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Castres (France), February 3rd 2016.

Pierre Fabre, the 2nd largest French independent pharmaceutical group, have announced the launch of Pierre Fabre Fund for Innovation, a new Open Innovation initiative targeting biotech companies, startups and research laboratories (public or private) specialized in oncology or dermatology, two of the core therapeutic activities of Pierre Fabre R&D.

Pierre Fabre Fund for Innovation will support R&D projects either within 24 months from reaching clinical development or at early stage of clinical development. The support will consist of diverse forms of collaboration: sharing Pierre Fabre’s expertise over the full pharmaceutical value chain, co-financing of the research program, taking minority equity participation or negotiating license agreements. The combination of diverse forms of support is also conceivable. Pierre Fabre’s support on the long term will be conditioned to the reaching of key milestones in the innovation process.

This program aims at speeding up the development process of new products currently at advanced preclinical stage or at early clinical stage.

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Open to all international partnership opportunity, the main goal for Pierre Fabre Fund for Innovation is to help innovative companies located in France or in Europe, at a time when many European biotech companies, startups and research laboratories often lack the internal capabilities expertise to move on from discovery to proof of concept, or lack financial resources to turn their projects into reality. Pierre Fabre’s expertise and capabilities made available to its future partners include pharmacology, new chemical entities, biotherapies, immunotherapies, translational medicine, preclinical and clinical development, production of clinical batches, market access as well as market and regulatory strategy.

Pierre Fabre Fund for Innovation will be led by a Steering Committee comprised of Bertrand Parmentier, Group CEO, Frédéric Duchesne, Pharmaceuticals CEO, Luc Péligrvy, Group CFO, Frédéric Desdouits, Business Development Director and Laurent Audoly, Pharmaceuticals R&D Director. Laurent Audoly, as the Project Managing Partner, will take the lead of the operational management of the program. This deliberately restricted and executive governance will ensure quick and customized feedbacks to applicants.

“With Pierre Fabre Fund for Innovation we have a dual purpose in mind. Firstly, we want to help speed up the development process of new molecules from preclinical to clinical phases, benefitting both their discoverers and the patients. In addition, Pierre Fabre Fund for Innovation’s long-term ambition is to foster our innovation process through an approach of co-construction with biotech companies, startups and research laboratories specialized in oncology, onco-dermatology or dermatology. It is therefore an innovative and collaborative initiative that falls within the framework of our Open Innovation strategy”, commented Bertrand Parmentier, Pierre Fabre Group CEO.

“Though many innovative companies discover technologies or molecules with real therapeutic benefits, some fail along the way due to a lack of resources to move effectively from discovery to development phase. With Pierre Fabre Innovation Fund, we intend to support these new businesses by giving them access to our scientific, medical, technical and industrial capabilities as well as to additional financial resources. We will eventually help them maximize their odds of success,” added Frédéric Duchesne, Pierre Fabre Pharmaceuticals CEO.

Starting today, project initiators can contact Pierre Fabre Fund for Innovation in two ways:

> Visit our website www.pierre-fabre.com, section “Partnership and Open Innovation”
> E-mail us directly at fund.for.innovation@pierre-fabre.com

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Why is Pierre Fabre launching this initiative?

“Pierre Fabre Fund for Innovation stems from a simple observation: many good ideas never see the light of day because very often projects lack organizational structure or access to appropriate expertise. Providing funding does not, in itself, ensure the success of a promising project. As an example, if a startup needs a highly specialized expert in one particularly competitive area, several months can go by between identifying a specific need, selecting a candidate and getting him operational. This is the reason why we have chosen to accompany innovative project initiators by developing a process based on our expertise and that brings to a partner what he needs the most: customized daily support.”

Why insist upon this notion of accompaniment?

“Numerous traditional investment funds already exist. At Pierre Fabre, we were not convinced that creating just another fund would have been relevant and useful, unless we were able to give him a new dimension capable of creating value for our partners and us alike. I interact regularly with leaders of innovative businesses, and very often their expectations exceed the funding matter. Admittedly they need money, but they also need to call on...”

Laurent Audoly, Pierre Fabre Pharmaceuticals R&D Director, has been appointed Managing Partner of the Pierre Fabre Fund for Innovation. He will lead the operational management of this new and different Open Innovation initiative designed to speed up projects from biotech companies, startups or research laboratories in oncology, onco-dermatology or dermatology.

SPEED UP THE INNOVATION PROCESS OF OUR PARTNERS IN ONCOLOGY, ONCO-DERMATOLOGY AND DERMATOLOGY

An interview with Laurent AUDOLY
Pierre Fabre Pharmaceuticals
R&D Director
a trustworthy partner who will know how to accompany them each step of the way by bringing them an expertise in one or several specific fields, in terms of both know-how and research and development capabilities not available to startups. I will take a concrete example: A startup in the biotechnology sector is confronting difficulties to develop a molecule at the clinical level. One of the ways to bring it support will be to dedicate a clinician to help during the decisive months before Phase 1. We wish to offer real flexibility to our partners without imposing pre-established patterns, in order to bring them what they really need, while respecting their independence."

