

PRESS RELEASE



GSK and Oncodesign announce agreement for Oncodesign's acquisition of GSK's Research Centre in France

- **High quality drug discovery expertise to remain as part of the science research community in France**
- **Development boost for both Oncodesign's drug discovery internal programs and services business**

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GSK and Oncodesign have signed an agreement for Oncodesign to acquire the François Hyafil Research Centre located in Villebon-sur-Yvette (Essonnes) from GSK, part of the Paris Saclay innovation cluster, including transfer of the team of highly qualified drug discovery staff located at the site (anticipated to be 57 employees). Under the terms of the agreement, GSK will provide €35 million support over a four year period, and Oncodesign will use this funding to integrate the site and its capabilities into its business and ensure the continued employment of the transferring staff over this period. The agreement is expected to become unconditional and effective by or on 1st December 2016.

Established in 1987 and located in a new state-of-the-art research facility opened in 2010, the François Hyafil Research Centre was most recently a Flexible Discovery Unit that provided scientific expertise and resources to support drug discovery and incubate new science within GSK. The capabilities within the facility include delivery of medicinal chemistry, biology, in vivo pharmacology and drug metabolism/pharmacokinetics capabilities with experience in many therapeutic areas.

"We welcome the François Hyafil Research Centre staff, who are recognized industry-wide. This strategic acquisition of GSK's research center is a key next step for Oncodesign and without any dilutive impact for our shareholders. It will allow Oncodesign to boost its Drug Discovery programs and Experimentation businesses and to position itself as a leading player in the business of Full Drug Discovery Services, a new market for Oncodesign" said Philippe Genne, CEO and founder of Oncodesign. "This acquisition further accelerates the development of our strategic partnerships, with IPSEN, BMS and UCB. In addition, it will speed up our Nanocyclix based drug discovery internal programs through increased capabilities and productivity in both oncology and non-oncology areas. Oncodesign will thus strengthen its scientific expertise in one of the most modern research centres in France in addition to acquiring new and complementary capabilities and expansion in non-oncology space. Together with our presence at the Open

Campus IPSEN site, the FHRC integration will further establish our presence in the Paris Saclay science cluster and allow us to benefit from the innovation in this region in complement to that of our Dijon site.”

In 2015, GSK streamlined its R&D organizational operations to consolidate around two major R&D centres: Upper Providence (USA) and Stevenage (UK), with a reduction in the number of satellite R&D sites that support activities at these two central hubs. As a result of these changes, in September 2015 GSK announced that it would be searching for a robust organization to acquire the François Hyafil Research Centre and continue activities in this location.

“GSK has been fully committed to searching for a high quality research organisation that could acquire the François Hyafil Research Centre, and I am delighted that, through this agreement, the skilled scientists based at the site will have a secure future and can remain part of the science research community in France” commented Jean-Francois Brochard, General Manager GSK France.

Dave Allen, SVP, GSK Pharmaceuticals R&D said. “Oncodesign is a fast-growing French company with innovative technologies and novel programs, which has a robust plan for the long term success of the François Hyafil Research Center. Acquisition of the site will allow the scientist’s drug discovery capabilities to continue to be used to advance human medicines. I am pleased that we have secured this agreement with Oncodesign and am confident the team can become an important and integrated part of their company.”

GSK – one of the world’s leading research-based pharmaceutical and healthcare companies – is committed to improving the quality of human life by enabling people to do more, feel better and live longer.

In France, GSK is a major player in the pharmaceutical sector, involved in every stage of the value chain, with more than 3500 employees, 3 production sites (Mayenne, Evreux, Saint-Amand-les-Eaux), a clinical research centre and Head office located in Marly-le-Roi.

Over the last 3 years, GSK has invested around €83 million across its 3 productions sites in France and since 2015 more than 300 jobs have been created on these sites.

Oncodesign – Founded over 20 years ago by Dr Philippe Genne, the Company’s CEO and Chairman, Oncodesign is a biotechnology company that maximises the pharmaceutical industry’s chances of success in discovering new therapeutic molecules to fight cancer and other serious illnesses with no known effective treatment. With its unique experience acquired by working with more than 600 clients, including the world’s largest pharmaceutical companies, along with its comprehensive technological platform combining state-of-the-art medicinal chemistry, advanced animal modelling and medical imaging, Oncodesign is able to predict and identify, at a very early stage, each molecule’s therapeutic usefulness and potential to become an effective drug. Applied to kinase inhibitors, which represent a market estimated at over \$40 billion in 2016 and accounting for almost 25% of the pharmaceutical industry’s R&D expenditure, Oncodesign’s technology has already enabled the targeting of several promising molecules with substantial therapeutic potential, in oncology and elsewhere, along with partnerships with pharmaceutical groups such as Bristol-Myers Squibb, Ipsen and UCB. Oncodesign is based in Dijon, France, in the heart of the town’s university and hospital hub. It has 108 employees and subsidiaries in Canada and the USA. www.oncodesign.com

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