

## Novartis announces partnership with Aduro Biotech

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Aduro Biotech has announced the establishment of a major collaboration with Novartis. The partnership is for the worldwide research, development and commercialization of novel immuno-oncology products derived from its cyclic dinucleotide (CDN) approach to target the STING (Stimulator of Interferon Genes) receptor, that, when activated, is known to initiate broad innate and adaptive tumor-specific immune responses.

"We are extremely pleased to enter into this relationship with Novartis as their strong commitment and spirit of collaboration was evident early in our conversations," said Mr Stephen T Isaacs, chairman, president and chief executive officer of Aduro. He added, "We believe they are an ideal partner not only because of their stature as a premier healthcare company with a major focus in oncology, but also because they demonstrated a keen understanding and appreciation for our novel CDN approach, have synergistic innovation and scientific strengths and of course offer tremendous clinical and commercial expertise which we expect will broaden and accelerate the potential to bring products developed from this novel technology to patients in need."

Under the terms of the agreement, Novartis will make an upfront payment of \$200 million to Aduro and, if all development milestones are met, Aduro is eligible to receive up to an additional aggregate amount of \$500 million. In addition, Novartis has made an initial 2.7 percent equity investment in Aduro for \$25 million, with a commitment for another \$25 million investment at a future date.

Aduro will lead commercialization activities and will book sales in the United States for any products developed and commercialized pursuant to this collaboration, with Novartis leading commercialization activities in all other regions. The companies will share in profits, if any, in the United States, Japan and major European countries. Novartis will pay Aduro a mid-teens royalty for sales in the rest of the world.

"We are delighted to collaborate with Aduro. We believe this target is among the most exciting in oncology today, the drug

candidate to be of the highest quality, and the talent of our new colleagues from Aduro to be fantastic. We anticipate many clinical opportunities will be explored with the CDN approach, both directly and in combination with other agents," said Dr Mark C Fishman, president of the Novartis Institutes for BioMedical Research.

Aduro maintains rights to its CDN technology in all other therapeutic areas, including infectious disease and autoimmunity, among others.