

Bristol-Myers Squibb Enters into Agreement that Provides an Exclusive Option to Acquire F-star Alpha Ltd. and its Novel HER2-Targeted Therapy

(NEW YORK and CAMBRIDGE, UK – October 28, 2014) - [Bristol-Myers Squibb Company](#) (NYSE: BMY) and F-star Alpha Ltd. today announced that the companies, together with the F-star Alpha Ltd. shareholders, have entered into an agreement that provides Bristol-Myers Squibb the exclusive option to acquire F-star Alpha Ltd, and gain worldwide rights to its lead asset FS102. FS102 is a novel Phase 1 ready **H**uman **E**pidermal growth factor **R**eceptor **2** (HER2)-targeted therapy in development for the treatment of breast and gastric cancer among a well-defined population of HER2-positive patients who do not respond or become resistant to current therapies.

“This agreement is consistent with our R&D strategy to develop promising treatments that address areas of high unmet medical need, and provides the opportunity to complement our oncology portfolio with a novel targeted therapy,” said [Francis Cuss](#), MB BChir, FRCP, executive vice president and chief scientific officer, Bristol-Myers Squibb. “We look forward to working with F-star and leveraging our broad clinical expertise in oncology to uncover the full potential of FS102.”

“We are thrilled that a company with the oncology experience and expertise of Bristol-Myers Squibb will be advancing our first clinical asset with the potential to provide a significant improvement over the current standard of care for a defined group of patients with HER2-positive cancer,” said John Haurum, M.D., D.Phil., chief executive officer at F-star Biotechnology Ltd. “In addition to the important improvement of cancer therapy FS102 may provide to patients, this program also provides validation of the Modular Antibody Technology platform as a powerful engine to discover and rapidly develop novel targeted biologics.”

HER2 is a highly validated target in breast and gastric cancers, and plays a significant role in the growth of tumors and subsequent poor clinical outcome for patients with breast cancer and other solid tumors. Therapies that target HER2 have shown success in improving patient outcomes; however, a high proportion of HER2-positive patients do not respond to currently available treatments, and those who do may eventually develop resistance.

FS102 is a HER2 targeted Fcab[™] that has the potential to eliminate cancer cells through a novel mechanism of action in a biomarker-defined patient population. FS102 works differently than current HER2-targeted therapies, with the potential to overcome resistance that has developed against other

HER2-targeted drugs. It binds to a unique site on HER2 and then induces programmed cell death in HER2-positive tumour cells. In preclinical studies, FS102 has demonstrated encouraging efficacy against certain HER2-positive cancers and major regression in tumors, including those that are refractory to treatment with trastuzumab plus pertuzumab.

Under the terms of the agreement, Bristol-Myers Squibb will make payments aggregating to \$50 million that consist of an option fee for the right to acquire F-star Alpha Ltd., payment for certain rights and licenses from F-star Alpha Ltd. and a clinical milestone payment upon initiation of the Phase 1 trial. Bristol-Myers Squibb will be responsible for conducting and funding development of FS102 during the option period. Bristol-Myers Squibb can exercise the option to acquire F-star Alpha Ltd. in its sole discretion upon its decision to commence a Phase 2b trial. Total aggregate consideration may reach \$475 million, which includes the payments aggregating to \$50 million, the option exercise fee, and milestone payments upon the commencement of a Phase 3 clinical trial and regulatory approvals in the U.S. and Europe.

About F-star

F-star GmbH and its wholly-owned subsidiary F-star Biotechnology Ltd. (F-star) is a biopharmaceutical company dedicated to developing novel bispecific antibody products that provide a significant improvement over the current standard of care. In 2013, F-star established an asset-centric vehicle structure through the formation of F-star Alpha Ltd., which included out-licensing of FS102 from F-star to F-star Alpha Ltd.

Given its strong patent position, F-star is the only biopharmaceutical company with the ability to create and develop Fcabs and bispecific antibodies by modifying the constant region of an antibody. In particular, F-star's Modular Antibody Technology enables rapid discovery and development of bispecific antibodies by engineering additional binding sites into the constant region of an antibody. This technology offers unprecedented speed and ease in the development and manufacturing of genuine bispecific antibody products. Using the Modular Antibody Technology, F-star generates bispecific antibodies (mAb²) that possess the favourable characteristics of traditional monoclonal antibodies, without the production challenges often associated with other antibody formats. F-star is now applying its proprietary technology to the development of a pipeline of product candidates. For more information visit www.f-star.com.

About Bristol-Myers Squibb

Bristol-Myers Squibb is a global biopharmaceutical company whose mission is to discover, develop and deliver innovative medicines that help patients prevail over serious diseases. For more information, please visit www.bms.com or follow us on Twitter at <http://twitter.com/bmsnews>.

Bristol-Myers Squibb Forward-Looking Statement

This press release contains “forward-looking statements” as that term is defined in the Private Securities Litigation Reform Act of 1995 regarding the research, development and commercialization of pharmaceutical products. Such forward-looking statements are based on current expectations and involve inherent risks and uncertainties, including factors that could delay, divert or change any of them, and could cause actual outcomes and results to differ materially from current expectations. No forward-looking statement can be guaranteed. Among other risks, there can be no guarantee that the investigational compounds discussed in this release will be successfully developed or approved for any of the indications described in this release or that we will exercise our option to acquire F-star. Forward-looking statements in this press release should be evaluated together with the many uncertainties that affect Bristol-Myers Squibb's business, particularly those identified in the cautionary factors discussion in Bristol-Myers Squibb's Annual Report on Form 10-K for the year ended December 31, 2013, in our Quarterly Reports on Form 10-Q and our Current Reports on Form 8-K. Bristol-Myers Squibb undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.

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