NEWS RELEASE

Merck Completes Acquisition of Verona Pharma

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Acquisition strengthens Merck's cardio-pulmonary portfolio with addition of Ohtuvayre® (ensifentrine), a first-in-class COPD maintenance treatment, that is expected to grow into the next decade

RAHWAY, N.J.--(BUSINESS WIRE)-- Merck (NYSE: MRK), known as MSD outside of the United States and Canada, today announced the completion of the Verona Pharma plc (Nasdaq: VRNA) ("Verona Pharma") acquisition. Verona Pharma is now a wholly-owned subsidiary of Merck and the American Depositary Shares (ADS) of Verona Pharma will no longer be listed or traded on the Nasdaq Global Market.

"The Verona Pharma acquisition strengthens and complements our portfolio of treatments for patients with cardio-pulmonary diseases to include Ohtuvayre, while delivering near and long-term growth as well as value for shareholders," said Robert M. Davis, chairman and chief executive officer, Merck. "The addition of Ohtuvayre is another strong example of our business development strategy, which focuses on opportunities where compelling science and value align. Ohtuvayre is a novel, first-in-class maintenance treatment targeting an important unmet need for adult patients with COPD. We look forward to applying our commercial capabilities and working with our talented new colleagues from Verona Pharma to build on the strong uptake and performance to date to reach even more patients with this important medicine."

Through this acquisition Merck has added Ohtuvayre (ensifentrine), a first-in-class selective dual inhibitor of phosphodiesterase 3 and 4 (PDE3 and PDE4), to its growing cardio-pulmonary pipeline and portfolio. The U.S. Food and Drug Administration **approved** Ohtuvayre in June 2024 for the maintenance treatment of chronic obstructive pulmonary disease (COPD) in adult patients. Ohtuvayre is the first novel inhaled mechanism for the maintenance treatment of COPD in more than 20 years and combines bronchodilator and non-steroidal anti-inflammatory

effects. Ohtuvayre is also being evaluated in clinical trials for the treatment of non-cystic fibrosis bronchiectasis.

Additional Transaction Details

Under the terms of the acquisition agreement, Merck, through a subsidiary, has acquired all outstanding shares of Verona Pharma for $107 per ADS, each of which represents eight Verona Pharma ordinary shares, for a total transaction value of approximately $10 billion.

As previously disclosed, the acquisition will result in the capitalization of most of the purchase price as an intangible asset for Ohtuvayre (which will be amortized as a GAAP-only charge over the life of the product). The transaction is expected to negatively impact non-GAAP EPS by approximately $0.16 in the first 12 months, representing costs associated with financing the transaction partially offset by Ohtuvayre performance.

Ohtuvayre Indication and Important Safety Information

INDICATION

Ohtuvayre is indicated for the maintenance treatment of chronic obstructive pulmonary disease (COPD) in adult patients.

IMPORTANT SAFETY INFORMATION

Contraindication: Ohtuvayre is contraindicated in patients with hypersensitivity to ensifentrine or any component of this product.

Warnings and Precautions:

Acute Episodes of Bronchospasm Ohtuvayre should not be used for the relief of acute symptoms, i.e., as rescue therapy for the treatment of acute episodes of bronchospasm. Acute symptoms should be treated with an inhaled, short-acting bronchodilator.

Paradoxical Bronchospasm As with other inhaled medicines, Ohtuvayre may produce paradoxical bronchospasm, which may be life threatening. If paradoxical bronchospasm occurs following dosing with Ohtuvayre, it should be treated immediately with an inhaled, short-acting bronchodilator. Ohtuvayre should be discontinued immediately and alternative therapy should be instituted.

Psychiatric Events Including Suicidality Before initiating treatment with Ohtuvayre, healthcare providers should carefully weigh the risk and benefits of treatment with Ohtuvayre in patients with a history of depression and/or suicidal thoughts or behavior. Patients, their caregivers, and families should be advised of the need to be alert for the emergence or worsening of insomnia, anxiety, depression, suicidal thoughts, or other mood changes,

and if such changes occur to contact their healthcare provider. Healthcare providers should carefully evaluate the risks and benefits of continuing treatment with Ohtuvayre if such events occur.

Treatment with Ohtuvayre is associated with an increase in psychiatric adverse reactions. Psychiatric events including suicide-related adverse reactions were reported in clinical studies in patients who received Ohtuvayre (1 suicide attempt and 1 suicide). Additionally, the most commonly reported psychiatric adverse reactions in the pooled 24-week safety population were insomnia (6 patients [0.6%] Ohtuvayre 3 mg; 2 patients [0.3%] placebo), and anxiety (2 patients [0.2%] Ohtuvayre 3 mg; 1 patient [0.2%] placebo). Depression-related reactions including depression, major depression, and adjustment disorder with depressed mood occurred in 4 patients [0.4%] receiving Ohtuvayre and no patients receiving placebo.

