Erasca Announces Strategic In-Licensing of RAS-Targeting Franchise

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Pan-RAS molecular glue ERAS-0015 and pan-KRAS inhibitor ERAS-4001 are potent, oral inhibitors with potential best-in-class profiles in RASm solid tumors

Pipeline prioritization and workforce restructuring sharpens focus on programs targeting the highest unmet needs and with highest probability of success

Priced concurrent $160 million equity offering

Erasca to host conference call and webcast Friday, May 17, 2024 at 8:30 am ET

SAN DIEGO, May 16, 2024 (GLOBE NEWSWIRE) -- Erasca, Inc. (Nasdaq: ERAS), a clinical-stage precision oncology company singularly focused on discovering, developing, and commercializing therapies for patients with RAS/MAPK pathway-driven cancers, today announced it has entered into exclusive license agreements for two preclinical RAS programs—a potential best-in-class pan-RAS molecular glue (ERAS-0015) and a potential first-in-class pan-KRAS inhibitor (ERAS-4001)—and provided a pipeline update. ERAS-0015 and ERAS-4001 are highly potent, orally bioavailable molecules with complementary RAS inhibitory mechanisms that have the potential to address unmet needs in nearly 2.7 million patients who are diagnosed annually globally with RAS-mutant (RASm) tumors, of which over 2.2 million patients are diagnosed with KRAS-mutant (KRASm) tumors.

As separately announced, Erasca has priced an equity offering of $160 million with a high quality group of new and existing healthcare-focused investors.

“We’re thrilled to add ERAS-0015 and ERAS-4001 to our pipeline. Successful in-licensing of this RAS-targeting franchise with such broad potential to address unmet needs in patients helps advance our mission to erase cancer and is consistent with our focus on eradicating RAS/MAPK pathway-driven tumors,” said Jonathan E. Lim, M.D., Erasca’s chairman, CEO, and co-founder. “Based on the compelling preclinical data generated to date, we believe both molecules have the potential to demonstrate best-in-class (BIC) profiles within their respective categories of RAS inhibition. Over the long term, we have a unique opportunity to combine these two BIC molecules with distinct and complementary RAS inhibitory mechanisms to ‘clamp’ RAS and shut down MAPK signaling for the benefit of patients with these common RAS mutations.”

Dr. Lim continued, “With the in-licensing of these RAS-targeting programs, we have made the difficult but necessary decision to deprioritize or externalize resourcing of our pipeline (ERAS-007, ERAS-801, and ERAS-4). This change has unfortunately impacted certain team members. We believe that further focusing our resources will allow us to advance the programs with the highest probability of success and largest potential for patient impact. This is undoubtedly a challenging time for our highly talented employees, particularly those affected by these changes. On behalf of Erasca, I would like to extend our heartfelt gratitude to all of our employees for their tremendous contributions and dedication to Erasca.”

In-Licensed Programs: ERAS-0015 and ERAS-4001
In controlled preclinical studies using another pan-RAS molecular glue currently in clinical development, ERAS-0015 demonstrated 5- to 10-fold greater in vitro and in vivo potency and favorable absorption, distribution, metabolism, and excretion (ADME) properties and pharmacokinetic (PK) properties in multiple animal species. Under the terms of the ERAS-0015 license agreement, in exchange for an exclusive license to develop and commercialize ERAS-0015 in the Erasca territory (worldwide, excluding mainland China, Hong Kong, and Macau), Erasca will pay the licensor, Joyo Pharmatech Co., Ltd. (Joyo), a one-time upfront cash payment of $12.5 million, up to $176.5 million in cash upon the achievement of certain development, regulatory, and commercialization milestones, and a low- to mid-single digit percentage royalty. At Erasca’s election, prior to the dosing of the first patient in a Phase 2 clinical trial by either Erasca or Joyo or the filing of a New Drug Application (NDA) (or foreign equivalent) by either Erasca or Joyo, Erasca can convert its territory to worldwide by making a one-time payment.

ERAS-4001 is a potent and selective inhibitor of KRAS that has the potential to provide an improved therapeutic window relative to RAS inhibitors and prevent KRAS wildtype-mediated resistance relative to mutant-selective approaches. Under the terms of the ERAS-4001 license agreement, in exchange for an exclusive worldwide license to develop and commercialize ERAS-4001, Erasca will pay the licensor, Medshine Discovery, Inc. (Medshine), a one-time upfront cash payment of $10.0 million, up to $160.0 million in cash upon the achievement of certain development, regulatory, and commercialization milestones, and a low-single digit percentage royalty.

Concurrent Pipeline Prioritization and Workforce Restructuring
In consideration of these in-licensing transactions, Erasca will implement the following pipeline and personnel changes to focus Erasca’s resources on opportunities targeting the highest unmet needs and having the highest probability of success for patients:

- **HERKULES-3: ERAS-007 + EC in EC-naïve patients with BRAFm CRC:** Deprioritized as clinical efficacy data (data to be presented at ASCO 2024) do not support continued evaluation
- **THUNDERBBOLT-1: ERAS-801 in recurrent glioblastoma:** Due to the desire to focus internal resources on developing naporafenib and the RAS-targeting franchise, Erasca is exploring further advancement of ERAS-801 via select investigator-sponsored trial(s)
- **ERAS-4 pan-KRAS program:** In conjunction with the in-licensing of ERAS-0015 and ERAS-4001, Erasca will discontinue its internal pan-KRAS program; provided that certain of the existing ERAS-4 molecules are included in the Medshine

agreement as potential backup compounds for ERAS-4001
- **Workforce restructuring:** Erasca will reduce its workforce by approximately 18%, primarily affecting employees working in drug discovery functions and on deprioritized programs. Erasca is deeply committed to easing this transition for its impacted colleagues and will offer comprehensive severance packages and career transition services

