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GSK and Chroma Therapeutics form alliance to develop novel macrophage-targeted drugs

GlaxoSmithKline (LSE: GSK) and Chroma Therapeutics Limited announced today a collaboration to develop macrophage-targeted compounds using Chroma's proprietary esterase-sensitive motif (ESM) technology, which adds amino acid esters to compounds with the aim of targeting the compounds to specific cells in the inflammatory disease process.

Under the terms of the collaboration with GSK's Centre of Excellence for External Drug Discovery (CEEDD), Chroma will undertake four discovery and development programmes to identify small molecule therapeutics, including its macrophage-targeted HDAC inhibitor programme for inflammatory disorders such as rheumatoid arthritis. Chroma will receive a significant up-front cash payment and, in addition, GSK will invest in Chroma's Series D equity financing, announced separately by Chroma today.

Chroma is eligible to receive milestones, option fees and tiered royalties based on compounds arising from the collaboration. Overall, Chroma has the potential to receive in excess of \$1 billion in total milestone and option payments in the event that all four programmes are successful.

For each program, Chroma will have responsibility for research and development activities through completion of clinical proof of concept studies. After the completion of such studies for each programme, or earlier if it so chooses, GSK may elect to obtain an exclusive, worldwide license to product candidates within the program. At such time GSK will assume full responsibility for development and commercialisation. Chroma will retain full rights to further develop and commercialise its product candidates in any programme GSK chooses not to license.

"This agreement marks GSK's continued efforts to access the best science and technology platforms worldwide" said Shelagh Wilson, Vice President and Head of the European CEEDD. "We believe Chroma's ESM platform has tremendous potential, and look forward to working with Chroma to accelerate the discovery and development of innovative new medicines for patients"

"We are delighted to collaborate with GSK to advance novel targeted therapies using our proprietary ESM technology" said Ian Nicholson, CEO of Chroma Therapeutics. "This collaboration provides strong validation of our technology platform and will enable Chroma to progress a broad pipeline of novel agents against a range of serious diseases."

About ESM

Chroma has developed its "Esterase Sensitive Motif" (ESM) technology which attaches specific chemical motifs onto active drugs to enhance the delivery of the drugs to specific targets within cells. The result is a drug-motif that is freely transported into the cell but, once the moiety is cleaved within the cell by intracellular esterases, it leaves an active charged species that cannot cross the cell membrane easily. Over time, the drug-motif will accumulate within the cells, resulting in increased potency and duration of action.

Chroma has developed a subset of these chemical motifs that are cleaved only within monocytes and macrophages. This approach has potential in the treatment of inflammatory disorders, by helping to deliver a drug selectively to these cell types, which are implicated in a variety of serious diseases including inflammatory disorders, cancer, atherosclerosis, diabetes and other conditions.

About Chroma Therapeutics

Chroma Therapeutics, based in Oxford (UK), is a drug discovery and development company focused in the fields of oncology and inflammatory disorders. Chroma is building a broad pipeline of first- or best-in-class treatments utilising its expertise in chromatin biology and its novel intracellular accumulation technologies, which include the ability to selectively target drugs to macrophages. Chroma is backed by a number of leading specialist investors, including Abingworth, Essex Woodlands, Gilde, Nomura Phase4 and The Wellcome Trust. More information about Chroma can be found at www.chromatherapeutics.com

About GSK

GlaxoSmithKline – one of the world’s leading research-based pharmaceutical and healthcare companies – is committed to improving the quality of human life by enabling people to do more, feel better and live longer. For further information please visit www.gsk.com

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Cautionary statement regarding forward-looking statements

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