Novartis acquires Selexys Pharmaceuticals Corporation and SelG1 antibody for reduction of pain crises in sickle cell disease (SCD)

- Deal followed results of Phase II SUSTAIN study of SelG1 in reduction of vaso-occlusive pain crises, a major complication of SCD with limited treatment options
- Results of SUSTAIN will be presented in the Plenary Scientific Session at the 58th American Society of Hematology (ASH) Annual Meeting
- Acquisition complements and broadens Novartis’ hematology pipeline and underscores commitment to improving care for patients with high unmet need

Basel, November 21, 2016 – Novartis today announced it has acquired Selexys Pharmaceuticals Corporation, a company specializing in development of therapeutics in certain hematologic and inflammatory disorders. Novartis exercised its right to acquire Selexys following receipt of results of the SUSTAIN study, a Phase II trial evaluating the use of SelG1, an anti-P-selectin antibody, in the reduction of vaso-occlusive pain crises in patients with sickle cell disease (SCD). Results from the study will be presented during the Plenary Scientific Session at the 58th American Society of Hematology (ASH) Annual Meeting on December 4, 2016, in San Diego, California.

“Sickle cell disease affects millions of people around the world and there are limited therapies available for treatment of vaso-occlusive pain crises, a very common complication of the disease,” said Bruno Strigini, CEO of Novartis Oncology. “With this acquisition, Novartis is able to leverage its leadership in hematology research to advance development of a potential new treatment option for patients living with this debilitating condition.”

SCD is a hereditary blood disorder characterized by sickle-shaped red blood cells. It is a lifelong disease with many forms that can range in clinical severity from asymptomatic to life-threatening. Vaso-occlusive crises, or pain crises, are the major reason for health care encounters in SCD and occur episodically when sickle-shaped red blood cells block blood flow through blood vessels.

“We would like to extend our gratitude to all of the dedicated patients, physicians and nurses who participated in the SUSTAIN study of SelG1 in sickle cell disease,” said Dr. Scott Rollins, former President and Chief Executive Officer of Selexys Pharmaceuticals. “Further, the acquisition of Selexys by Novartis represents an important step in the continued development of SelG1, a novel, potential first-in-class therapy for patients with this underserved life-threatening disease.”

Novartis obtained the exclusive right to acquire Selexys and SelG1 in 2012. Prior to the acquisition, Selexys Pharmaceutical Corporation was a privately held biopharmaceutical company headquartered in Oklahoma City, Oklahoma. Terms of the deal could total up to $665 million in upfront, acquisition and milestone payments.
Disclaimer
The foregoing release contains forward-looking statements that can be identified by words such as “will,” “pipeline,” “commitment,” “potential,” “important step,” “continued development,” or similar terms, or by express or implied discussions regarding potential benefits, synergies or opportunities as a result of the acquisition of Selexys Pharmaceuticals Corporation and SelG1, potential marketing approvals for SelG1 and the other product candidates in the Novartis hematology pipeline, or regarding potential future revenues from SelG1 and such other product candidates. You should not place undue reliance on these statements. Such forward-looking statements are based on the current beliefs and expectations of management regarding future events, and are subject to significant known and unknown risks and uncertainties. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those set forth in the forward-looking statements. There can be no guarantee that Novartis will be able to realize any or all of the potential benefits, synergies or opportunities as a result of the acquisition of Selexys Pharmaceuticals Corporation and SelG1. Neither can there be any guarantee that SelG1 or the other product candidates in the Novartis hematology pipeline will be submitted or approved for sale in any market, or at any particular time. Nor can there be any guarantee that SelG1 or the other product candidates in the Novartis hematology pipeline will be commercially successful in the future. In particular, management’s expectations regarding the acquisition of Selexys Pharmaceuticals Corporation and SelG1, and the other product candidates in the Novartis hematology portfolio could be affected by, among other things, the possibility that the potential benefits, synergies or opportunities expected from the acquisition may not be realized or may take longer to realize than expected; the uncertainties inherent in research and development, including unexpected clinical trial results and additional analysis of existing clinical data; unexpected regulatory actions or delays or government regulation generally; the company’s ability to obtain or maintain proprietary intellectual property protection; general economic and industry conditions; global trends toward health care cost containment, including ongoing pricing pressures; unexpected safety, quality or manufacturing issues, and other risks and factors referred to in Novartis AG’s current Form 20-F on file with the US Securities and Exchange Commission. Novartis is providing the information in this press release as of this date and does not undertake any obligation to update any forward-looking statements contained in this press release as a result of new information, future events or otherwise.

About Novartis
Novartis provides innovative healthcare solutions that address the evolving needs of patients and societies. Headquartered in Basel, Switzerland, Novartis offers a diversified portfolio to best meet these needs: innovative medicines, eye care and cost-saving generic pharmaceuticals. Novartis is the only global company with leading positions in these areas. In 2015, the Group achieved net sales of USD 49.4 billion, while R&D throughout the Group amounted to approximately USD 8.9 billion (USD 8.7 billion excluding impairment and amortization charges). Novartis Group companies employ approximately 118,000 full-time-equivalent associates. Novartis products are available in more than 180 countries around the world. For more information, please visit http://www.novartis.com.

Novartis is on Twitter. Sign up to follow @Novartis at http://twitter.com/novartis and @NovartisCancer at http://twitter.com/novartiscancer
For Novartis multimedia content, please visit www.novartis.com/news/media-library
For questions about the site or required registration, please contact media.relations@novartis.com

References

---

**Novartis Media Relations**
Central media line: +41 61 324 2200
E-mail: media.relations@novartis.com

Eric Althoff  
Novartis Global Media Relations  
+41 61 324 7999 (direct)  
+41 79 593 4202 (mobile)  
eric.althoff@novartis.com

Jeannie Neufeld  
Novartis Oncology Communications  
+1 862 778 2104 (direct)  
+1 201 650 2728 (mobile)  
jeannie.neufeld@novartis.com

---

**Novartis Investor Relations**
Central investor relations line: +41 61 324 7944
E-mail: investor.relations@novartis.com

<table>
<thead>
<tr>
<th>Central</th>
<th>North America</th>
</tr>
</thead>
<tbody>
<tr>
<td>Samir Shah</td>
<td>Richard Pulik</td>
</tr>
<tr>
<td>+41 61 324 7944</td>
<td>+1 212 830 2448</td>
</tr>
<tr>
<td>Pierre-Michel Bringer</td>
<td>Sloan Pavsner</td>
</tr>
<tr>
<td>+41 61 324 1065</td>
<td>+1 212 830 2417</td>
</tr>
<tr>
<td>Thomas Hungerbuehler</td>
<td>+41 61 324 8425</td>
</tr>
<tr>
<td>+41 61 324 8425</td>
<td></td>
</tr>
<tr>
<td>Isabella Zinck</td>
<td></td>
</tr>
<tr>
<td>+41 61 324 7188</td>
<td></td>
</tr>
</tbody>
</table>