Key Upcoming Milestones
Erasca is providing the following guidance with respect to anticipated key milestones and clinical trial readouts:

- **Naporafenib (pan-RAF inhibitor)**
  - **SEACRAFT-1:** Phase 1b trial for naporafenib plus trametinib in patients with RAS Q61X solid tumors
    - Initial Phase 1b combination signal-seeking efficacy data in relevant tumor types expected in Q4 2024
  - **SEACRAFT-2:** Randomized pivotal Phase 3 trial for naporafenib plus trametinib in patients with NRAS-mutant (NRASm) melanoma
    - Phase 3 pivotal trial initiation expected in Q2 2024
    - Phase 3 Stage 1 randomized dose optimization data expected in 2025
- **ERAS-0015 (pan-RAS molecular glue)**
  - **AURORAS-1:** Phase 1 trial for ERAS-0015 in patients with RASm solid tumors
    - IND filing expected in H1 2025
    - Initial Phase 1 monotherapy data in relevant tumor types expected in 2026
- **ERAS-4001 (pan-KRAS inhibitor)**
  - **BOREALIS-1:** Phase 1 trial for ERAS-4001 in patients with KRASm solid tumors
    - IND filing expected in Q1 2025
    - Initial Phase 1 monotherapy data in relevant tumor types expected in 2026

Conference Call and Webcast Information
Erasca will hold a conference call and webcast Friday, May 17, 2024 at 8:30 am ET. The webcast link for the conference call is https://viavid.webcasts.com/starthere. The dial-in number is 1-877-451-6152 (U.S./Canada) or 1-201-389-0879 (international). The conference ID for all callers is 13746639. The live webcast and replay may be accessed by visiting Erasca's website at Erasca.com/events.

About Erasca
At Erasca, our name is our mission: To erase cancer. We are a clinical-stage precision oncology company singularly focused on discovering, developing, and commercializing therapies for patients with RAS/MAPK pathway-driven cancers. Our company was co-founded by leading pioneers in precision oncology and RAS targeting to create novel therapies and combination regimens designed to comprehensively shut down the RAS/MAPK pathway for the treatment of patients with cancer. We have assembled one of the deepest RAS/MAPK pathway-focused pipeline in the industry. We believe our team's capabilities and experience, further guided by our scientific advisory board which includes the world's leading experts in the RAS/MAPK pathway, uniquely position us to achieve our bold mission of erasing cancer.

Cautionary Note Regarding Forward-Looking Statements
Erasca cautions you that statements contained in this press release regarding matters that are not historical facts are forward-looking statements. The forward-looking statements are based on our current beliefs and expectations and include, but are not limited to: our expectations regarding the potential therapeutic benefits of our product candidates, including naporafenib, ERAS-0015, ERAS-4001, and ERAS-801; the potential benefits from our current or future arrangements with third parties, including the anticipated benefits of the license agreements with Medshine Discovery Inc. and Joyo Pharmatech Co., Ltd.; the planned advancement of our development pipeline, including the anticipated timing of data readouts for the SEACRAFT-1, SEACRAFT-2, AURORAS-1, and BOREALIS-1 trials, the initiation of the SEACRAFT-2 trial, and the IND filings for the AURORAS-1 and BOREALIS-1 trials; our ability to successfully prioritize our pipeline portfolio to focus on existing programs that we believe have the highest probability of success; and our ability to realize the benefits of the license agreements described in this press release. Actual results may differ from those set forth in this press release due to the risks and uncertainties inherent in our business, including, without limitation: our approach to the discovery and development of product candidates based on our singular focus on shutting down the RAS/MAPK pathway, a novel and unproven approach; our assumptions about ERAS-0015 or ERAS-4001 development potential are based in large part on the preclinical data generated by the licensors and we may observe materially and adversely different results as we conduct our planned studies; we only have one product candidate in clinical development and all of our other development efforts are in the preclinical or development stage; our planned SEACRAFT trials may not support the registration of naporafenib; our assumptions around which programs may have a higher probability of success may not be accurate, and we may expend our limited resources to pursue a particular product candidate and/or indication and fail to capitalize on product candidates or indications with greater development or commercial potential; potential delays in the commencement, enrollment, data readout, and completion of clinical trials and preclinical studies; our dependence on third parties in connection with manufacturing, research, and preclinical and clinical testing; unexpected adverse side effects or inadequate efficacy of our product candidates that may limit their development, regulatory approval, and/or commercialization, or may result in recalls or product liability claims; unfavorable results from preclinical studies or clinical trials; results from preclinical studies or early clinical trials not necessarily being predictive of future results; the inability to realize any benefits from our current licenses, acquisitions, or collaborations, and any future licenses, acquisitions, or collaborations, and our ability to fulfill our obligations under such arrangements; regulatory developments in the United States and foreign countries; later developments with the FDA or EU health authorities may be inconsistent with the feedback received to date regarding our development plans and trial designs; our ability to obtain and maintain intellectual property protection for our product candidates and maintain our rights under intellectual property licenses; our ability to fund our operating plans with our current cash, cash equivalents, and marketable securities; and other risks described in our prior filings with the Securities and Exchange Commission (SEC), including under the heading "Risk Factors" in our annual report on Form 10-K for the year ended December 31, 2023, and any subsequent filings with the SEC. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof, and we undertake no obligation to update such statements to reflect events that occur or circumstances that exist after the date hereof. All forward-looking statements are qualified in their entirety by this cautionary statement, which is made under the safe harbor provisions of the Private Securities Litigation Reform Act of 1995.

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Source: Erasca, Inc.

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