Charles River and Takeda Announce Scientific Collaboration to Identify and Develop Preclinical Candidates

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The integrated drug discovery collaboration will focus on Takeda's four core therapeutic areas

WILMINGTON, Mass.--(BUSINESS WIRE)--Jan. 13, 2020-- Charles River (NYSE: CRL) today announced a multi-year drug discovery collaboration with Takeda Pharmaceutical Company Limited ("Takeda"). Together, Charles River and Takeda will launch multiple integrated programs across Takeda's four core therapeutic areas—oncology, gastroenterology, neuroscience, and rare disease—with the ultimate goal of delivering preclinical candidates that Takeda can advance into clinical development.

Collaboration in Drug Discovery

The alliance combines Charles River's extensive integrated drug discovery expertise and deep scientific bench with Takeda's investments in human data and translation to deliver transformative medicines for patients aligned with Takeda's therapeutic strategies in oncology, gastrointestinal disease, neuroscience and rare disease. Charles River will leverage its end-to-end drug discovery and safety assessment platform to explore potential therapeutic approaches and progress these programs towards candidate status. Takeda will then have the option to advance the preclinical candidates through their clinical development pipeline.

Under the terms of the agreement, Takeda will pay Charles River a one-time, upfront fee to establish the collaboration. Charles River will be eligible to receive development payments with a potential value of over $50 million per program in preclinical and clinical milestones for candidates that progress to registration. The agreement also includes additional potential commercial milestones of up to $120 million plus royalties on launched products.

Integrated Drug Discovery Approach

By leveraging an integrated drug discovery approach, Charles River provides Takeda with an effective, cohesive, external one-team solution for driving programs forward. Charles River's drug discovery and development teams have experience across a wide range of therapeutic areas, allowing them to drive these programs forward.

Approved Quotes

- "We are pleased to expand our relationship with Takeda, who shares our commitment to bring innovative, safe, and effective medicines to patients as quickly and efficiently as possible. We expect the expertise of Charles River and Takeda will prove to be a powerful combination in delivering novel drug candidates." –James C. Foster, Chairman, President and Chief Executive Officer at Charles River
- "By utilizing an integrated drug discovery and development approach, our goal is to deliver quality preclinical candidates to Takeda, helping to drive forward their innovative work in key therapeutic areas." –Birgit Girshick, Corporate Executive Vice President, Discovery & Safety Assessment, Biologics Testing Solutions, and Avian Vaccine Services at Charles River
- "Takeda has a long history of working with Charles River across our drug discovery and development portfolio and are confident in their breadth of experience and commitment to excellent science. Leveraging Charles River's integrated discovery capabilities is a natural extension of our relationship." –Steve Hitchcock, Ph.D., Global Head of Research at Takeda.

Caution Concerning Forward-Looking Statements

This news release includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words such as "anticipate," "believe," "expect," "will," "may," "estimate," "plan," "outlook," and "project" and other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. Forward-looking statements include statements in this news release regarding the collaboration between Charles River and Takeda, expectations regarding the potential value of the agreement (including the potential value of development payments). Forward-looking statements are based on Charles River's current expectations and beliefs, and involve a number of risks and uncertainties that are difficult to predict and that could cause actual results to differ materially from those stated or implied by the forward-looking statements. A further description of these risks, uncertainties, and other matters can be found in the Risk Factors detailed in Charles River's Annual Report on Form 10-K as filed on February 13, 2019 and the Quarterly Report on Form 10-Q as filed on November 6, 2019, as well as other filings we make with the Securities and Exchange Commission. Because forward-looking statements involve risks and uncertainties, actual results and events may differ materially from results and events currently expected by Charles River, and Charles River assumes no obligation and expressly disclaims any duty to update information contained in this news release except as required by law.

About Charles River
Charles River provides essential products and services to help pharmaceutical and biotechnology companies, government agencies and leading academic institutions around the globe accelerate their research and drug development efforts. Our dedicated employees are focused on providing clients with exactly what they need to improve and expedite the discovery, early-stage development and safe manufacture of new therapies for the patients who need them. To learn more about our unique portfolio and breadth of services, visit www.criver.com.

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