



## **F-Star and Merck Serono to Collaborate in the Discovery and Development of Novel Targeted Biologics**

**Vienna, Austria, (September 7<sup>th</sup> 2011)** -- F-Star GmbH today announced that a research, license and commercialisation agreement was signed with Merck Serono, a division of Merck KGaA, Darmstadt, Germany, for the discovery of new antibody-derived therapeutics against inflammatory disease targets using F-Star's Modular Antibody Technology.

Under the terms of the agreement, Merck Serono will nominate up to three therapeutic targets and the parties will collaborate to jointly discover mono-specific Fc-based targeted biologics (Fcabs) and bi-specific IgG-based targeted biologics (mAb<sup>2</sup>) for which Merck KGaA will have exclusive worldwide development and commercialisation rights. F-Star will receive an initial technology access fee and research-based funding and is eligible to receive additional license fees, development, regulatory and commercialisation milestones which in aggregate could reach €492 million, as well as undisclosed tiered royalties on product sales. Further details of the agreement were not disclosed.

Dr Kevin FitzGerald, Chief Executive Officer of F-Star, commented: "We are very pleased to have completed this agreement with Merck Serono. Merck Serono Ventures has proved to be a supportive venture investor in F-Star and we are now excited to expand the relationship with Merck Serono to include collaborative discovery and development projects. F-Star has developed novel technology for the discovery of targeted biologics that offer significant improvements over conventional antibodies. This agreement builds on F-Star's strategy to develop and demonstrate the therapeutic potential of our proprietary technology through advancing our own pipeline as well as through a limited number of very selective research collaborations."

"We are very pleased to see our investment in F-Star through Merck Serono Ventures mature into a strategic collaboration, which reinforces our commitment to deliver innovative treatments in the area of inflammatory diseases," said Susan Herbert, Head of Portfolio Development at Merck Serono. "We believe that F-Star's Modular Antibody Technology has the potential to offer important functional advantages over conventional antibodies and will potentially allow us to generate highly differentiated drugs for patients with so far unmet medical needs."

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### **About F-star:**

F-Star is an antibody engineering company based in Vienna, Austria and Cambridge, UK. The company develops improved therapeutic antibodies and antibody fragments based on its Modular Antibody Technology, which allows the introduction of additional antigen-binding sites into antibodies and antibody fragments by engineering the non-CDR loops of antibody domains. Using Modular Antibody Technology F-Star generates antibody fragments that have full antibody functionality and long half-life but are much smaller in size (Fcab™) and full-sized antibodies with additional functionality or bispecificity (mAb<sup>2</sup>™). Since its founding in 2006 the company has raised approximately €34 million from a syndicate comprising both venture and corporate investors: Atlas

Venture, Aescap Venture, Novo Ventures, TVM Capital, Merck Serono Ventures, MP Healthcare Venture Management and SR One. The company employs 24 staff at its research sites in Vienna and Cambridge. For more information visit [www.f-star.com](http://www.f-star.com).

### **About Merck Serono**

Merck Serono is the biopharmaceutical division of Merck KGaA, Darmstadt, Germany, a global pharmaceutical and chemical company. Headquartered in Geneva, Switzerland, Merck Serono discovers, develops, manufactures and markets prescription medicines of both chemical and biological origin in specialist indications. In the United States and Canada, EMD Serono operates as a separately incorporated affiliate of Merck Serono.

Merck Serono has leading brands serving patients with cancer (Erbix<sup>®</sup>, cetuximab), multiple sclerosis (Rebif<sup>®</sup>, interferon beta-1a), infertility (Gonal-f<sup>®</sup>, follitropin alfa), endocrine and metabolic disorders (Saizen<sup>®</sup> and Serostim<sup>®</sup>, somatropin), (Kuvan<sup>®</sup>, sapropterin dihydrochloride), (Egrifta<sup>™</sup>, tesamorelin), as well as cardiometabolic diseases (Glucophage<sup>®</sup>, metformin), (Concor<sup>®</sup>, bisoprolol), (Euthyrox<sup>®</sup>, levothyroxine). Not all products are available in all markets.

With an annual R&D expenditure of over €1bn, Merck Serono is committed to growing its business in specialist-focused therapeutic areas including neurodegenerative diseases, oncology, fertility and endocrinology, as well as new areas potentially arising out of research and development in rheumatology.

### **About Merck**

Merck is a global pharmaceutical and chemical company with total revenues of €9.3 billion in 2010, a history that began in 1668, and a future shaped by more than 40,000 employees in 67 countries. Its success is characterized by innovations from entrepreneurial employees. Merck's operating activities come under the umbrella of Merck KGaA, in which the Merck family holds an approximately 70% interest and free shareholders own the remaining approximately 30%. In 1917 the U.S. subsidiary Merck & Co. was expropriated and has been an independent company ever since.

For more information, please visit [www.merckserono.com](http://www.merckserono.com) or [www.merck.de](http://www.merck.de)

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