NEWS RELEASE

Merck Enters into Research and Development Funding Agreement with Blackstone Life Sciences for Sacituzumab Tirumotecan (sac-TMT)

2025-11-04

Strategic financing to advance development of sac-TMT while Merck continues to progress its broad and expansive pipeline

RAHWAY, N.J.--(BUSINESS WIRE)-- Merck (NYSE: MRK), known as MSD outside of the United States and Canada, announced today that the company has entered into an agreement to receive funds managed by Blackstone Life Sciences ("Blackstone") for the development of sacituzumab tirumotecan (sac-TMT), an investigational antibody-drug conjugate (ADC) targeting trophoblast cell-surface antigen 2 (TROP2), a protein found on the surface of various cancer cells. Merck is currently evaluating sac-TMT in 15 global Phase 3 clinical trials spanning six tumor types, including breast, endometrial and lung cancers.

"This agreement positions Merck to harness the potential of sac-TMT, a promising ADC candidate targeting TROP2, while we continue to advance our broad and expansive pipeline," said Caroline Litchfield, chief financial officer, Merck. "We are making important investments to drive patient impact and revenue growth, and to sustain our business for the future while remaining disciplined towards maintaining an appropriate financial profile."

Under the terms of the agreement, Blackstone will pay Merck $700 million (which is non-refundable, subject to termination provisions provided for in the agreement) to fund a portion of the development costs for sac-TMT expected to be incurred throughout 2026. In return, Blackstone is eligible to receive low-to-mid single-digit royalties on net sales of sac-TMT across all approved indications in Merck's marketing territories contingent upon receipt of regulatory approval in the U.S. for first-line treatment of triple-negative-breast cancer based on findings of the

TroFuse-011 clinical trial.

“Sac-TMT is an innovative asset that has the potential to improve patient care across many forms of cancer,” said Dr. Nicholas Galakatos, global head, Blackstone Life Sciences. “We are excited to be collaborating with Merck to realize the full value of this high priority product and contribute to our partner’s revenue growth by leveraging our scale capital and expertise.”

Sac-TMT is being developed as part of an exclusive license and collaboration agreement with Sichuan Kelun-Biotech Biopharmaceutical Co., Ltd., a holding subsidiary of Sichuan Kelun Pharmaceutical Co, Ltd. (“Kelun-Biotech”), which is unchanged by this agreement with Blackstone. Merck will retain decision-making authority and control over the development, manufacturing, and commercialization of sac-TMT; Blackstone will not receive any rights to sac-TMT.

About sacituzumab tirumotecan (sac-TMT)

Sac-TMT is an investigational ADC that consists of three components: 1) a TROP2-targeting monoclonal antibody, sacituzumab, 2) a cytotoxic payload from the topoisomerase 1 inhibitor class, and 3) a novel, irreversible but hydrolyzable linker, which joins the monoclonal antibody and the cytotoxic payload leveraging proprietary linker conjugation technology. The average drug-to-antibody ratio of sac-TMT is 7.4. TROP2 is highly expressed in a variety of epithelial-derived tumors and can promote tumor cell proliferation, invasion and metastasis. TROP2 ADCs specifically target TROP2-expressing tumor cells to deliver cytotoxic effects and have shown encouraging anti-tumor activity in clinical studies.

Sac-TMT was developed by Kelun-Biotech. Kelun-Biotech (6990.HK) is a holding subsidiary of Kelun Pharmaceutical (002422.SZ), which focuses on the R&D, manufacturing, commercialization and global collaboration of innovative biological drugs and small molecule drugs. Under a collaboration agreement, Kelun-Biotech has granted Merck the exclusive rights to develop, manufacture and commercialize sac-TMT in all territories outside of Greater China (which includes Mainland China, Hong Kong, Macau and Taiwan).

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**).

Media Contacts:

John Cummins
john.cummins2@merck.com

Carly Myar
carly.myar@merck.com

Investor Contacts:

Peter Dannenbaum
(732) 594-1579

Steven Graziano
(732) 594-1583

Source: Merck & Co., Inc.