Eddingpharm Acquired Global Rights to Oncology Assets, Including Telatinib, from ACT Biotech

SHANGHAI, Jan. 8, 2014 -- Eddingpharm today announced that an asset purchase agreement (APA) has been signed with ACT Biotech, Inc. (ACT Biotech), a biopharmaceutical company based in the United States. Eddingpharm acquired worldwide rights to three small molecule drug assets (Telatinib, ACTB1003, and ACTB1010) and other molecules from ACT Biotech. Eddingpharm made an upfront payment to ACT Biotech upon the closing of the transactions contemplated under the APA. ACT Biotech is also eligible to receive clinical, regulatory, and commercial milestone payments. The total consideration, including the upfront payment, may reach up to U.S. $95 million.

The lead asset, Telatinib, is a VEGFR inhibitor ready for Phase III development for gastric cancer. The other two programs ACTB1003 (FGFR/VEGFR2 inhibitor) and ACTB1010 (Aurora kinases inhibitor) are in Phase I-ready and preclinical stages, respectively. Eddingpharm plans to initiate trials for Telatinib in China and continue the development that ACT Biotech started in the U.S. Eddingpharm also intends to take the other two assets into clinical development in either the U.S. or China.

Eddingpharm founder and CEO Xin Ni commented, "Eddingpharm is pleased to expand its oncology portfolio by acquiring global rights to these three promising compounds. We look forward to resuming ACT Biotech's work by advancing these important drugs to the next phase of trials in the U.S., China, and beyond."

This transaction represents the next step in Eddingpharm's growth strategy and commitment to oncology. Owning the global rights to these innovative products will allow Eddingpharm to optimize its development strategies for China and the rest of the world.

Bernard Peperstraete, MD, Acting President and Chief Executive Officer of ACT Biotech commented, "We believe that this transaction represents an attractive opportunity for ACT Biotech, its stockholders and for cancer patients, and we are delighted that ACT's promising oncology portfolio will be further developed by such a strong and internationally well-positioned partner." John Costantino, managing partner at NGN Capital, ACT Biotech's lead investor, noted, "Eddingpharm's experience in commercializing oncology products promises to accelerate and further unlock the full potential of these potent cancer compounds."

Purchased Assets

Telatinib

Telatinib, is a potent and selective small molecule VEGFR inhibitor ready for Phase III in gastric cancer, a leading cause of cancer-related death in China. Telatinib stands out in the well-validated VEGFR space for its manageable safety profile and promising objective response rates across the 300 patients treated to this point. Telatinib is currently ready for Phase III with trial design supported by the FDA and EMA, and a Special Protocol Assessment (SPA) was granted by the FDA.

ACTB1003

Phase I-ready ACTB1003 inhibits both FGFR and VEGFR2. The asset has a strong pharmacological profile.

ACTB1010

ACTB1010 is an Aurora kinase inhibitor in preclinical development.

About Eddingpharm

Founded in 2001, Eddingpharm is a fast growing specialty pharmaceutical company in the Chinese market, committed to actively introducing quality products into China's pharmaceutical market. The Company focuses on the development and promotion of pharmaceutical products in four therapeutic areas: clinical nutrition, oncology, antibiotics and respiratory system. Eddingpharm has established long-term cooperative relationships with a number of multinational pharmaceutical companies and overseas specialty pharmaceutical companies, and has built up a competitive product portfolio and pipeline in the four major therapeutic areas. Eddingpharm recently established its U.S. affiliate and set up a product development team with R&D capabilities in Los Angeles, CA, USA, to coordinate and communicate with leading global R&D institutions and explore opportunities for introducing innovative pharmaceutical products in China. The Company currently employs over 700 people.

About ACT Biotech

ACT Biotech, Inc., is a biopharmaceutical company that was founded in 2008. Prior to Eddingpharm's asset acquisition, ACT Biotech focused on the development and commercialization of highly targeted, orally available cancer drugs. ACT Biotech's lead product candidate was Telatinib. Telatinib demonstrated robust antitumor activity with a solid safety profile in a Phase 2 clinical trial in stomach cancer. Telatinib has also shown encouraging antitumor activity in a broad clinical trial program as a single agent in colorectal, kidney, stomach and liver cancers. ACT Biotech's product candidates were originally developed at Bayer Pharmaceuticals and were licensed by ACT Biotech following Bayer's merger with Schering AG. ACT Biotech is backed by NGN Capital and Sobera Capital GmbH.