

Servier and Vernalis plc announce achievement of 3 milestones in their oncology drug discovery collaboration

Two research milestones and one clinical milestone, triggering a total payment of €2 million to Vernalis

26 April 2017 - Servier and Vernalis plc are pleased to announce the achievement of two research milestones and one clinical milestone in their oncology drug discovery collaboration, triggering a total payment of €2 million to Vernalis.

Vernalis and Servier's partnership has been successfully running for ten years. Their collaboration takes advantage of Vernalis' proprietary fragment and structure-based drug discovery platform, and of Servier's expertise in medicinal chemistry, cancer biology and pharmacology to bring innovation in oncology one step further.

The collaboration focuses on complicated molecular targets, some of which, like Mcl1, were considered as undruggable until recently. The clinical milestone announced today corresponds to the first treatment of the first patient in a Servier sponsored trial with a selective Mcl1 inhibitor identified through the oncology drug discovery collaboration between Servier and Vernalis. The discovery and characterization of this family of Mcl1 inhibitors were recently published in *Nature*¹. The worldwide clinical development of this promising drug candidate is being undertaken by Servier in collaboration with Novartis.

The two research milestones relate to success in early drug discovery against Mcl1 and a challenging, promising but undisclosed target.

"These research and clinical milestones are the result of highly interactive joint efforts between chemists, biochemists and biologists from both companies and hopefully will lead to new treatments for cancer patients," Olivier Geneste, head of research in Oncology at Servier commented. "They illustrate well the innovative freedom that Servier has kept through its important investment in R&D."

"These milestones further validate our fragment-based drug discovery platform as well as the strength and success of our relationship with Servier. We look forward to working together to develop exciting new cancer treatment opportunities to add to the already disclosed success in targeting Bcl-2 and Mcl-1", commented Ian Garland, CEO of Vernalis.

Under the current agreement, Vernalis receives fees for work undertaken as well as research and development milestones and potentially royalties on sales.

¹ Kotschy at al., 538, 477-482, 2016



The information contained within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014. Upon the publication of this announcement this inside information is now considered to be in the public domain.

About Servier

Servier is an international pharmaceutical company governed by a non-profit foundation with its headquarters in Suresnes (France). With a strong international presence in 148 countries and a turnover of 4 billion euros in 2016, Servier employs 21 000 people worldwide. Corporate growth is driven by Servier's constant search for innovation in five areas of excellence: cardiovascular diseases, diabetes, cancers, immune-inflammatory diseases, and neurodegenerative diseases, as well as by its activities in high-quality generic drugs. Being completely independent, the Group reinvests 25% of turnover (excluding generics) in research and development and uses all its profits for growth.

Becoming a key player in oncology is part of Servier's long-term strategy. Currently, there are nine new molecular entities in clinical development in this area, targeting breast and lung cancers and other solid tumors, as well as various leukemias and lymphomas. This portfolio of innovative cancer treatments is being developed with partners worldwide, and covers different cancer hallmarks, including cytotoxics, proapoptotics, targeted, immune and cellular therapies.

More information: www.servier.com

About Vernalis

Vernalis is a revenue generating, commercial stage pharmaceutical company with significant expertise in drug development. The Group has three approved products: Tuzistra® XR targeting the US prescription cough-cold market; Moxatag®, a once-daily formulation of the antibiotic, amoxicillin, indicated for the treatment of tonsillitis and/or pharyngitis secondary to *Streptococcus pyogenes* in adults and pediatric patients 12 years and older; and frovatriptan for the acute treatment of migraine. It has an exclusive licensing agreement to develop and commercialise multiple novel products focused on the US prescription cough-cold market as well as eight programmes in its NCE development pipeline. Vernalis has also significant expertise in fragment and structure based drug discovery which it leverages to enter into collaborations with larger pharmaceutical companies. The Company's technologies, capabilities and products have been endorsed over the last five years by collaborations with leading pharmaceutical companies, including Asahi Kasei Pharma, Biogen Idec, Endo, GSK, Genentech, Lundbeck, Menarini, Novartis, Servier, and Tris.

For further information about Vernalis, please visit www.vernalis.com.

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Vernalis Forward-Looking Statement

This news release may contain forward-looking statements that reflect the Company's current expectations regarding future events including the clinical development and regulatory clearance of the Company's products, the Company's ability to find partners for the development and commercialisation of its NCE pipeline, the Company's ability to successfully commercialise its cough-cold products and Moxatag® through its own sales force, as well as the Company's future capital raising activities. Forward-looking statements involve risks and uncertainties. Actual events could differ materially from those projected herein and depend on a number of factors including the success of the Company's research strategies, the applicability of the discoveries made therein, the successful and timely completion of clinical studies, the uncertainties related to the regulatory process, the ability of the Company to identify and agree beneficial terms with suitable partners for the commercialisation and/or development of its products, as well as the achievement of expected synergies from such transactions, the acceptance of Tuzistra® XR, Moxatag®, frovatriptan and other products by consumers and medical professionals, the successful integration of completed mergers and acquisitions and achievement of expected synergies from such transactions, and the ability of the Company to identify and consummate suitable strategic and business combination transactions.