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## NEOVACS AND BIOSENSE SIGN OPTION AGREEMENT WORTH UP TO €65 MILLION PLUS ROYALTIES FOR CHINESE DEVELOPMENT AND COMMERCIAL RIGHTS TO IFN $\alpha$ KINOID FOR LUPUS AND DERMATOMYOSITIS

- Neovacs receives an upfront fee and is eligible for additional milestone payments and double digit sales royalties
- Biosense receives option for development and commercial rights to IFN $\alpha$  Kinoid for lupus and dermatomyositis in China and other selected territories

**Paris, February 21, 2017 - Neovacs (Alternext Paris: ALNEV)**, a leader in active immunotherapy for the treatment of autoimmune diseases, today announces that it has signed with BioSense Global LLC a commercial license option agreement for its IFN $\alpha$  Kinoid vaccine to treat lupus and dermatomyositis in China, worth up to €65 million in upfront and milestone payments, not including double-digit sales royalties.

*"This transaction, as well as the commercial licensing agreement signed last year for the South Korean market<sup>1</sup>, is indicative of the significant worldwide commercial potential of IFN Kinoid, and demonstrates the attractiveness of our lead asset," said Miguel Sieler, CEO of Neovacs. "While we have been able to retain rights for the rest of the world, especially the valuable U.S. and European markets, for which we have other discussions ongoing, we recognize that China is the world's second largest pharmaceutical market, where close to 1 million patients are suffering from lupus<sup>2</sup>. As such, we are pleased to be working with the BioSense team, who has a strong track record for successful clinical development and commercialization in China."* said **Miguel Sieler, CEO of Neovacs.**

"We believe that IFN $\alpha$  Kinoid has significant medical value and commercial potential in Asia and China particular and we are very excited about the opportunity to bring this innovative product to meet the significant unmet medical needs in China and other selected markets" said **Andy Li, PhD, CEO of BioSense.** "Based on our team's considerable drug development and commercialization experience in China, BioSense is well positioned to conduct the necessary pivotal clinical trial, achieve regulatory approvals and maximize the commercial value of IFN $\alpha$  Kinoid in China and our selected territories. We are building a portfolio of innovative product candidates, and IFN $\alpha$  Kinoid represents the most advanced of these, making it a key asset for BioSense."

Upon successful completion of Neovacs' ongoing Phase IIb trial for IFN $\alpha$  Kinoid in Lupus (SLE), BioSense will receive commercial rights for IFN $\alpha$  Kinoid in both indications Lupus and Dermatomyositis

<sup>1</sup> Press Release published December 15th, 2015: "Neovacs signs a strategic partnering agreement with the Korean company CKD Pharmaceutical Corp."

<sup>2</sup> <https://www.ncbi.nlm.nih.gov/pubmed/21148605>

for China and selected territories: Macao, Hong Kong, Taiwan and Singapore. BioSense will fund a Phase III clinical trial for IFN $\alpha$  Kinoid in China and will be seeking regulatory approval in the appropriate geographies. BioSense will bear all costs associated with these development and regulatory-related initiatives. Both parties will work closely in designing and executing next stage clinical development strategy in China and all other geographies.

Neovacs retains rights for other regions, except the previously partnered South Korean market. BioSense also receives first right of refusal in the agreed upon Asian markets for any further IFN $\alpha$  Kinoid indications, including Type 1 Diabetes. Additional terms were not disclosed.

#### **About Kinoids®: Neovacs Technology**

Kinoids® developed by Neovacs targets pathologies associated with an overproduction of endogenous cytokines. This technology is based on active immunotherapy to generate an immune response through the administration of an immunogenic complex involving the target cytokine to a carrier protein (KLH). The intramuscular injection of this Kinoid induces an immune response and stimulates the production of polyclonal antibodies against the target cytokines. It is thus possible to block cytokine overproduction and its pharmacological effects. Several autoimmune and inflammatory diseases (e.g. systemic lupus erythematosus, dermatomyositis, Type 1 diabetes etc.) are characterized by a disorder of cytokines that are found to be produced in excess (ex: IFN $\alpha$ ), promoting inflammation and dysregulation of the immune system.

#### **About Neovacs**

Listed on Alternext Paris since 2010, Neovacs is today a leading biotechnology company focused on an active immunotherapy technology platform (Kinoids) with applications in autoimmune and/or inflammatory diseases. On the basis of the company's proprietary technology for inducing a polyclonal immune response (covered by five patent families that potentially run until 2032) Neovacs is focusing its clinical development efforts on IFN $\alpha$ -Kinoid, an immunotherapy being developed for the indication of lupus, dermatomyositis and also in preclinical trial for Type 1 diabetes. Neovacs is also conducting preclinical development works on other therapeutic vaccines in the fields of auto-immune diseases, oncology and allergies. The goal of the Kinoid approach is to enable patients to have access to safe treatments with efficacy that is sustained in these life-long diseases.  
[www.neovacs.fr](http://www.neovacs.fr)

#### **About Biosense Global LLC**

BioSense is an emerging biotech company established to address the business needs of the global biopharmaceutical market with a focus on China, Europe, and the U.S. The company is based in New Jersey (US) and Suzhou (China). The organization's mission is to bridge the gap between undercapitalized biopharmaceutical projects, companies, and investors to add value to its stakeholders and address significant unmet medical needs. BioSense's expert team of international biopharma executives and seasoned investors has extensive experience in developing, registering and commercializing some of the most successful products in key markets, including, US, Europe and China, plus the business management and cross-cultural knowledge while navigating entry into new markets and access to additional resources and funds. Website: <http://www.biosensegloballlc.com/about/>

#### **ActeaVentures acted as a business development consultant for Neovacs**

#### **About ActeaVentures GmbH**

ActeaVentures is a global business development advisory firm for the Life Sciences Industry serving clients in pharma, biotech, diagnostics and medtech, with offices in Europe (Germany, Spain, France), USA (San Francisco, Boston) and Asia (Singapore, China, Japan). <http://www.acteaventures.com>

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