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RTW Biotech Opportunities Ltd
Merck to acquire Verona Pharma

RTW Biotech Opportunities Ltd (the "Company"), the London Stock Exchange-listed investment company focused on identifying transformative assets with high growth potential across the life sciences sector, is pleased to note the announcement by Merck that it has entered into a definitive agreement to acquire UK-based public portfolio company **Verona Pharma Plc** ("Verona", NASDAQ: VRNA) for \$107 cash per American Depositary Share, for a total transaction value of approximately 10 billion. The transaction is subject to Verona shareholder and regulatory approvals and is expected to close in the fourth quarter of 2025.

The acquisition price represents a premium of 23% to Verona's closing share price on 8 July, prior to the announcement. As of close on 8 July, the Company's investment in Verona was valued at 8.6 million. As of 31 May 2025, Verona represented 1.4% of the Company's NAV. This transaction is Merck's largest acquisition since its 2023 purchase of Prometheus Biosciences for 10.8 billion, at the time the Company's largest portfolio holding and the biggest contributor to NAV in 2023.

Verona is a UK-based biopharmaceutical company focused on developing and commercialising treatments for chronic respiratory diseases. Notably, this acquisition would add Verona's Ohtuvayre to Merck's portfolio of chronic lung disease treatments. Ohtuvayre is a first-in-class inhalable, non-steroid maintenance treatment for patients with chronic obstructive pulmonary disease (COPD), a disease that affects nearly 16 million Americans alone.

Rod Wong, CIO of RTW Investments said, "Merck's acquisition of Verona, following its 2023 purchase of Prometheus, is a powerful validation of our long-held thesis: that small and midcap biotech companies represent fertile ground for transformative innovation, and that large pharma must increasingly look to these emerging players to replenish and diversify their pipelines. We're proud to have invested in both companies and see this as further evidence of the compelling M&A opportunity landscape in biotech. We are confident that Merck's commercial capabilities will accelerate the reach and impact of Ohtuvayre, bringing relief to patients suffering from COPD, a condition with high unmet need. This acquisition aligns with our commitment to supporting groundbreaking advancements in healthcare and delivering value to our shareholders."

Merck's announcement can be found [here](#).

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About RTW Biotech Opportunities Ltd:

RTW Biotech Opportunities Ltd (LSE: RTW) is an investment fund focused on identifying transformative assets with high growth potential across the biopharmaceutical and medical technology sectors. Driven by a long-term approach to support innovative businesses, RTW Biotech Opportunities Ltd invests in companies developing next-generation therapies and technologies that can significantly improve patients' lives. RTW Biotech Opportunities Ltd is managed by RTW Investments, LP, a leading healthcare-focused entrepreneurial investment firm with deep scientific expertise and a strong track record of supporting companies developing life-changing therapies.

Visit the website at www.rtwfunds.com/rtw-biotech-opportunities-ltd for more information.

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