Is this notion of accompaniment of the partners new to Pierre Fabre?

"Although we may still lack visibility with some biotechnical firms, the fact remains that we are developing extremely significant projects through “in” or “out” partnerships with several key players in the pharmaceutical industry. Fizetina, a medicine recommended in the treatment of major depressive disorders, is a perfect example of co-development with a renowned American partner, namely Allergan (former Forest Laboratories). The partnership we have just formalized with Array BioPharma, an American company as well, to develop two new molecules to treat skin, ovarian and colon cancers, is another example of our ability to develop partnerships with a high scientific and economic added value. Pierre Fabre Fund for Innovation should help us broaden the visibility of our expertise among new partners. External innovation is indeed an essential pillar of our strategy that aims to enhance our pipeline of new partners. External innovation is indeed an essential pillar of our strategy that aims to enhance our pipeline of new partners. External innovation is indeed an essential pillar of our strategy that aims to enhance our pipeline of new partners. External innovation is indeed an essential pillar of our strategy that aims to enhance our pipeline of new partners. External innovation is indeed an essential pillar of our strategy that aims to enhance our pipeline of new partners. External innovation is indeed an essential pillar of our strategy that aims to enhance our pipeline of new partners. External innovation is indeed an essential pillar of our strategy that aims to enhance our pipeline of new partners. External innovation is indeed an essential pillar of our strategy that aims to enhance our pipeline of new partners. External innovation is indeed an essential pillar of our strategy that aims to enhance our pipeline of new partners. External innovation is indeed an essential pillar of our strategy that aims to enhance our pipeline of new partners. External innovation is indeed an essential pillar of our strategy that aims to enhance our pipeline of new partners. External innovation is indeed an essential pillar of our strategy that aims to enhance our pipeline of new partners. External innovation is indeed an essential pillar of our strategy that aims to enhance our pipeline of new partners. External innovation is indeed an essential pillar of our strategy that aims to enhance our pipeline of new partners. External innovation is indeed an essential pillar of our strategy that aims to enhance our pipeline of new partners. External innovation is indeed an essential pillar of our strategy that aims to enhance our pipeline of new partners. External innovation is indeed an essential pillar of our strategy that aims to enhance our pipeline of new partners. External innovation is indeed an essential pillar of our strategy that aims to enhance our pipeline of new partners. External innovation is indeed an essential pillar of our strategy that aims to enhance our pipeline of new partners. External innovation is indeed an essential pillar of our strategy that aims to enhance our pipeline of new partners. External innovation is indeed an essential pillar of our strategy that aims to enhance our pipeline of new partners. External innovation is indeed an essential pillar of our strategy that aims to enhance our pipeline of new partners. External innovation is indeed an essential pillar of our strategy that aims to enhance our pipeline of new partners.

What are the therapeutic fields and products targeted?

"Pierre Fabre Fund for Innovation aims to support what are the therapeutic fields and products under development. We are targeting projects comprised within a time slot around 24 months before or after “First in Man” trials (24 months < FIM < +24 months). This means that we are willing to take a chance on attractive, innovative and early stage projects. In return, we will be particularly demanding when it comes to keeping a specific timetable. The roadmap will include various validation steps to ensure the good execution of the project and its actual value creation. If we are primarily focusing on the development of new ingredients, we will also consider partnerships in relation with services linked to our targeted therapeutic fields."

What is the operating budget of Pierre Fabre Fund for Innovation?

"This Open Innovation initiative is part of a major and very ambitious plan of innovative projects co-construction. We want to help our partners speed up their innovation process. In order to accomplish this objective, Pierre Fabre has ensured it had the resources to match its ambition. Rather than defining an annual amount, we will respond to all project opportunities presented to us with one single imperative: we must be convinced by the true innovation potential of the project and by the total commitment of the project owners to make it happen. In order to help speed up the decision process, applications will be reviewed and processed by a close-knit team including our Group and Pharmaceuticals CEOs, respectively Bertrand Parmentier and Frédéric Duchesne. This team will be able to rapidly define and provide the most adapted support to any projects deemed particularly promising. As you can see, we have given priority to proximity with project owners and to agility in order to provide quick and customized feedbacks. While we were preparing this project, we met and talked up a website dedicated to our project. Finally, we also count on the interpersonal dimension based on direct people-to-people exchanges during congresses and conventions to which we will participate throughout the world. This will allow us to confirm directly with our partners whether their projects offer a credible value creation perspective within a 24-month framework."

Which geographical areas are you targeting?

