

X-Chem Announces Licensing of a Drug Discovery Program to Otsuka

Waltham, Mass – May 20, 2020 – X-Chem, Inc. (X-Chem), a privately held biotechnology company focused on applying its next-generation, industry-leading DNA-Encoded library (DEX™) drug discovery platform to the generation of novel small molecule therapeutics, announced today that Otsuka Pharmaceutical Co., Ltd. (Otsuka) has licensed a drug discovery program from X-Chem.

Under the terms of the parties' multi-target Drug Discovery Research and License Collaboration, Otsuka exercised the option to exclusively license the program, which comprises multiple novel small molecule drug leads for a historically challenging target. The license is a direct result of X-Chem screening its DNA-encoded libraries (DEX™) of drug-like molecules and using its advanced informatics platform to identify novel drug leads for the Otsuka targets. X-Chem is eligible for future payments based on the achievement of specified research and development milestones for the licensed program, as well as royalties and sales milestones on compounds that receive regulatory approval. Otsuka is solely responsible for the conduct of clinical trials with drug candidates derived from licensed compounds, and retains exclusive rights to globally commercialize any resulting products.

“We are delighted to have achieved success in this collaborative research program, with such a challenging target,” said Matt Clark, Senior Vice-President of Chemistry at X-Chem. “We believe that the unique expertise brought to the project by both Otsuka and X-Chem was critical to the identification of novel hits for this challenging target, and we look forward to additional successes in our ongoing collaboration.”