



Australian firm acquires multiple San Antonio bioscience companies; Deal could be worth \$270 million

TFS Corp. Ltd., an Australian firm that claims to be the world's largest owner and manager of commercial Indian sandalwood plantations, has struck a deal to buy two San Antonio-based bioscience companies — ViroXis Corp. and Santalis Pharmaceuticals.

TFS will pay up to \$270 million for ViroXis and Santalis if all of the targets for the two companies are met. The transactions are expected to close in a few weeks.

The good news for San Antonio is that ViroXis and Santalis will keep their headquarters in the Alamo City. Additionally, TFS is expected to invest \$25 million over five years in the companies.

TFS already had a working relationship with ViroXis and Santalis. Now, as a result of the acquisitions, TFS will own the entities, which exclusively develop and sell products containing Indian sandalwood it grows and processes.

TFS CEO [Frank Wilson](#) said the transactions will enable the company to “work even closer with the product development teams and accelerate the establishment of a range of sandalwood-based dermatological products.”

San Antonio-based venture capital group Targeted Technology has an investment in both companies. ViroXis was co-founded by [Paul Castella](#), who also co-founded Targeted Technology. The company was created to commercialize licensed patents for the use of East Indian sandalwood oil, or EISO, to treat viral skin conditions such as HPV skin warts.

[Targeted Technology Fund](#) I provided the investment for ViroXis' Series A funding. The company's Series B round was supported by additional venture funds and local angel investors. The company has raised about \$11 million to date to develop and commercialize its products. It's lead candidate drug is being prepared for a Phase III Food and Drug Administration study.

Santalis Pharmaceuticals was formed as a joint venture with TFS to commercialize nonoverlapping health care applications of EISO.

TFS' acquisition of ViroXis and Santalis is expected to provide both companies with greater access to resources needed to complete their respective commercialization efforts. The deals also align the interests and capabilities of TFS, ViroXis and Santalis under one roof.

Source: <http://www.bizjournals.com/sanantonio/news/2015/06/18/australian-corporation-acquires-multiple-san.html>

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