

Johnson & Johnson Completes Acquisition of Proteologix, Inc.

6/21/2024

Acquisition includes two pre-clinical bispecific antibodies targeting proven disease pathways, offering the potential to transform the treatment paradigm for patients living with atopic dermatitis and other immune-mediated diseases

NEW BRUNSWICK, N.J.--(BUSINESS WIRE)-- Johnson & Johnson (NYSE: JNJ) announced today that it has successfully completed the acquisition of Proteologix, Inc., a privately-held biotechnology company focused on bispecific antibodies for immune-mediated diseases, for \$850 million in cash with potential for an additional milestone payment, as **announced** on May 16, 2024.

"We look forward to continuing the development of PX-128 and PX-130 alongside the Proteologix team as they join Johnson & Johnson," said David Lee, Global Immunology Therapeutic Area Head, Johnson & Johnson Innovative Medicine. "These two bispecific antibodies have the potential to become best in disease therapeutics for people living with moderate to severe atopic dermatitis (AD) and asthma by targeting multiple disease-driving pathways. We are thrilled to start integrating them into our industry leading Immunology portfolio."

Beyond PX-128 and PX-130, this acquisition will provide Johnson & Johnson with eight other bispecific antibody programs with applications across a variety of other diseases, which further boosts the Company's capabilities to create novel bispecific programs.

"The Proteologix team has developed a promising early pipeline of bispecific antibodies that are a strong complement and strategic fit for our innovation strategy," said Candice Long, Worldwide Vice President, Immunology, Johnson & Johnson. "This acquisition is yet another example of our ongoing commitment to redefine

the standard of care for immune mediated diseases.”

About Atopic Dermatitis

Atopic dermatitis (AD), also referred to as eczema, is a chronic inflammatory skin disorder affecting more than 9.6 million children and 16.5 million adults in the United States. AD is characterized by an overactive immune system that causes damage to the skin barrier, leaving it dry, itchy, and prone to rashes. AD may come and go throughout life and patients can experience severe flares of their disease. The condition can cause poor quality of life by causing social stigma impacting the ability to interact with family and friends, interrupting sleep due to intense itching and/or painful skin, and leading to anxiety, stress and depression with an increased risk of suicide.

About the Merger Agreement

Under the terms of the transaction Johnson & Johnson (the Company) has acquired Proteologix. The transaction will be accounted for as a business combination and will not have any impact to our previously disclosed 2024 adjusted EPS guidance range.

About Johnson & Johnson

At Johnson & Johnson, we believe health is everything. Our strength in healthcare innovation empowers us to build a world where complex diseases are prevented, treated, and cured, where treatments are smarter and less invasive, and solutions are personal. Through our expertise in Innovative Medicine and MedTech, we are uniquely positioned to innovate across the full spectrum of healthcare solutions today to deliver the breakthroughs of tomorrow, and profoundly impact health for humanity. Learn more at <https://www.jnj.com/> or at www.janssen.com/johnson-johnson-innovative-medicine. Follow us at [@JanssenUS](#) and [@JNJInnovMed](#). Janssen Research & Development, LLC and Janssen Biotech, Inc. are both Johnson & Johnson companies.

Cautions Concerning Forward-Looking Statements

This press release contains “forward-looking statements” regarding the acquisition of Proteologix Inc. The reader is cautioned not to rely on these forward-looking statements. These statements are based on current expectations of future events. If underlying assumptions prove inaccurate or known or unknown risks or uncertainties materialize, actual results could vary materially from the expectations and projections of Johnson & Johnson or Proteologix Inc. Risks and uncertainties include, but are not limited to: the potential that the expected benefits and opportunities of the acquisition may not be realized or may take longer to realize than expected; challenges inherent in product research and development, including uncertainty of clinical success and obtaining regulatory approvals; uncertainty

of commercial success for new products; manufacturing difficulties and delays; product efficacy or safety concerns resulting in product recalls or regulatory action; economic conditions, including currency exchange and interest rate fluctuations; the risks associated with global operations; competition, including technological advances, new products and patents attained by competitors; challenges to patents; changes to applicable laws and regulations, including tax laws and global health care reforms; adverse litigation or government action; changes in behavior and spending patterns or financial distress of purchasers of health care services and products; and trends toward health care cost containment. In addition, there will be risks and uncertainties related to the ability to successfully integrate the products and employees/operations and clinical work of Proteologix Inc., as well as the ability to ensure continued performance or market growth of Proteologix Inc.'s products. A further list and descriptions of these risks, uncertainties and other factors can be found in Johnson & Johnson's Annual Report on Form 10-K for the fiscal year ended December 31, 2023, including in the sections captioned "Cautionary Note Regarding Forward-Looking Statements" and "Item 1A. Risk Factors," and in Johnson & Johnson's subsequent Quarterly Reports on Form 10-Q, and other filings by Johnson & Johnson with the SEC. Copies of these filings are available online at www.sec.gov, at www.jnj.com or on request from Johnson & Johnson. Neither Johnson & Johnson nor any of the Johnson & Johnson MedTech entities undertakes to update any forward-looking statement as a result of new information or future events or developments, except as required by law.

Non-GAAP Financial Measures

This press release includes Adjusted EPS, which represents a non-GAAP financial measure. The Company believes that providing this non-GAAP financial measure enhances the Company's and investors' understanding of our financial performance. Non-GAAP financial measures should not be considered a substitute for, or superior to, financial measures determined or calculated in accordance with GAAP. The Company's definitions of its non-GAAP financial measures may not be comparable to similarly titled measures reported by other companies. The most directly comparable GAAP measure to Adjusted EPS is earnings per share, or EPS. The Company is not providing a reconciliation of Adjusted EPS to EPS, however, because Johnson & Johnson does not provide GAAP financial measures on a forward-looking basis as the Company is unable to predict with reasonable certainty the ultimate outcome of adjusted items, such as legal proceedings, unusual gains and losses, acquisition-related expenses, and purchase accounting fair value adjustments without unreasonable effort. These items are uncertain, depend on various factors, and could be material to Johnson & Johnson's results computed in accordance with GAAP.

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