

October 24, 2025

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Notice Concerning Making Renalys Pharma, Inc. a Wholly-Owned Subsidiary

TOKYO, October 24, 2025-- [Chugai Pharmaceutical Co., Ltd.](#) announced that it has resolved, at a meeting of the Board of Directors held today, to acquire all shares and stock acquisition rights (hereinafter "Share Acquisition") of [Renalys Pharma, Inc.](#) (Headquarters: Tokyo, Representative Director: Brian Taylor Slingsby, hereinafter "Renalys Pharma") and make it a wholly-owned subsidiary of the Company. Renalys Pharma was established for the purpose of developing and commercializing sparsentan (U.S. product name: FILSPARI®), which is being developed mainly for IgA nephropathy in Asia. Through the complete acquisition of Renalys Pharma, Chugai will obtain the exclusive development and commercialization rights for sparsentan in Japan, South Korea, and Taiwan. Chugai currently has sefaxersen (development code: RG6299), a nucleic acid drug as a development project targeting IgA nephropathy. With the addition of sparsentan, Chugai aims to comprehensively address the unmet medical needs by providing multiple treatment options with different mechanisms of action, and will continue to advance its development efforts in the field of IgA nephropathy.

1. Reason for acquisition of shares

Renalys Pharma was established in April 2023 through funding by venture capital firms Catalys Pacific and SR One, and acquired the exclusive development and commercialization rights for sparsentan, a drug being developed mainly for IgA nephropathy, in Japan, South Korea, and Taiwan from [Traverse Therapeutics, Inc.](#) (Headquarters: San Diego, USA, CEO: Eric M. Dube, hereinafter "Traverse"). As Renalys Pharma was established for the purpose of developing and commercializing sparsentan, and Chugai has decided to acquire all shares and stock acquisition rights of Renalys Pharma to obtain the exclusive development and commercialization rights for sparsentan in Japan, South Korea, and Taiwan, making it a wholly-owned subsidiary.

IgA nephropathy (Designated intractable disease 66 in Japan) is a type of chronic glomerulonephritis characterized by the persistent presence of hematuria and proteinuria, caused by the deposition of abnormal immunoglobulin A (glycosylation-aberrant IgA) in the glomeruli of the kidneys¹⁾. Disease progression can lead to a decline in kidney function, and kidney transplantation or dialysis may become necessary when end-stage renal disease occurs¹⁾. Existing medicinal treatments include renin-angiotensin (RA) system inhibitors or adrenocortical steroids, but their efficacy can be insufficient for some cases, indicating unmet medical needs²⁾. Sparsentan is an oral, small molecule drug that inhibits both endothelin receptor type A (ETAR) and angiotensin II type 1 receptor (AT1R) in a single molecule. Based on efficacy and safety data in adults with IgA nephropathy obtained from the global Phase III clinical trial (PROTECT study) conducted in 18 countries including South Korea and Taiwan, Chugai considers sparsentan a potential first-in-class treatment for IgA nephropathy. Having been approved as FILSPARI® in the United States in February 2023 and in Europe in April 2024, and with Renalys Pharma currently conducting a small-scale Phase III clinical trial in Japan using a bridging strategy, Chugai believes there is a probability of success in the three countries where it has acquired development rights. Additionally, Traverre has filed for an additional indication for focal segmental glomerulosclerosis (FSGS), which is a rare and intractable kidney disease similar to IgA nephropathy, in the United States this year. Besides, Chugai has sefaxersen (an antisense oligonucleotide targeting *complement factor B* mRNA), which is currently in the global Phase III clinical trial as a treatment for IgA nephropathy. Based on their different mechanism of action, sefaxersen and sparsentan are expected to have different positioning in clinical practice. By having these two agents, Chugai aims to provide a broader range of treatment approaches for patients with IgA nephropathy and address their unmet medical needs.

