

Ipsen enters into option agreement to acquire Canbex Therapeutics

- Canbex lead candidate for treating spasticity multiple sclerosis has successfully completed Phase I
- Ipsen pays €6 million¹ upfront for the option to acquire Canbex at completion of Phase IIa study of lead compound

Paris (France) and London (United Kingdom), 24 February 2015 – Ipsen (Euronext: IPN; ADR: IPSEY) and Canbex Therapeutics Ltd (Canbex) today announced that Canbex has granted Ipsen an option giving Ipsen the exclusive right to purchase 100% of Canbex shares upon completion of the Phase IIa study of Canbex’s lead candidate for the treatment of spasticity in people with multiple sclerosis (MS), known as VSN16R. Canbex is a spin-out of University College London (UCL) that raised a Series A financing of GBP 2.3 million in 2013 from MS Ventures (the corporate venture arm of Merck Serono, Merck KGaA), the Wellcome Trust and UCL Business Plc.

VSN16R is a novel, orally active small molecule compound intended for the treatment of spasticity in MS and other disorders. Preclinical and Phase I clinical studies have demonstrated that VSN16R has the potential to provide substantially better patient care than existing systemic anti-spastic treatments. Spasticity is a debilitating and painful symptom of MS that consists of involuntary spasms of limbs and torso musculature. With VSN16R, Canbex aims to set a new standard in the treatment of spasticity, and to improve the lives of people worldwide with this serious and incurable disorder.

VSN16R was shown to be safe and well tolerated in its Phase I clinical safety trial. In the Phase I study, 72 healthy volunteers were enrolled in a placebo-controlled, single ascending- and multiple-ascending dose design.

Marc de Garidel, Chairman and Chief Executive Officer of Ipsen stated: *“Ipsen is delighted to enter into a partnership with the UK biotech company Canbex. Their lead compound has demonstrated excellent safety, efficacy and tolerability to date and fits well within our neurology franchise. Indeed, it could be a valuable companion product to Dysport® in the treatment of spasticity. The agreement with Canbex also reflects our ambition to maintain our business development efforts to complement organic growth.”*

¹ c.\$6.8 million



Dr Keith Powell, Chairman of Canbex commented: *“Canbex is excited to be working with Ipsen, because of its leading expertise in spasticity and its commitment to providing better treatments. Ipsen is excellently placed to help bring our promising new medication to patients in this important and poorly served medical need.”*

Under the financial terms of the agreement, Ipsen has paid an option fee of €6 million¹ to Canbex. If Ipsen elects to exercise its option to acquire Canbex at the end of the proof of concept Phase IIa study, Canbex’s shareholders will be eligible to receive a total of up to an additional €90 million², comprising an acquisition payment, and additional milestone payments contingent upon launch subsequent to achievement of clinical and regulatory success. In addition, Canbex shareholders will be eligible to receive royalties on world-wide annual net sales of VSN16R.

About Ipsen

Ipsen is a global specialty-driven pharmaceutical company with total sales exceeding €1.2 billion in 2014. Ipsen’s ambition is to become a leader in specialty healthcare solutions for targeted debilitating diseases. Its development strategy is supported by 3 franchises: neurology, endocrinology and uro-oncology. Moreover, the Group has an active policy of partnerships. Ipsen’s R&D is focused on its innovative and differentiated technological platforms, peptides and toxins. In 2013, R&D expenditure totaled close to €260 million, representing more than 21% of Group sales. Moreover, Ipsen also has a significant presence in primary care. The Group has close to 4,600 employees worldwide. Ipsen’s shares are traded on segment A of Euronext Paris (stock code: IPN, ISIN code: FR0010259150) and eligible to the “Service de Règlement Différé” (“SRD”). The Group is part of the SBF 120 index. Ipsen has implemented a Sponsored Level I American Depositary Receipt (ADR) program, which trade on the over-the-counter market in the United States under the symbol IPSEY. For more information on Ipsen, visit www.ipсен.com.

About Canbex

Canbex is a spin-out of University College London (UCL) that was established to develop its proprietary VSN compound series in spasticity and other unmet medical needs. In addition to its pioneering scientific founders and clinical advisors, Canbex has assembled a skilled and focused management team. Development activities are carried out through leading CROs and CMOs. The company’s capital efficiency and lean management strategy ensure that funds are deployed directly to compound development. Investors include the Wellcome Trust, MS Ventures, Fast Forward LLC, UCL Business Plc and Esperante.

