**Acquisition includes HPN328, an investigational delta-like ligand 3 (DLL3) targeting T-cell engager being evaluated in certain patients with small cell lung cancer and neuroendocrine tumors**

RAHWAY, N.J. & SOUTH SAN FRANCISCO, Calif.--(BUSINESS WIRE)-- Merck (NYSE: MRK), known as MSD outside of the United States and Canada, and Harpoon Therapeutics, Inc. (Nasdaq: HARP) today announced that the companies have entered into a definitive agreement under which Merck, through a subsidiary, will acquire Harpoon for $23.00 per share in cash for an approximate total equity value of $680 million.

“At Merck, we continue to enhance our oncology pipeline through strategic acquisitions that complement our current portfolio and advance breakthrough science to help address the needs of people with cancer worldwide,” said Dr. Dean Y. Li, president, Merck Research Laboratories. “This agreement reflects the creativity and commitment of scientists and clinical development teams at Harpoon. We look forward to further evaluating HPN328 in innovative combinations with other pipeline candidates.”

Harpoon has developed a portfolio of novel T-cell engagers that employ the company’s proprietary Tri-specific T cell Activating Construct (TriTAC®) platform, an engineered protein technology designed to direct a patient’s own immune cells to kill tumor cells, and ProTriTAC™ platform, applying a prodrug concept to its TriTAC® platform to create a therapeutic T-cell engager that is designed to remain inactive until it reaches the tumor.

“At Harpoon, we have always been committed to advancing our cancer immunotherapy candidates to improve the lives of patients. With Merck’s recognized leadership in oncology clinical development and global commercial footprint, our lead candidate, HPN328, is well positioned moving forward,” said Julie Eastland, president and chief executive officer, Harpoon Therapeutics. “The talented, passionate and dedicated Harpoon team has made great progress over the past eight years in leveraging our research platform to develop an innovative suite of candidates, and we are pleased that Merck has recognized the significant potential of our pipeline. I want to personally thank all of our key stakeholders, including our entire team at Harpoon, trial participants, physicians and our shareholders, who have supported us.”

Harpoon’s lead candidate, HPN328, is a T-cell engager targeting delta-like ligand 3 (DLL3), an inhibitory canonical Notch ligand that is expressed at high levels in small cell lung cancer (SCLC) and neuroendocrine tumors. HPN328 is currently being evaluated in a Phase 1/2 clinical trial ([NCT04471727](https://cts.businesswire.com/ct/CT?id=smartlink&url=https%3A%2F%2Fclassic.clinicaltrials.gov%2Fct2%2Fshow%2FNCT04471727%3Fintr%3DHPN328%26draw%3D2%26rank%3D1&esheet=53878532&newsitemid=20240108498651&lan=en-US&anchor=NCT04471727&index=1&md5=8e651b6f88c51dca6fcbc7dafa03cd6e)) evaluating the safety, tolerability and pharmacokinetics of HPN328 monotherapy in patients with advanced cancers associated with expression of DLL3. The study is also evaluating HPN328 in combination with atezolizumab in patients with SCLC. In October 2023, Harpoon announced the presentation of positive interim tolerability and response data for HPN328 in certain patients with SCLC and neuroendocrine tumors.

Additional pipeline candidates include HPN217 targeting B-cell maturation antigen (BCMA), currently in Phase 1 clinical development for the treatment of patients with relapsed/refractory multiple myeloma, and several preclinical stage candidates, including HPN601, a conditionally activated targeting epithelial cell adhesion molecule (EpCAM) for the treatment of certain patients with EpCAM expressing tumors.

Under the terms of the agreement, Merck, through a subsidiary, will acquire all outstanding shares of Harpoon Therapeutics, Inc. for a price per share of $23.00 in cash. The Board of Directors of Harpoon has unanimously approved the transaction. Closing of the acquisition is subject to certain conditions, including approval of the merger by Harpoon’s stockholders, the expiration of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act, and other customary conditions. The transaction is expected to close in the first half of 2024 and will be accounted for as an asset acquisition. Merck expects to record a charge (non-tax deductible) of approximately $650 million, or approximately $0.26 per share, that will be included in non-GAAP results in the quarter that the transaction closes.

**Advisors**

Evercore Group L.L.C. acted as financial advisor to Merck in this transaction and Covington & Burling LLP acted as its legal advisor. Centerview Partners LLC acted as financial advisor to Harpoon and Goodwin Procter LLP acted as its legal advisor.

**About HPN328**

HPN328 targets delta-like ligand 3 (DLL3), an inhibitory canonical Notch ligand. HPN328 uses Harpoon’s proprietary Tri-specific T cell Activating Construct (TriTAC®) platform that is designed to recruit a patient’s own immune cells to kill tumor cells. HPN328 is being evaluated as monotherapy and in combination in an ongoing open-label, multicenter two-part study ([NCT04471727](https://cts.businesswire.com/ct/CT?id=smartlink&url=https%3A%2F%2Fclinicaltrials.gov%2Fstudy%2FNCT04471727%3Fintr%3DHPN328%26rank%3D1&esheet=53878532&newsitemid=20240108498651&lan=en-US&anchor=NCT04471727&index=2&md5=5dca2181fa13499be68f3b405a481e90)) to assess the safety, tolerability, and pharmacokinetics in patients with certain advanced cancers associated with expression of DLL3.