Chugai upholds the mission to "Dedicate ourselves to adding value by creating and delivering innovative products and services for the medical community and human health around the world," and aims to provide innovative products and services backed by strong science and high ethical standards that are anticipated. Furthermore, in our [Capital allocation policy](#), Chugai is committed to appropriately allocating capital to provide truly valuable solutions for patients and deliver stable returns to shareholders. In line with this policy, Chugai carefully considers the balance between growth investments for creating shared value, including "creation and delivery of innovative medicines" and "expansion of our value creation engine," and shareholder returns such as dividends, to achieve optimal capital allocation. In particular, Chugai recognizes the need to further activate strategic investments, including acquisitions, and believes they will play an increasingly important role in the future.

As part of the above strategic investment, by acquiring the development and commercialization rights for sparsentan, a promising development project, in Japan, South Korea, and Taiwan, and by strengthening our pipeline in IgA nephropathy and other kidney diseases, Chugai aims to further contribute to patients and healthcare professionals, as well as further enhance our corporate value and shareholder value.

2. Consideration and method for acquisition of shares

The consideration for the Share Acquisition consists of (1) a one-time payment to be made at the time of share acquisition (hereinafter "Closing Consideration") and (2) payments based on the progress of sparsentan regulatory approval and future revenue (hereinafter "Earn-out Consideration"). The details of the Closing Consideration and Earn-out Consideration are as follows:

(1) Closing Consideration

On the date when the Share Acquisition is executed (hereinafter "Closing Date"), Chugai will pay the Seller a Closing Consideration of 15,000 million JPY in cash, plus an amount reflecting price adjustment under the Share Purchase Agreement.

(2) Earn-out Consideration

Chugai will pay the Seller milestone payments of up to 16,000 million JPY based on multiple milestones according to the progress of sparsentan regulatory approval, and consideration linked to sparsentan's net sales in Japan, South Korea, and Taiwan, in cash.

3. Overview of the subsidiary (Renalys Pharma) subject to change

(1)	Name	Renalys Pharma, Inc.	
(2)	Location	2-3-11 Nihonbashi-honcho, Chuo-ku, Tokyo	
(3)	Job title and name of representative	Representative Director (CEO): Brian Taylor Slingsby	
(4)	Description of business	Research and Development, and marketing of Pharmaceuticals	
(5)	Share capital	Not disclosed	
(6)	Date of establishment	April, 2023	
(7)	Major shareholders and ownership ratios	Not disclosed	
(8)	Relationship between the Company and Renalys Pharma	Capital relationship	Not applicable
		Personnel relationship	Not applicable
		Business relationship	Not applicable

(Notes) Information on "Consolidated operating results and consolidated financial positions of Renalys Pharma for the last three years" is not being disclosed at the request of the other party.

4. Number of shares acquired, acquisition costs, and shareholding before and after acquisition

(1)	Number of shares held before the change	0
(2)	Number of shares to be acquired	All shares and stock acquisition rights of Renalys
(3)	Acquisition costs	1) Closing Consideration 15,000 million JPY, plus an amount reflecting price adjustment under the Share Purchase Agreement 2) Earn-out Consideration milestone payments of up to 16,000 million JPY and consideration linked to sparsentan's net sales in Japan, South Korea, and Taiwan
(4)	Number of shares held after the change	All shares and stock acquisition rights of Renalys

5. Timetable

(1)	Date of resolution at the meeting of the Board of Directors	October 24, 2025
(2)	Date of conclusion of the agreement	October 24, 2025
(3)	Closing Date	The end of November, 2025 (scheduled)

6. Future outlook

This announcement is expected to have minimal impact on Chugai's consolidated financial forecast for the fiscal year ending December 2025, which was announced on January 30, 2025.

Sources:

1. Japan Intractable Diseases Information Center. IgA nephropathy (designated intractable disease 66) [Internet; cited October 2025]. Partially modified from: <https://www.nanbyou.or.jp/> (in Japanese only)
2. Evidence-based Clinical Practice Guidelines for IgA Nephropathy 2020 Available from: https://jsn.or.jp/academicinfo/report/evidence_IgA_guideline2020.pdf [Internet; cited October 2025]. (in Japanese only)

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