Ipsen Forward Looking Statements

The forward-looking statements, objectives and targets contained herein are based on the Group’s management strategy, current views and assumptions. Such statements involve known and unknown risks and uncertainties that may cause actual results, performance or events to differ materially from those anticipated herein. All of the above risks could affect the Group’s future ability to achieve its financial targets, which were set assuming reasonable macroeconomic conditions based on the information available today. Use of the words "believes," "anticipates" and "expects" and similar expressions are

¹ c.\$6.8 million

² c.\$103 million



intended to identify forward-looking statements, including the Group's expectations regarding future events, including regulatory filings and determinations. Moreover, the targets described in this document were prepared without taking into account external growth assumptions and potential future acquisitions, which may alter these parameters. These objectives are based on data and assumptions regarded as reasonable by the Group. These targets depend on conditions or facts likely to happen in the future, and not exclusively on historical data. Actual results may depart significantly from these targets given the occurrence of certain risks and uncertainties, notably the fact that a promising product in early development phase or clinical trial may end up never being launched on the market or reaching its commercial targets, notably for regulatory or competition reasons. The Group must face or might face competition from generic products that might translate into a loss of market share. Furthermore, the Research and Development process involves several stages each of which involves the substantial risk that the Group may fail to achieve its objectives and be forced to abandon its efforts with regards to a product in which it has invested significant sums. Therefore, the Group cannot be certain that favourable results obtained during pre-clinical trials will be confirmed subsequently during clinical trials, or that the results of clinical trials will be sufficient to demonstrate the safe and effective nature of the product concerned. There can be no guarantees a product will receive the necessary regulatory approvals or that the product will prove to be commercially successful. If underlying assumptions prove inaccurate or risks or uncertainties materialize, actual results may differ materially from those set forth in the forward-looking statements. Other risks and uncertainties include but are not limited to, general industry conditions and competition; general economic factors, including interest rate and currency exchange rate fluctuations; the impact of pharmaceutical industry regulation and health care legislation; global trends toward health care cost containment; technological advances, new products and patents attained by competitors; challenges inherent in new product development, including obtaining regulatory approval; the Group's ability to accurately predict future market conditions; manufacturing difficulties or delays; financial instability of international economies and sovereign risk; dependence on the effectiveness of the Group's patents and other protections for innovative products; and the exposure to litigation, including patent litigation, and/or regulatory actions. The Group also depends on third parties to develop and market some of its products which could potentially generate substantial royalties; these partners could behave in such ways which could cause damage to the Group's activities and financial results. The Group cannot be certain that its partners will fulfil their obligations. It might be unable to obtain any benefit from those agreements. A default by any of the Group's partners could generate lower revenues than expected. Such situations could have a negative impact on the Group's business, financial position or performance. The Group expressly disclaims any obligation or undertaking to update or revise any forward looking statements, targets or estimates contained in this press release to reflect any change in events, conditions, assumptions or circumstances on which any such statements are based, unless so required by applicable law. The Group's business is subject to the risk factors outlined in its registration documents filed with the French Autorité des Marchés Financiers.



For further information:

Ipsen

Media

Didier Véron
Senior Vice-Président, Public Affairs
and Communication
Tel.: +33 (0)1 58 33 51 16
Fax: +33 (0)1 58 33 50 58
E-mail: didier.veron@ipsen.com

Brigitte Le Guennec
Corporate External Communication Manager
Tel.: +33 (0)1 58 33 51 17
Fax: +33 (0)1 58 33 50 58
E-mail : brigitte.le.guennec@ipsen.com

Financial Community

Stéphane Durant des Aulnois
Investor Relations Director
Tel.: +33 (0)1 58 33 60 09
Fax: +33 (0)1 58 33 50 63
E-mail: stephane.durant.des.aulnois@ipsen.com

Thomas Peny-Coblentz, CFA
Investor Relations Deputy Director
Tel.: +33 (0)1 58 33 56 36
Fax: +33 (0)1 58 33 50 63
E-mail: thomas.peny-coblentz@ipsen.com

Canbex

Jesse Schulman
Chief Executive Officer
Tel: +44(0)20 7554 5872
E-mail: enquiries@canbex.co.uk

Keith Powell
Chairman
Tel: +44(0)20 7554 5872
E-mail: enquiries@canbex.co.uk