"Considering our commercial and manufacturing presence in Europe and the specificity of the European pharmaceutical market, it is naturally our primary intervention zone. Compared to the United States, there are very few investment funds in Europe that focus on projects at an early stage of clinical development. There is actually a limited number of European investors and they tend to focus on clinically advanced projects. They also often lack scientific expertise to accompany projects at preclinical or early clinical stage. Unlike traditional investment funds, we are willing to take a chance on these projects because our pharmaceutical expertise will help us identify the key assets of early stage projects and knowingly make the best decision."

What about outside Europe?

"We do not exclude the possibility to widen our initiative to partners outside Europe. In order to achieve this goal, we have already set up a website dedicated to our project. Finally, we also count on the interpersonal dimension based on direct people-to-people exchanges during congresses and conventions to which we will participate throughout the world. This will allow us to confirm directly with our partners whether their projects offer a credible value creation perspective within a 24-month framework."

Beside Pierre Fabre technical expertise, what will you bring to future partners?

"Due to our unique shareholding structure, we have a particular model of development. Indeed, 86% of the company’s capital is held by a foundation of public utility, the Pierre Fabre Foundation, and the remainder by employees. Therefore, there is an absolute commitment from the governance to prioritize long-term value creation through continuous investments in research and development. For our partners, this governance guarantees stability and long-term vision. Furthermore, Pierre Fabre is widely recognized for its exemplary corporate social responsibility policy and our ethical commitment will reassure our partners to keep developing new projects at our side. Finally, teaming up with Pierre Fabre can only help our partners to get their strategy endorsed and give them more opportunities to secure additional funding down the road.”

PROFESSIONAL BACKGROUND

LAURENT AUDOLY,
Pharmaceuticals R&D Director

Dr. Laurent Audoly is responsible for the strategy and implementation of the pharmaceutical innovation reengineering initiated by Pierre Fabre towards an open model that combines an internal and external flow of innovations.

Before joining Pierre Fabre in 2013, Laurent has held positions of increasing leadership responsibilities in pharmaceutical and biotech companies (Pfizer, Merck, MedImmune), managing several teams of research scientists and clinicians – namely in oncology, cardiology and inflammatory diseases – and publishing over 70 papers in peer-reviewed journals. Laurent also conducted in vitro and in vivo experiments, directing chemistry for his Bachelor’s degree and graduated with a Ph.D. in Pharmacology from the Vanderbilt Medical School. He is a lecturer at Duke-MUS Graduate Medical School (Singapore), which allows him to maintain strong ties with the academic world.
Pierre Fabre is a private pharmaceuticals and dermo-cosmetics company founded in 1961 by Mr. Pierre Fabre. Its turnover reached over 2.2 billion Euros* in 2015, spread over 130 countries.

A GLOBAL INNOVATIVE GROUP
FOCUSING ON SUSTAINABLE VALUE CREATION

Presentation, marks and key figures

Located on the campus of the Oncopole in Toulouse, the Pierre Fabre Centre for research and development has an exceptional Oncology Research Laboratory. Building directed by Mr Roger Tailibert and Pierre Fabre laboratories (all rights reserved).

The company is structured around two divisions: Pharmaceuticals (prescription drugs, consumer health care) and Dermo-cosmetics (including the Europe and Asia market-leader brand Eau Thermale Avène). Pierre Fabre employs some 11,000 people worldwide and owns subsidiaries in 43 countries. In 2015, the company allocated 16 percent of its pharmaceuticals sales to R&D with a focus on 4 therapeutic areas: oncology, dermatology, CNS and consumer health care.

Pierre Fabre’s oncology expertise is based on 3 decades of experience in the discovery, development and global commercialization of innovative cancer drugs including monoclonal antibodies and natural cytotoxic agents. The company performs its oncology, onco-dermatology and dermatology R&D in two major research centres: the Pierre Fabre Immunology Centre (CIPF) based in Saint-Julien-en-Genevois (France) and the Pierre Fabre Research Institute (IRPF) located on the Toulouse-based Oncopole campus. The latter is officially recognized by the French government as a National Center of Excellence for cancer research.

Pierre Fabre laboratories have always developed durable and valuable scientific partnerships with innovators from public research institutions (CRNS, Inserm…), faculties and universities (École Polytechnique de Lausanne, Université de Saclay…), biotech companies (Array, BioPharma, AbCheck, Cellectar…) and international pharmaceutical laboratories (Allergan, Merck & Co., Abbott, Maruho…).

Through the Group’s controlling company Pierre Fabre Participations, Pierre Fabre is 86% owned by the Pierre Fabre Foundation, a recognized public-interest organization since 1999. Up to 7.8% of the remaining shares are held by the company’s employees and balance is held as treasury stock.

AFNOR Certification has assessed the Corporate Social Responsibility policy of Pierre Fabre has “confirmed” (AFAQ 26000).

To learn more, please go to www.pierre-fabre.com
You can also join us on Twitter and Facebook

* 2015 financial results currently being audited

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