



C4X Discovery Holdings plc

Up to €414 million Exclusive Worldwide Licensing Agreement with Sanofi for C4XD oral IL-17A inhibitor programme

€7 million upfront payment in addition to potential pre-clinical milestones of €11 million, clinical and commercial milestones plus royalties

Second major licensing deal with a global pharmaceutical company in commercially attractive markets

12 April 2021 – C4X Discovery Holdings plc (AIM: C4XD), a pioneering Drug Discovery company, today announces that its subsidiary, C4X Discovery Limited (“C4XD”, “C4X Discovery” or the “Company”), has signed an exclusive worldwide licensing agreement with Sanofi (NASDAQ: SNY, PAR: SAN - "Sanofi"), worth up to €414 million, for C4XD’s oral pre-clinical IL-17A inhibitor programme. Under the terms of the agreement, C4XD will receive an upfront payment of €7 million and could receive up to a further €407 million in potential development, regulatory and commercialisation milestones, of which €11 million is in pre-clinical milestones, in addition to single digit royalties.

Under the license, Sanofi will develop and commercialise an oral therapy for the treatment of inflammatory diseases, a multi-billion dollar market. The IL-17 family of cytokines are strong inducers of inflammation and are implicated in a variety of autoimmune diseases including psoriasis, psoriatic arthritis and ankylosing spondylitis. Current treatments targeting IL-17 are monoclonal antibodies administered via an injection. There is an urgent need for safe and efficacious oral small molecule therapies to increase the number of patients able to access IL-17 targeted drugs and expand availability into new inflammatory disease indications. C4XD’s small molecule IL-17A inhibitor programme can selectively block IL-17 activity in vivo whilst maintaining molecular size of the molecule in the traditional "drug-like" range suitable for oral administration. Sanofi will continue to work with the C4XD team to access its unique and proprietary 4D Conformetrix technology, as the programme advances towards clinical studies.

Clive Dix, CEO of C4X Discovery, said: “We are proud to be working with Sanofi to create much needed oral therapies in the underserved inflammatory disease space. While antibody therapies have demonstrated the potential of IL-17 inhibition in the generation of highly effective treatments, the injectable route means many patients currently do not have access to the medicines that can change their lives. We believe that our small molecule programme has the potential to create high value, efficacious and convenient oral IL-17 therapeutics for this large market. The Psoriasis market alone is estimated to be worth c.\$24 billion per annum by 2027¹, and when combined with Sanofi’s development expertise our programme has the potential to address a number of indications.

“This is the second significant agreement for a C4XD programme and marks a major milestone for the Company, not only validating the strength of our Drug Discovery expertise, but also our strategy to drive shareholder value through early-stage revenue generating deals. With Indivior progressing our molecule for opioid addiction through a Phase I clinical trial and now our partnership with Sanofi driving potential next generation oral IL-17 therapies, we look forward with confidence to further develop our portfolio and deliver additional novel small molecule drug candidates tackling significant patient needs.”

1. *Plaque Psoriasis: Global Drug Forecast and Market Analysis to 2027, GlobalData, December 2018*

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Notes to Editors:

About C4X Discovery

C4X Discovery (“C4XD”) is a pioneering Drug Discovery company combining scientific expertise with cutting-edge Drug Discovery technologies to efficiently deliver world-leading medicines, which are developed by our partners for the benefit of patients. We have a highly valuable and differentiated approach to Drug Discovery through our enhanced DNA-based target identification and candidate molecule design capabilities, generating small molecule drug candidates across multiple disease areas including inflammation, neurodegeneration, oncology and addictive disorders. Our commercially attractive portfolio ranges from early stage novel target opportunities to late stage Drug Discovery programmes ready for out-licensing to partners and we have two commercially partnered programmes with one candidate in clinical development.

We collaborate with leading pharmaceutical and life sciences companies to enrich our expertise and take our assets through pre-clinical and clinical development. Through early-stage revenue-generating licensing deals, we realise returns from our high value pre-clinical assets which are reinvested to maximise the value of our Drug Discovery portfolio. For more information visit us at www.c4xdiscovery.com or follow us on twitter @C4XDiscovery .

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) 596/2014 (MAR).