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Incyte and Syros Announce Global Target Discovery and Validation Collaboration Focused on Myeloproliferative Neoplasms

WILMINGTON, Del. & CAMBRIDGE, Mass.--(BUSINESS WIRE)-- Incyte Corporation (NASDAQ:INCY) and Syros Pharmaceuticals, Inc. (NASDAQ:SYRS) announced today that the companies have entered into a target discovery, research collaboration and option agreement. Under the agreement, Syros will use its proprietary gene control platform to identify novel therapeutic targets with a focus in myeloproliferative neoplasms (MPNs), and Incyte will receive options to obtain exclusive worldwide rights to intellectual property resulting from the collaboration for up to seven validated targets. Incyte will have exclusive worldwide rights to develop and commercialize any therapies under the collaboration that modulate those validated targets.

This press release features multimedia. View the full release here:

<http://www.businesswire.com/news/home/20180108005822/en/>

“The discovery and development of novel therapeutic approaches to treat MPNs is an important area of focus at Incyte,” said Reid Huber, Ph.D., Chief Scientific Officer of Incyte. “Through this collaboration, we believe that Syros’ gene control platform will allow us to advance our understanding of the underlying biology of MPNs and potentially uncover new molecular targets for drug discovery.”

“Our gene control platform has broad applicability across diseases,” said Nancy Simonian, M.D., Chief Executive Officer of Syros. “By working with Incyte, a leader in the discovery, development and commercialization of therapies for MPNs, we aim to leverage the promise of our platform to benefit patients with diseases beyond our current areas of focus. Meanwhile, we can continue advancing our own pipeline to achieve our long-term goal of building a fully integrated company with therapies that make a profound difference for patients.”

Terms of the Agreement

Under the terms of the agreement, Incyte will pay Syros \$10 million upfront – including \$2.5 million in cash and \$7.5 million in prepaid research and development (R&D) – and purchase a total of \$10 million in Syros common stock at \$12.61 per share.

Should Incyte exercise all of its options under the agreement, Syros could receive up to \$54 million from Incyte in target selection and option exercise fees. For products resulting from the collaboration against each of the up to seven selected and validated targets, Syros could receive up to \$50 million in development and regulatory milestones, as well as up to \$65 million in commercial milestones. Syros would also be eligible to receive low single-digit royalties on sales of products resulting from the collaboration.

The transaction is effective immediately.

About Incyte Corporation

Incyte Corporation is a Wilmington, Delaware-based biopharmaceutical company focused on the discovery, development and commercialization of proprietary therapeutics. For additional information on Incyte, please visit the Company's website at www.incyte.com.

Follow @Incyte on Twitter at <https://twitter.com/Incyte>.

About Syros Pharmaceuticals

Syros is pioneering the understanding of the non-coding region of the genome to advance a new wave of medicines that control expression of genes. Syros has built a proprietary platform that is designed to systematically and efficiently analyze this unexploited region of DNA in human disease tissue to identify and drug novel targets linked to genomically defined patient populations. Because gene expression is fundamental to the function of all cells, Syros' gene control platform has broad potential to create medicines that achieve profound and durable benefit across a range of diseases. Syros is currently focused on cancer and monogenic diseases and is advancing a growing pipeline of gene control medicines. Syros' lead drug candidates are SY-1425, a selective RAR α agonist in a Phase 2 clinical trial for genomically defined subsets of patients with acute myeloid leukemia and myelodysplastic syndrome, and SY-1365, a selective CDK7 inhibitor in a Phase 1 clinical trial for patients with advanced solid tumors. Led by a team with deep experience in drug discovery, development and commercialization, Syros is located in Cambridge, Mass.

Forward-Looking Statements

Except for the historical information set forth herein, the matters set forth in this press release contain predictions, estimates and other forward-looking statements, including without limitation statements regarding: whether the collaboration will yield any validated targets, advance the understanding of MPNs or benefit patients; whether Incyte will exercise any of its options to exclusively license any such targets; and whether and when any of the target validation fee, options exercise fees, milestone payments or royalties under this collaboration will ever be paid by Incyte. These forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially, including unanticipated developments in and risks related to: research and development efforts related to the collaboration programs; the possibility that results of clinical trials may be unsuccessful or insufficient to meet applicable regulatory standards or warrant continued development; other market or economic factors; unanticipated delays; each company's ability to compete against parties with greater financial or other resources; greater than expected expenses; and such other risks detailed from time to time in each company's reports filed with the Securities and Exchange Commission, including the Form 10-Q for the quarter ended September 30, 2017 filed by each company. Each party disclaims any intent or obligation to update these forward-looking statements.

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