Holdings Co., Ltd.
Name of Representative	Makoto Inoue President and Representative Director, CEO
Code Number	4578, Prime market of the Tokyo Stock Exchange
Contact	Yuji Kogure Director, Investor Relations Department (Phone: +81-3-6361-7411)

Taiho Pharmaceutical to Acquire Next-Generation ADC Drug Discovery Company Araris Biotech

Otsuka Holding, Co., Ltd. announced today, its 100% subsidiary Taiho Pharmaceutical (hereinafter "Taiho Pharmaceutical") and Araris Biotech AG (hereinafter "Araris"), a Swiss biotechnology company developing next-generation antibody drug conjugates (ADCs), have entered into an agreement today, where Taiho Pharmaceutical will fully acquire Araris (hereinafter "the Acquisition"). Following necessary procedures, the Acquisition is expected to be completed in first half of 2025. Under the terms of the agreement, Taiho Pharmaceutical will pay Araris shareholders, a USD 400 million upfront upon completion of the Acquisition, as well as potential additional milestone payments of up to USD 740 million.

1. Background of the Acquisition

Taiho Pharmaceutical is an R&D-driven specialty pharma focusing on the fields of oncology and immune-related diseases. In the field of oncology in particular, it has strengths in the development of small-molecule oral therapeutic drugs, such as antimetabolites and molecular-targeted drugs with its proprietary Cysteinomix drug discovery technology platform, also pursuing multiple research and development programs for new modalities other than small molecules through collaborations with companies and academia in Japan and overseas. As one of the most promising modalities, Taiho Pharmaceutical had started their own drug discovery activities for antibody-drug conjugates (ADCs) and went into a research collaboration with Araris in November 2023.

Araris is 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 antitumor effect compared to conventional ADCs in preclinical studies.

Furthermore, Araris is advancing three products for the treatment of hematological and solid tumors 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.

In addition to the Cysteinomix drug discovery technology platform, Taiho Pharmaceutical will hereafter acquire this innovative ADC drug discovery technology, and together Araris, will establish the research and development system in biologics to continue the expansion of its development portfolio in the field of oncology, with its strength now in both the small molecules and ADCs.

MTS Health Partners, L.P is serving as a financial advisor and Wilson Sonsini Goodrich & Rosati PC and Homburger AG is

serving as the legal advisor for Taiho Pharmaceutical. Centerview Partners UK LLP is serving as financial advisor to Araris, and Cooley LLP and BGPartner Ltd are serving as legal advisors.

2. Outline of Taiho Pharmaceutical Co., Ltd.

(1) Name	TAIHO PHARMACEUTICAL CO., LTD.
(2) Location	1-27 Kandanishiki-cho, Chiyoda-ku, Tokyo, 101-8444 Japan TEL +81-3-3294-4527
(3) Representative	Masayuki Kobayashi, President and Representative Director
(4) Business	Manufacture, sale, import and export of pharmaceuticals, food supplements, sundry goods and medical devices
(5) Capital	¥200 million

3. Outline of Araris Biotech AG

(1) Name	Araris Biotech AG		
(2) Location	Riedhofstrasse 11, 8804 Au ZH, Switzerland		
(3) Representative	Dragan Grabulovski, CEO		
(4) Business	R&D of pharmaceuticals		
(5) Capital	CHF 436 thousand (as of December 31, 2024)		
(6) Establishment	2019		
(7) Major shareholders and shareholding ratio	Samsung Venture Investment Corporation: 18.51% Redalpine Capital S.C.S., SICAR, Compartment IV: 13.16% 4BIO Partners LLP: 12.36%		
(8) Relationship between the Listed Company and the Relevant Company	Capital Relationship	There is no capital relationship between Taiho and Araris Biotech required to be disclosed	
	Personnel Relationship	There is no personnel relationship between Taiho and Araris Biotech required to be disclosed	
	Transactional Relationship	Research collaboration with Taiho Pharmaceutical Co., Ltd.	
(9) Operating Results and Financial Conditions of the Relevant Company for Previous Three Fiscal Years			
	FY2024 ended December 31, 2024	FY2023 ended December 31, 2023	FY2022 ended December 31, 2022
Net assets (thousands CHF)	(5,864)	(8,374)	17
Total assets (thousands CHF)	21,648	10,852	12,635
Net assets per share (CHF)	(13.46)	(24.74)	0.05
Revenue (thousands CHF)	10,067	1,708	48.86
Operating loss (thousands CHF)	(2,827)	(7,488)	(7,722)
Net loss and comprehensive loss for the year (thousands CHF)	(3,665)	(8,391)	(7,704)
Net loss per share (CHF)	(8.41)	(24.79)	(22.76)

