



Diagonal Therapeutics Announces Oversubscribed \$125 Million Series B Financing to Advance Clinical Development of Disease-Modifying, Clustering Antibody Pipeline

Financing co-led by Sanofi Ventures and Janus Henderson Investors, with participation from new investors Deep Track Capital, EcoR1 Capital, Logos Capital, Balyasny Asset Management L.P., Woodline Partners LP and all existing investors

Proceeds to fund clinical development of DIAG723, a first-in-class, disease-modifying therapy designed to correct the root cause of hereditary hemorrhagic telangiectasia and pulmonary arterial hypertension, and advance additional clustering antibody drug candidates

DIAG723 is expected to enter the clinic in first half of 2026

Watertown, Mass., January 8, 2026 – [Diagonal Therapeutics](#), a biotechnology company developing disease-modifying clustering antibodies that correct dysregulated signaling in severe genetic diseases, today announced the closing of an oversubscribed \$125 million Series B financing co-led by Sanofi Ventures and Janus Henderson Investors, with participation from both existing and new investors. New investors include Deep Track Capital, EcoR1 Capital, Logos Capital, Balyasny Asset Management L.P. and Woodline Partners LP. Existing investors include Atlas Venture, BVF Partners, Lightspeed Venture Partners, RA Capital Management, Frazier Life Sciences, Viking Global Investors, RV Invest, Velocity Capital, Biovision Ventures, and Checkpoint Capital. Paulina Hill, Ph.D., Partner at Sanofi Ventures, will join Diagonal's Board of Directors in conjunction with the financing.

Proceeds will support advancement of DIAG723, a first-in-class, disease-modifying clustering antibody designed to correct the underlying cause of hereditary hemorrhagic telangiectasia (HHT) and pulmonary arterial hypertension (PAH), conditions that collectively impact hundreds of thousands of people around the world. Diagonal expects to initiate its first-in-human trial for DIAG723 in HHT patients during the first half of 2026.

“DIAG723 has exhibited robust disease-modifying activity in several preclinical models of HHT and PAH, demonstrating its ability to prevent and reverse disease pathology and restore normal signaling in cells derived from patients,” said Alex Lugovskoy, Ph.D., Founder and CEO of Diagonal Therapeutics. “We are deeply grateful to our new and existing investors for their support as we advance DIAG723 into the clinic, with the goal of delivering a life-changing therapy for patients in need of effective treatment options. This financing also enables us to advance our pipeline of additional clustering antibody therapeutics.”

“Diagonal’s unique clustering antibody approach has the potential to address the root cause of genetic diseases that originate from impaired receptor signaling,” said Paulina Hill, Ph.D., Partner at Sanofi Ventures. “We are excited to support this innovative company led by an

experienced team with a strong track record of operational excellence, deep commitment to improving patients' lives, and bold vision for transforming care in severe genetic diseases."

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About Hereditary Hemorrhagic Telangiectasia (HHT)

HHT is a rare disease that affects more than 330,000 people in the U.S. and EU, and for which there are currently no approved therapies. In HHT, loss of function point mutations in members of the TGF- β receptor superfamily complex create abnormal blood vessels that are fragile and susceptible to rupture and bleeding. These bleeding events drastically reduce quality of life, result in emergency room visits and hospitalizations, and lead to chronic anemia, necessitating frequent iron infusions or red blood cell transfusions in many patients. Solid organ arteriovenous malformations, if left untreated, are at risk of rupturing, resulting in lung and brain hemorrhage, stroke, heart failure, or death.

About Pulmonary Arterial Hypertension (PAH)

PAH is a rare, progressive, life-threatening disorder that impacts an estimated 200,000 patients globally. Current PAH treatments can manage symptoms and slow disease progression but there have been reports of the formation of telangiectasia, epistaxis and pulmonary shunting with recent modulators of the pro-proliferative pathway. In PAH, loss of function mutations in BMPR2 or BMPRII downregulation leads to impaired ALK1 signaling that causes vascular hyperproliferation, narrowing the pulmonary arterial walls and resulting in elevated pulmonary arterial pressure and ultimately death due to right ventricular failure.

About DIAG723

DIAG723 is a clustering antibody designed specifically to address the root cause of HHT and PAH, in which dysregulated ALK1 signaling in endothelial cells drives the formation of fragile arteriovenous malformations or vascular hyperproliferation, respectively. DIAG723 restores signaling lost due to mutations that impair receptor function. In multiple HHT preclinical studies, DIAG723 prevented and reversed arteriovenous malformations and anemia – a hallmark of HHT that can cause a host of bleeding-related complications in various organs. DIAG723 was also found to restore signaling in multiple HHT patient donor samples. In preclinical models of PAH, DIAG723 prevented disease development and cardiac remodeling, and improved hemodynamics. DIAG723 also restored normal signaling in pulmonary microvascular endothelial cells derived from multiple PAH donors. DIAG723 has received orphan drug designation from the US FDA and the EMA for the treatment of HHT.

About Diagonal Therapeutics

Diagonal Therapeutics is a biotech company advancing novel disease-modifying clustering antibodies that repair dysregulated signaling implicated in a range of illnesses. The Company's DIAGONAL Product Engine combines proprietary computational and experimental techniques to overcome historical challenges associated with antibody drug discovery and efficiently deliver optimized therapeutic assets. Diagonal's pipeline comprises clustering antibodies designed to selectively address the underlying cause of disease across hematology, hepatology, and



nephrology, offering the potential to deliver life-changing therapies for patients. For more information, please visit www.diagonaltx.com.

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