Twist Bioscience Enters into Royalty Purchase Agreement with XOMA Royalty for $15 Million in Cash

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Twist to retain all upfront, service and other revenue earned under antibody discovery and biopharma solutions agreements as well as half of future milestones and royalties

SOUTH SAN FRANCISCO, Calif.--(BUSINESS WIRE)--Oct. 22, 2024-- Twist Bioscience Corporation (NASDAQ: TWST), a company enabling customers to succeed through its offering of high-quality synthetic DNA using its silicon platform, today announced it has entered into a royalty purchase agreement with XOMA Royalty Corporation (NASDAQ: XOMA), the biotech royalty aggregator.

Under the terms of the agreement, XOMA Royalty will provide Twist Bioscience an upfront payment of $15 million in cash in exchange for the right to receive half of the future potential milestone and royalty payments resulting from existing antibody discovery and biopharma services collaborations with Twist's partners. Twist will retain all upfront, service and other revenue earned under its antibody discovery and biopharma services collaborations as outlined in the applicable agreements. In addition, Twist retains full rights to any future biopharma collaborations that include milestone and royalty terms. The agreement does not apply to any synbio, NGS, or data storage revenue.

"This unique agreement provides Twist Bioscience with capital today that will add to our balance sheet and enable continued innovation for profitable growth across the company," said Emily M. Leproust, Ph.D., CEO and cofounder of Twist Bioscience. "XOMA Royalty's proven expertise in early-stage royalty monetization makes them an ideal partner for this venture."

"This collaboration with Twist Bioscience exemplifies our commitment to supporting high-potential biotech companies," commented Brad Sitko, chief investment officer of XOMA Royalty. "By acquiring a portion of Twist's milestone and royalty rights, we're contributing to their immediate growth and positioning XOMA Royalty to benefit from their established success in biopharma."

About Twist Bioscience Corporation

Twist Bioscience is a leading and rapidly growing synthetic biology and genomics company that has developed a disruptive DNA synthesis platform to industrialize the engineering of biology. The core of the platform is a proprietary technology that pioneers a new method of manufacturing synthetic DNA by "writing" DNA on a silicon chip. Twist is leveraging its unique technology to manufacture a broad range of synthetic DNA-based products, including synthetic genes, tools for next-generation sequencing (NGS) preparation, and antibody libraries for drug discovery and development. Twist is also pursuing longer-term opportunities in digital data storage in DNA and biologics drug discovery. Twist makes products for use across many industries including healthcare, industrial chemicals, agriculture and academic research.

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Twist Bioscience Legal Notice Regarding Forward-Looking Statements

This press release contains forward-looking statements. All statements other than statements of historical facts contained herein are forward-looking statements reflecting the current beliefs and expectations of management made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, including statements with respect to potential milestone and royalty payments resulting from existing antibody discovery and biopharma services collaborations with Twist Bioscience partners, rights to milestone and royalty terms under any future Twist Bioscience biopharma collaborations and Twist Bioscience's ability to innovate to achieve profitable growth. Forward-looking statements involve known and unknown risks, uncertainties, and other important factors that may cause Twist Bioscience's actual results, performance, or achievements to be materially different from any future results, performance, or achievements expressed or implied by the forward-looking statements. Such risks and uncertainties include, among others, the ability to achieve the expected benefits of Twist Bioscience's restructuring activities and reduced investments in DNA data storage; the ability to attract new customers and retain and grow sales from existing customers; the ability of Twist Bioscience to achieve sufficient revenue to achieve or maintain positive cash flow from operations or profitability, which will depend heavily on the success of its existing products and the development and commercialization of additional products in the synthetic biology, biologic drug and data storage industries; risks and uncertainties of rapidly changing technologies and extensive competition in synthetic biology that could make the products Twist Bioscience is developing obsolete or non-competitive; uncertainties about the retention of significant customers; the ability of Twist Bioscience to successfully integrate acquired companies and to achieve expected benefits from acquisitions; supply chain and other disruptions; risks of third party claims alleging infringement of patents and proprietary rights or seeking to invalidate Twist Bioscience's patents or proprietary rights; and the risk that Twist Bioscience's proprietary rights may be insufficient to protect its technologies. For a description of the risks and uncertainties that could cause actual results to differ from those expressed in these forward-looking statements, as well as risks relating to Twist Bioscience's business in general, see Twist Bioscience's risk factors set forth in Twist Bioscience's Annual Report on Form 10-K filed with the SEC on November 21, 2023, and subsequent filings with the SEC. Any forward-looking statements contained in this press release speak only as of the date hereof, and Twist Bioscience specifically disclaims any obligation to update any forward-looking statement, whether as a result of new information, future events or otherwise.

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