Apnimed Announces Strategic Monetization of Shionogi-Apnimed Sleep Science (SASS) Joint Venture Stake for $150M and Royalties, Strengthening Focus on its Wholly-Owned OSA Program, AD109

March 24, 2026

- *Transaction strengthens Apnimed's balance sheet as the Company separately prepares to submit its NDA for AD109 in Obstructive Sleep Apnea, expected in the second quarter of 2026*
- *Apnimed retains exclusive rights to AD109*

CAMBRIDGE, Mass., March 24, 2026 – Apnimed, Inc., a pharmaceutical company developing an oral drug product candidate, AD109, that is designed to address a root cause of obstructive sleep apnea (OSA), today announced that Shionogi & Co. Ltd (Shionogi) have entered into a definitive agreement for Shionogi to acquire Apnimed's 50% ownership of Shionogi-Apnimed Sleep Science, LLC (SASS). SASS is a joint venture initially established in 2023, and upon the closing of this transaction, SASS will be wholly-owned by Shionogi.

Under the terms of the agreement, Apnimed will receive a $100 million upfront cash payment, a $50 million cash payment upon the achievement of a development milestone related to SASS-002 (sulthiame) and tiered royalties on future commercial sales of any products arising from SASS intellectual property. The transaction is expected to close in the second quarter of 2026.

"This transaction represents a strategic monetization of SASS assets to strengthen our balance sheet and enable us to further focus on the advancement and planned commercialization of our lead product candidate AD109 which has an expected NDA submission date to the FDA in the second quarter of 2026," said Larry Miller, MD, Chief Executive Officer of Apnimed. "We are proud of the valuable collaboration we have built with Shionogi over the past three years and are encouraged by the progress of the SASS programs. We look forward to their continued development under Shionogi's leadership."

SASS was initially established in 2023 as a joint venture between Shionogi and Apnimed to provide promising solutions that address unmet needs in the field of sleep disorders. By combining Shionogi's strengths in small molecule drug discovery and first-in-class and best-in-class compound creation with Apnimed's deep expertise and outstanding translational research capabilities, SASS has been working to advance novel solutions for sleep disorders.

About AD109

AD109 is designed to be the first pharmacological treatment to improve oxygenation during sleep by directly addressing the neuromuscular root cause of upper airway collapse in people with OSA. It is a first-in-class combination of aroxybutynin, a novel antimuscarinic, and atomoxetine, a selective norepinephrine reuptake inhibitor (NRI). Their combined pharmacological synergy is designed to target the underlying neuromuscular cause of OSA. AD109 is a once-daily pill taken at bedtime that is designed to lower the complexity of intervention and may help more people benefit from effective, restorative sleep. In a disease characterized by complex and invasive treatment options, AD109 may be a simple solution to help improve oxygenation and health wellbeing for people living with OSA.

About Obstructive Sleep Apnea

OSA is a serious, chronic sleep-related breathing disease in which the upper airway repeatedly collapses during sleep, leading to intermittent oxygen deprivation. It is caused by two overlapping mechanisms: neuromuscular dysfunction during sleep and predisposing anatomic abnormalities. OSA affects individuals across all walks of life, impacting both males and females of all age groups, ethnicities, and weight classes, including those with or without obesity. An estimated 80 million people in the United States and one billion people worldwide suffer from OSA.

An individual with OSA can experience hundreds of sleep apnea events in a single night, each one reducing the blood oxygen levels and negatively impacting cellular functions vital to normal health and function. Failure to effectively treat OSA increases the risk of serious long-term health consequences, including cardiovascular, neurocognitive and cardiometabolic damage and heightened mortality. Yet, many patients diagnosed with OSA remain untreated.

About Apnimed

Apnimed is a privately held late-stage clinical pharmaceutical company dedicated to the discovery, development and commercialization of novel oral therapies that address the neurobiology of sleep-related breathing diseases. We believe the introduction of simple, once-nightly oral drugs has the potential to expand diagnosis and the reach of treatment for people with OSA. We believe that OSA would benefit from having multiple drugs with differing mechanisms to more fully address the heterogeneity of disease pathophysiology. Apnimed envisions a new era where novel oral therapies simplify intervention, expand the reach of diagnosis and treatment, and help more people get the oxygen and restorative sleep needed to thrive.

Based in Cambridge, Mass., Apnimed is advancing AD109, designed to improve oxygenation in individuals living with OSA. We believe that AD109 could become the catalyst for a new oral treatment paradigm for OSA that has been historically limited to cumbersome devices or invasive surgeries. AD109 has completed two Phase 3 clinical trials for the treatment of mild, moderate and severe OSA and Apnimed plans to submit its New Drug Application (NDA) to the U.S. Food and Drug Administration (the FDA) in the second quarter of 2026.

Learn more at apnimed.com or follow us on X and LinkedIn.

Media Contact:
media@apnimed.com

Investor Contact:
ir@apnimed.com