4. Summary of Major Shareholders

(1) Samsung Venture Investment Corporation

(1) Name	Samsung Venture Investment Corporation	
(2) Location	29 th Floor, Seochodaero-ro 74-gil, 11, Seoul, Republic of Korea	
(3) Representative	JANGHYUN YOON, CEO	
(4) Business	Private Equity, Venture Capital	
(5) Capital (KRW millions)	KRW 30,000	
(6) Establishment	22nd October 1999	
(7) Net assets (KRW millions)	KRW 175,083	
(8) Total assets (KRW millions)	KRW 199,098	
(9) Major shareholders and shareholding ratio	Samsung Electronics(16.33%), Samsung SDI(16.33%), SEMCO(17%), Samsung Securities(16.67%), Samsung C&T(16.67%), Samsung Heavy Industry(17%)	
(10) Relationship between the Listed Company and the Relevant Company	Capital Relationship	There is no capital relationship required to be disclosed
	Personnel Relationship	There is no personnel relationship required to be disclosed
	Transactional Relationship	There is no transactional relationship required to be disclosed

(2) Redalpine Capital S.C.S., SICAR, Compartment IV

(1) Name	Redalpine Capital S.C.S., SICAR, Compartment IV	
(2) Location	8, Rue Lou Hemmer, L-1748 Senningerberg Niederanven, Luxembourg	
(3) Representative	Peter Niederhauser / Michael Sidler	
(4) Business	Venture Capital Fund	
(5) Capital	CHF 120 million (as of September, 2024)	
(6) Establishment	2019	
(7) Net assets	CHF 158.7 million (as of September, 2024)	
(8) Total assets	CHF 159 million (as of September, 2024)	
(9) Major shareholders and shareholding ratio	Different individual investors (Limited Partners), No Limited Partner owns more than 25%.	
(10) Relationship between the Listed Company and the Relevant Company	Capital Relationship	There is no capital relationship required to be disclosed
	Personnel Relationship	There is no personnel relationship required to be disclosed
	Transactional Relationship	There is no transactional relationship required to be disclosed

(3) 4BIO Partners LLP

(1) Name	4BIO Partners LLP	
(2) Location	20 North Audley Street, London, England, W1K 6WE	
(3) Representative	Dmitry Kuzmin, Partner	
(4) Business	Venture fund management	
(5) Capital	GBP 300,000	
(6) Establishment	2018	
(7) Net assets	GBP 522,948.65 (unaudited, as of December 31, 2024)	
(8) Total assets	GBP 1,881,164.83 (unaudited, as of December 31, 2024)	
(9) Major shareholders and shareholding ratio	Andrey Kozlov: 42.85%, Dmitry Kuzmin: 42.85%, Kyrylo Mudryy: 14.30%	
(10) Relationship between the Listed Company and the Relevant Company	Capital Relationship	There is no capital relationship required to be disclosed
	Personnel Relationship	There is no personnel relationship required to be disclosed
	Transactional Relationship	There is no transactional relationship required to be disclosed

5. Number of shares transferred, transfer price, and shareholding before and after the transfer

(1) Number of shares held before the change	0 shares (Ratio of voting rights held: 0%)	
(2) Number of shares to be transferred	435,720 shares	
(3) Transfer price (Estimate)	Common stock of Araris Biotech	400 million
(4) Number of shares to be held after the change	435,720 shares (Ratio of voting rights held: 100%)	

6. Financial Impact

The impact of this acquisition on our company's consolidated financial results for the fiscal year ending December 2025 will be announced as soon as it is determined.