In March 2022, the U.S. Food and Drug Administration (FDA) granted Orphan Drug Designation to HPN328 for the treatment of small cell lung cancer.

**About TriTACs**

TriTACs are novel investigational T-cell-engaging therapeutic proteins optimized for the treatment of solid tumors. TriTACs have an extended serum half-life and may be manufactured using routine biologic techniques.

**Merck’s focus on cancer**

Our goal is to translate breakthrough science into innovative oncology medicines to help people with cancer worldwide. At Merck, the potential to bring new hope to people with cancer drives our purpose and supporting accessibility to our cancer medicines is our commitment. As part of our focus on cancer, Merck is committed to exploring the potential of immuno-oncology with one of the largest development programs in the industry across more than 30 tumor types. We also continue to strengthen our portfolio through strategic acquisitions and are prioritizing the development of several promising oncology candidates with the potential to improve the treatment of advanced cancers. For more information about our oncology clinical trials, visit [www.merck.com/clinicaltrials](https://cts.businesswire.com/ct/CT?id=smartlink&url=https%3A%2F%2Fwww.merckclinicaltrials.com%2F&esheet=53878532&newsitemid=20240108498651&lan=en-US&anchor=www.merck.com%2Fclinicaltrials&index=3&md5=8de1b67a9c7e3d9f27dad230df6a1600).

**About Harpoon Therapeutics**

Harpoon Therapeutics is a clinical-stage immunotherapy company developing a novel class of T-cell engagers designed to harness the power of the body’s immune system to treat patients suffering from cancer and other diseases. T-cell engagers are engineered proteins that direct a patient’s own T-cells to kill target cells that express specific proteins, or antigens, carried by the target cells. Using its proprietary Tri-specific T cell Activating Construct (TriTAC®) platform, Harpoon is developing a pipeline of novel TriTACs initially focused on the treatment of certain types of solid tumors and hematologic malignancies. Harpoon has also developed a proprietary ProTriTAC™ platform, which applies a prodrug concept to its TriTAC platform to create a therapeutic T-cell engager that is designed to remain inactive until it reaches the tumor. Harpoon’s third proprietary technology platform, extended release TriTAC-XR, is designed to mitigate cytokine release syndrome. For additional information about Harpoon Therapeutics, please visit [www.harpoontx.com](https://cts.businesswire.com/ct/CT?id=smartlink&url=https%3A%2F%2Fwww.harpoontx.com%2F&esheet=53878532&newsitemid=20240108498651&lan=en-US&anchor=www.harpoontx.com&index=4&md5=728481dfee77de03a4caa415c26846a2).

**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](https://cts.businesswire.com/ct/CT?id=smartlink&url=https%3A%2F%2Fwww.merck.com%2F&esheet=53878532&newsitemid=20240108498651&lan=en-US&anchor=www.merck.com&index=5&md5=ec132c4ea87693a7c561de5bc4753edd) and connect with us on [X (formerly Twitter)](https://cts.businesswire.com/ct/CT?id=smartlink&url=https%3A%2F%2Ftwitter.com%2FMerck&esheet=53878532&newsitemid=20240108498651&lan=en-US&anchor=X+%28formerly+Twitter%29&index=6&md5=bead10570a989efbca1c125333af9f9b), [Facebook](https://cts.businesswire.com/ct/CT?id=smartlink&url=https%3A%2F%2Fwww.facebook.com%2FMerckInvents&esheet=53878532&newsitemid=20240108498651&lan=en-US&anchor=Facebook&index=7&md5=aaf92ec5a012033f1b54f2ea1e077a1f), [Instagram](https://cts.businesswire.com/ct/CT?id=smartlink&url=https%3A%2F%2Fwww.instagram.com%2Fmerck%2F&esheet=53878532&newsitemid=20240108498651&lan=en-US&anchor=Instagram&index=8&md5=fb3e7218ee9fc62a4d77ab2b074ce5ce), [YouTube](https://cts.businesswire.com/ct/CT?id=smartlink&url=https%3A%2F%2Fwww.youtube.com%2FMerck&esheet=53878532&newsitemid=20240108498651&lan=en-US&anchor=YouTube&index=9&md5=f13227d8bd40d042563ba408ff44103b) and [LinkedIn](https://cts.businesswire.com/ct/CT?id=smartlink&url=https%3A%2F%2Fwww.linkedin.com%2Fcompany%2Fmerck%2Fmycompany%2F&esheet=53878532&newsitemid=20240108498651&lan=en-US&anchor=LinkedIn&index=10&md5=6f025829ab2b95b659e7541de8fde76e).

**Additional Information and Where to Find it**

In connection with the proposed transaction between Harpoon and Merck, Harpoon will file with the Securities and Exchange Commission (SEC) a proxy statement on Schedule 14A relating to a special meeting of its stockholders. Additionally, Harpoon may file other relevant materials with the SEC in connection with the proposed transaction. Investors and securityholders of Harpoon are urged to read the proxy statement and any other relevant materials filed or that will be filed with the SEC, as well as any amendments or supplements to these materials and documents incorporated by reference therein, carefully and in their entirety when they become available because they contain or will contain important information about the proposed transaction and related matters. The definitive version of the proxy statement will be mailed or otherwise made available to Harpoon’s securityholders. Investors and securityholders will be able to obtain a copy of the proxy statement (when it is available) as well as other filings containing information about the proposed transaction that are filed by Harpoon or Merck with the SEC, free of charge