

OSE Immunotherapeutics signs a license option agreement with Servier to develop and commercialize the product Effi-7

Partnership to accelerate development of drugs targeting diseases with unmet medical needs in auto-immune diseases.

Nantes and Paris, December 27, 2016 - OSE Immunotherapeutics SA (ISIN: FR0012127173; Mnémo: OSE), today announced that the company has entered into a worldwide license option agreement with **Servier**, an independent international pharmaceutical company, for the development and commercialization of OSE Immunotherapeutics' Effi-7, an antagonist of the interleukin-7 receptor.

Under the terms of the agreement, OSE Immunotherapeutics grants Servier a license option on the exclusive worldwide rights for the development and commercialization of its product Effi-7. OSE Immunotherapeutics is eligible to receive up to €272 million including an upfront payment of €10.25 million and additional payments of €30 million upon the exercise of a two-steps option license. These steps will enable the development of Effi-7 up to the completion of a phase 2 clinical trial planned in ulcerative colitis, an autoimmune bowel disease. Further payments will be linked to the achievement of clinical development and registration in multiple indications, as well as sales milestones with double-digit royalties on sales.

Effi-7 is a monoclonal immunomodulatory antibody targeting the alpha chain of the interleukin-7 receptor (IL-7R-alpha or CD127 receptor). Effi-7 has an innovative mechanism of action: it blocks both the IL-7 and the internalization of the receptor, thus inducing a powerful antagonist effect on the pathogenic T lymphocytes involved in autoimmune diseases. This mechanism has been confirmed recently through multiple *in vitro* studies.

Currently in preclinical stage for ulcerative colitis, the development of Effi-7 will also be pursued until the clinical phase 2 as part of the EFFIMab consortium, led by OSE Immunotherapeutics and including the University Hospital of Nantes and the company PxTherapeutics. This development is co-financed by Bpifrance for €9.1 million (on a total amount of €20 million). Servier will take further development in charge after this phase 2.

Dominique Costantini, Chief Executive Officer at OSE Immunotherapeutics, comments: *"We are very pleased to enter into this collaboration with Servier, which will allow the availability of new therapeutic options for patients suffering from invalidating autoimmune pathologies. This agreement validates the strong potential and the attractiveness of our breakthrough immunotherapies, developed by a leading team that I would like to thank warmly. We are looking forward to working with the Servier R&D team to make this global partnership a success".*

In parallel, Servier plans to start preclinical studies in the Sjögren syndrome. This disease, which provokes dryness of salivary and lacrimal glands, is the second most frequent auto-immune disease, with an incidence of 0.6 for 1,000 adults. A third of the patients have a systemic syndrome and the pathology leads to an increased risk of B lymphoma and pulmonary fibrosis (by lymphocyte infiltration). Sjögren syndrome has no curative treatment as of today. This parallel approach will allow, in line with Servier's strategy, to speed up the development of promising drugs for diseases with strong unmet medical needs.

Patricia Belissa-Mathiot, Director of the R&D department for immune-inflammatory diseases at Servier, concludes: *"This partnership shows our willingness to focus our research on pathologies with very strong medical needs and to bring innovative therapeutic solutions to patients suffering from auto-inflammatory diseases. It demonstrates our commitment for research and the importance of partnerships with biotech companies"*.

ABOUT OSE IMMUNOTHERAPEUTICS

Our ambition is to become a world leader in activation and regulation immunotherapies

OSE Immunotherapeutics is a biotechnology company focused on the development of innovative immunotherapies for immune activation and regulation in the fields of immuno-oncology, auto-immune diseases and transplantation.

The company has a balanced portfolio of first-in-class products with a diversified risk profile ranging from clinical phase 3 registration trials to R&D:

In immuno-oncology:

- **Tedopi®**, a combination of **10 optimized neo-epitopes** to induce specific T activation in immuno-oncology - **Currently in registration Phase 3 trial advanced NSCLC HLA A2+ patients EU /US** - Orphan Status in the US - **Registration expected in 2020** - a **Phase 2 with Tedopi® in combination with a checkpoint inhibitor** in NSCLC is considered in 2017.
- **Effi-DEM**, **new generation checkpoint inhibitor** targeting the **SIRP-α receptor** - **In preclinical development** for several cancer models.

In auto-immune diseases and transplantation:

- **FR104**, CD28-antagonist in immunotherapy - **Phase 1 trial completed** – For the treatment of autoimmune diseases and for use with transplantation - **Licensed to Janssen Biotech Inc.** to pursue clinical development.
- **Effi-7**, interleukin receptor-7 antagonist - **In preclinical development** for inflammatory bowel diseases and other autoimmune diseases.

More information: <http://ose-immuno.com>

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ABOUT SERVIER

Servier is an international pharmaceutical company governed by a non-profit Foundation and headquartered in France. With a strong international presence in 148 countries and a turnover of 4 billion euro in 2016, Servier employs over 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 Servier's products turnover in Research and Development, and all its profits in its growth.

In particular, Servier is committed to taking a leading role in the fight against immuno-inflammatory diseases.

More information is available at: www.servier.com

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Forward-looking statements

This press release contains express or implied information and statements that might be deemed forward-looking information and statements in respect of OSE Immunotherapeutics. They do not constitute historical facts. These information and statements include financial projections that are based upon certain assumptions and assessments made by OSE Immunotherapeutics' management in light of its experience and its perception of historical trends, current economic and industry conditions, expected future developments and other factors they believe to be appropriate.

These forward-looking statements include statements typically using conditional and containing verbs such as "expect", "anticipate", "believe", "target", "plan", or "estimate", their declensions and conjugations and words of similar import.

Although the OSE Immunotherapeutics management believes that the forward-looking statements and information are reasonable, the OSE Immunotherapeutics' shareholders and other investors are cautioned that the completion of such expectations is by nature subject to various risks, known or not, and uncertainties which are difficult to predict and generally beyond the control of OSE Immunotherapeutics. These risks could cause actual results and developments to differ materially from those expressed in or implied or projected by the forward-looking statements. These risks include those discussed or identified in the public filings made by OSE Immunotherapeutics with the AMF. Such forward-looking statements are not guarantees of future performance.

This press release includes only summary information and should be read with the OSE Immunotherapeutics Reference Document filed with the AMF on 8 June 2016 under the number R.16-052, the consolidated financial statements and the management report for the fiscal year 2015, as well as the Merger Document registered with the AMF on 26 April 2016 under number E.16-026, all available on the OSE Immunotherapeutics' website.

Other than as required by applicable law, OSE Immunotherapeutics issues this press release at the date hereof and does not undertake any obligation to update or revise the forward-looking information or statements.