Adverse Reactions: The most common adverse reactions ≥1% in Ohtuvayre and greater than placebo in the pooled population were back pain 1.8%, hypertension 1.7%, urinary tract infection 1.3%, and diarrhea 1.0%.

These are not all of the possible risks associated with Ohtuvayre.

Please see Prescribing Information for Ohtuvayre (ensifentrine) at: **https://ohtuvayrehcp.com/wp-content/uploads/sites/2/2024/11/Ohtuvayre-US-Prescribing-Information.pdf**, Patient Information for Ohtuvayre at: **https://ohtuvayre.com/wp-content/uploads/2024/11/Ohtuvayre-US-Prescribing-Information.pdf**.

About Chronic Obstructive Pulmonary Disease (COPD)

Chronic obstructive pulmonary disease (COPD) is a progressive respiratory condition that causes restricted airflow and breathing problems. Emphysema and chronic bronchitis are the two most common types of COPD. Common symptoms of COPD include shortness of breath, an ongoing cough or a cough that produces a lot of mucus, wheezing, chest tightness or heaviness and fatigue. Smoking and air pollution are the most common causes of COPD. More than 390 million people were estimated to be suffering from COPD worldwide as of 2019 and COPD is the fourth leading cause of death worldwide. There is no cure for COPD.

About Ohtuvayre® (ensifentrine)

Ohtuvayre is the first inhaled therapy for the maintenance treatment of adults with COPD that combines bronchodilator and non-steroidal anti-inflammatory activities in one molecule. Verona has evaluated nebulized Ohtuvayre in its Phase 3 clinical program ENHANCE (“Ensifentrine as a Novel inHAled Nebulized COPD thErapy”) for COPD maintenance treatment. Ohtuvayre met the primary endpoint in both ENHANCE-1 and ENHANCE-2, demonstrating statistically significant and clinically meaningful improvements in lung function. A fixed-dose combination of ensifentrine and glycopyrrolate, a LAMA, is currently under development for the maintenance treatment of COPD.

About Merck

At Merck, known as MSD outside of the United States and Canada, we are unified around our purpose: We use the power of leading-edge science to save and improve lives around the world. For more than 130 years, we have brought hope to humanity through the development of important medicines and vaccines. We aspire to be the premier research-intensive biopharmaceutical company in the world – and today, we are at the forefront of research to deliver innovative health solutions that advance the prevention and treatment of diseases in people and animals. We foster a diverse and inclusive global workforce and operate responsibly every day to enable a safe, sustainable and healthy future for all people and communities. For more information, visit **www.merck.com** and connect with us on **X (formerly Twitter)**, **Facebook**, **Instagram**, **YouTube** and **LinkedIn**.

Forward-Looking Statement of Merck & Co., Inc., Rahway, N.J., USA

This news release of Merck & Co., Inc., Rahway, N.J., USA (the "company") includes "forward-looking statements" within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. These statements are based upon the current beliefs and expectations of the company's management and are subject to significant risks and uncertainties. There can be no guarantees with respect to pipeline candidates that the candidates will receive the necessary regulatory approvals or that they will prove to be commercially successful. If underlying assumptions prove inaccurate or risks or uncertainties materialize, actual results may differ materially from those set forth in the forward-looking statements.

Risks and uncertainties include but are not limited to, general industry conditions and competition; general economic factors, including interest rate and currency exchange rate fluctuations; the impact of pharmaceutical industry regulation and health care legislation in the United States and internationally; global trends toward health care cost containment; technological advances, new products and patents attained by competitors; challenges inherent in new product development, including obtaining regulatory approval; the company's ability to accurately predict future market conditions; manufacturing difficulties or delays; financial instability of international economies and sovereign risk; dependence on the effectiveness of the company's patents and other protections for innovative products; and the exposure to litigation, including patent litigation, and/or regulatory actions.

The company undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise. Additional factors that could cause results to differ materially from those described in the forward-looking statements can be found in the company's Annual Report on Form 10-K for the year ended December 31, 2024 and the company's other filings with the Securities and Exchange Commission (SEC) available at the SEC's Internet site (**www.sec.gov**).

Merck Investor Contacts:

Peter Dannenbaum
(732) 594-1579

Ayn Wisler
(732) 594-0482

Merck Media Contacts:
John Cummins
(505) 235-4796

Elizabeth Sell
(484) 689-9978

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