

## Horizon Discovery partners with Centauri Therapeutics

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Horizon Discovery Group announces that it has formed an immuno-oncology joint venture, Avvinity Therapeutics with Centauri Therapeutics, a UK-based biotechnology company focused on the discovery and development of novel molecules targeting life-threatening infectious diseases. This transaction represents part of Horizon's previously outlined strategy to invest up to £10 million, (approx. \$14.5 million) further leveraged by its IP, technology platforms and know-how, to identify the next generation of molecular and cellular cancer therapeutics.

Avvinity will combine Horizon's gene editing, immunology, oncology and drug discovery capabilities with Centauri's Alphamer technology to provide a powerful and proprietary platform to discover and develop novel immuno-oncology therapeutics, for both solid tumours and leukaemias.

Under the terms of this agreement, Horizon will out-license certain background intellectual property relating to its translational genomics and drug discovery platforms, and will invest up to £5.3 million (approx. \$7.5 million) over two tranches with the first tranche of £2.5m (\$3.5 m) committed, and the second to be committed at Horizon's discretion pending the progress of three development programs.

Centauri will license background IP and expertise on its Alphamer technology to Avvinity, which will have exclusivity for the field of oncology for an initial three year period and can be extended via the issue of further equity concurrently with the raise of new investment.

Avvinity will be managed jointly by Horizon and Centauri, and based on the investment of IP, technology and the first tranche of funding; Horizon will own 33 percent of Avvinity's equity, representing 50 percent of the most-preferred class of voting shares. Upon completion of the 2nd tranche of funding Horizon will own 49.99 percent of Avvinity's equity, representing 50 percent of the most-preferred class of voting shares. The joint venture will be managed within Horizon as part of the Company's Research Biotech business (formerly Horizon's Leveraged business unit).

Neither Horizon nor Centauri will be obliged to provide further funding to Avvinity, though both retain pre-emption rights and may elect to participate in future funding rounds. Subject to achieving key development milestones, Avvinity plans to raise significant new external investment to take its innovative drugs into clinical trials, at which time the value of Horizon's stake in the business would be highly-material.

Dr Darrin M Disley, CEO, president research biotech of Horizon Discovery Group said, "By combining Horizon's deep understanding of the genetic basis of cancer alongside its gene editing, drug discovery and emerging immuno-oncology toolbox, with Centauri's unique Alphamer technology and knowledge of its use, we have created an exciting new company to spearhead Horizon's move into targeted therapeutic development. We are confident this joint venture will break new ground in the development of immunotherapies, and bring significant value creation to Horizon shareholders. The establishment of Avvinity is in line with our hybrid Research Biotech strategy to not only work with partners but also take advantage of the therapeutic upside potential of the most exciting new areas of personalised and genomic medicine in a risk-managed way."

Dr Mike Westby, CEO of Centauri Therapeutics, commented, "Alphamers are an entirely novel way to target disease and represent an exciting new approach for recruitment of host immunity. At Centauri we have invested to build the Alphamer platform and assembled the drug discovery expertise necessary to exploit the platform in infectious diseases. Through this joint venture with Horizon, we look forward to applying our combined know-how and capabilities to develop Alphamers as important new immuno-oncology medicines, particularly for cancer indications that have proven intractable to date."