



## **F-star Expands its Relationship with Merck through a new Strategic Collaboration to Develop Bispecific Antibodies in Immuno-Oncology**

- ? **New strategic collaboration to develop and commercialise five bispecific immuno-oncology antibodies, including F-star's lead asset FS118**
- ? **F-star to receive up to €115 million over the first two years**
- ? **Merck has option to acquire the programmes, with potential deal value of over €1 billion**

**Cambridge, UK – 04 June 2017** – F-star, a biopharmaceutical company developing novel bispecific antibodies, announces today a new partnership with Merck, a leading science and technology company, for the development and commercialisation of five bispecific immuno-oncology antibodies (mAb<sup>2</sup>™).

Under the agreement and upon delivery of pre-defined data packages, Merck has the option to acquire five of F-star's bispecific programmes. This option includes exclusive development and commercialisation rights to F-star's preclinical lead asset FS118, which is designed to block LAG-3 (Lymphocyte-Activation Gene 3) and PD-L1 (Programmed Death-Ligand 1), two pathways commonly used by cancer cells to evade the immune system. In a preclinical model, F-star has demonstrated that FS118 could improve efficacy compared to monotherapy combinations, which supports the potential to initiate a clinical development programme (1).

Upon option exercise, in addition to FS118, F-star grants Merck exclusive development and commercial rights to four novel bispecific antibodies targeting specific pathways to augment the anti-tumour immune response. In return, Merck will pay up to €115m in upfront, R&D funding and milestone payments in the first two years, and make further payments upon exercising its option and based on milestones.

**John Haurum, CEO of F-star**, said: *"This immuno-oncology collaboration expands our strong relationship with Merck and is a further validation of the potential of F-star's bispecific antibody platform. Our vision is to transform the treatment of cancer. This is the objective of partnering our lead asset FS118 and other next-generation immuno-oncology compounds with Merck.*

*This deal also underscores the attractiveness of our asset-centric business model, which provides a flexible deal-making framework whilst at the same time maximising the value of F-star's bispecific programmes and technology platform. This approach also provides us with additional non-dilutive cash to support our investment in the development of our own pipeline of bispecific antibodies, with a strong focus on immuno-oncology."*

This collaboration with Merck is held within F-star's fourth asset centric vehicle, F-star Delta. Upon the delivery of a pre-defined data package, Merck has an option to acquire the bispecific programmes through the acquisition of F-star Delta and will make further payments upon option exercise as well as milestones with the potential total deal value reaching over €1 billion.

**Luciano Rossetti, Executive Vice President, Global Head of Research & Development at the biopharma business of Merck**, commented: *"Our collaboration with F-star will help us to rapidly enhance our pipeline and grow our portfolio of bispecific immunotherapies. This deal complements our internal capabilities in immuno-oncology and positions us as a potential leader in this important area of research."*

(1) [Poster at the 2016 annual SITC meeting, National Harbor, Maryland, USA](#)