Arcturus Therapeutics Announces Strategic Collaboration with Johnson & Johnson Innovation to Discover and Develop RNA Medicines

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SAN DIEGO, Oct. 19, 2017 (GLOBE NEWSWIRE) -- Arcturus Therapeutics, Inc., a leading RNA medicines company, announced today that it has entered into a research collaboration and worldwide license agreement with Janssen Pharmaceuticals, Inc. (Janssen), one of the Janssen Pharmaceutical Companies of Johnson & Johnson. The two companies will work together to develop and commercialize nucleic acid-based drug products for the treatment of Hepatitis B, using Arcturus' UNA Oligomer chemistry and LUNAR™ lipid-mediated delivery platform. The agreement also includes an option to expand into other infectious and respiratory diseases. The deal was facilitated by the Johnson & Johnson Innovation center, in California.

Under the agreement, Arcturus will receive an upfront cash payment, R&D support, and pre-clinical, development, and sales milestone payments, as well as royalty payments on any future licensed product sales. Janssen will assume responsibility for development costs and all commercialization costs associated with the program.

“This new collaboration signifies an expanded relationship between Arcturus and Janssen,” said Joseph Payne, President and CEO of Arcturus. “Arcturus’ expertise and intellectual property in the field of RNA medicines is complemented by Janssen’s broad capabilities in clinical development, regulatory affairs, and marketing. Together we aim to bring new treatments to patients who are suffering from Hepatitis B and potentially other infectious diseases.”

About Arcturus Therapeutics, Inc.
Founded in 2013 and based in San Diego, Arcturus Therapeutics, Inc. is an RNA medicines company with enabling technologies — UNA Oligomer chemistry and LUNAR™ lipid-mediated delivery. Arcturus's versatile RNA therapeutics platforms can be applied toward multiple types of RNA medicines including small interfering RNA, messenger RNA, antisense RNA, microRNA and gene editing therapeutics. The company owns LUNAR lipid-mediated delivery and Unlocked Nucleomonomer Agent (UNA) technology including UNA Oligomers, which are covered by its patent portfolio (120 patents and patent applications, issued in the U.S., Europe, Japan, China and other countries). Arcturus' proprietary UNA technology can be used to target individual genes in the human genome, as well as viral genes, and other species for therapeutic purposes. The company's commitment to the development of novel RNA therapeutics has led to partnerships with Ultragenyx Pharmaceutical, Inc., Takeda Pharmaceutical Inc., and Cystic Fibrosis Foundation Therapeutics Inc. For more information, visit www.ArcturusRx.com, the content of which is not incorporated herein by reference. On September 27, 2017, Arcturus and Alcobra Ltd. (Alcobra) (NASDAQ:ADHD) entered into an agreement and plan of merger and reorganization pursuant to which a wholly-owned subsidiary of Alcobra will merge with and into Arcturus, with Arcturus becoming a wholly-owned subsidiary of Alcobra and the surviving corporation of the merger, and the holders of Arcturus outstanding capital stock immediately prior to the merger will receive ordinary shares representing approximately 60% of the outstanding shares of Alcobra. Upon consummation of the transaction, Alcobra’s name will be changed to Arcturus Therapeutics, Ltd., and Alcobra will change its ticker symbol to ARCT on NASDAQ.

Forward-looking Statements
This press release contains “forward-looking statements” that involve substantial risks and uncertainties for purposes of the safe harbor provided by the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts, included in this press release regarding strategy, future operations, prospects, plans and objectives of management are forward-looking statements. Examples of such statements include, but are not limited to, statements relating to whether the agreement will result in a successful collaboration or potential products; the structure, timing and completion of the proposed merger transaction; and the combined company’s listing on NASDAQ after closing of the proposed merger. You should not place undue reliance on these forward-looking statements. Such statements are based on management’s current expectations and involve risks and uncertainties. Actual results and performance could differ materially from those projected in the forward-looking statements as a result of many factors. Except as otherwise required by law, all parties disclaim any intention or obligation to update or revise any forward-looking statements, which speak only as of the date they were made, whether as a result of new information, future events or circumstances or otherwise.

Additional Information about the Proposed Merger involving Alcobra and Arcturus and Where to Find It
In connection with the previously disclosed proposed merger involving Alcobra and Arcturus, a proxy statement and a proxy card will be furnished to the Securities and Exchange Commission (SEC) and will be mailed to Alcobra’s shareholders seeking any required shareholder approvals in connection with the proposed merger transactions. Before making any voting or investment decision, investors and shareholders are urged to read the proxy statement (including any amendments or supplements thereto) and any other relevant documents that Alcobra may furnish to or file with the SEC when they become available because they will contain important information about the proposed merger transactions.

This communication shall not constitute an offer to sell or the solicitation of an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

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