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TESARO Enters Asset Purchase Agreement with TerSera® Therapeutics LLC for VARUBI® in the U.S. and Canada

- **TESARO to Receive \$40 Million, plus Potential for Additional Milestone Payments and Royalties**
- **TESARO Retains ex-North America Rights and Continues to Market VARUBY® in Europe**

WALTHAM, MA, June 28, 2018 – TESARO, Inc. (NASDAQ: TSRO), an oncology-focused biopharmaceutical company, today announced that it has entered into an asset purchase agreement with TerSera Therapeutics LLC (TerSera) under which it will divest North American rights to the oral and intravenous formulations of VARUBI® (rolapitant). TerSera will be responsible for VARUBI in the U.S. and Canada, and TESARO will continue to commercialize VARUBY® in Europe and will retain rest of world rights under a sublicense from TerSera. VARUBI was first approved in the U.S. in 2015 as an oral tablet.

TerSera will pay TESARO \$40 million, potential milestone payments for new indications approved by the U.S. Food and Drug Administration (FDA) and a percentage of revenue or other proceeds received by TerSera for future licensing transactions involving rolapitant in non-oncology indications. TESARO will also be eligible to receive a commercial milestone payment and royalties on annual net sales on any new intravenous formulation of rolapitant developed by TerSera. The transaction is expected to close in the third quarter of 2018, subject to customary closing conditions.

“TerSera offers the right capabilities to ensure cancer patients have continued access to VARUBI,” said Lonnie Moulder, CEO of TESARO. “This agreement allows us to focus our commercial resources on ZEJULA®, as TerSera works to provide physicians and patients with a treatment option to protect against chemotherapy induced nausea and vomiting in appropriate patients.”

Ed Fiorentino, Chairman and CEO of TerSera Therapeutics, said: “TerSera Therapeutics is very pleased to add VARUBI to our expanding portfolio of products. We look forward to continuing our work with the oncology community to help support their patients fighting cancer.”

Financial considerations

Of the \$40 million initial purchase price, \$35 million will be paid at closing and \$5 million will be paid eighteen months after closing. All payments, including future milestone and royalty payments received from TerSera, if any, will be reported as gain on divestiture in TESARO’s financial statements. TESARO will continue to support VARUBI oral tablet sales in the U.S. prior to the closing of the transaction and will provide necessary transition services to TerSera for the transfer.

About TESARO

TESARO is an oncology-focused biopharmaceutical company devoted to providing transformative therapies to people facing cancer. For more information, visit www.tesarobio.com and follow us on [Twitter](#) and [LinkedIn](#).

About TerSera Therapeutics LLC

TerSera Therapeutics LLC acquires, develops and markets specialty pharmaceutical products with a focus on select therapeutic areas, including oncology. TerSera's mission is to provide products which truly make a difference for patients. For more information, please visit www.tersera.com.

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VARUBI Indication and Important Safety Information

VARUBI, in combination with other antiemetic agents, is indicated in adults for the prevention of delayed nausea and vomiting associated with initial and repeat courses of emetogenic cancer chemotherapy, including, but not limited to, highly emetogenic chemotherapy.

VARUBI is contraindicated in patients taking CYP2D6 substrates with a narrow therapeutic index, such as thioridazine and pimozide. VARUBI can significantly increase the plasma concentrations of thioridazine and pimozide, which may result in QT prolongation and Torsades de Pointes.

VARUBI is a moderate inhibitor of CYP2D6 and significantly increases the plasma concentrations of CYP2D6 substrates for at least 28 days, with inhibitory effects expected to persist for an unknown duration. Monitor for adverse reactions when VARUBI is coadministered with CYP2D6 substrates without a narrow therapeutic index (avoid coadministration with CYP2D6 substrates with a narrow therapeutic index, thioridazine and pimozide; see Contraindication).

In clinical trials, the most common adverse reactions reported were neutropenia, hiccups, decreased appetite and dizziness. IV administration of VARUBI was also associated with infusion-related symptoms (e.g., sensation of warmth, abdominal pain, dizziness, and paresthesia).

Avoid use of VARUBI in patients who require chronic administration of strong CYP3A4 inducers (e.g., rifampin), as significantly reduced plasma concentrations of VARUBI can decrease the efficacy of VARUBI.

VARUBI given as an oral dose is an inhibitor of breast cancer resistance protein (BCRP) and P-glycoprotein (P-gp). Increased plasma concentrations of BCRP substrates (e.g., methotrexate, topotecan, or irinotecan) and P-gp substrates (e.g., digoxin) with a narrow therapeutic index may result in potential adverse reactions. Monitor digoxin concentrations with concomitant use of VARUBI, and adjust the dosage as needed to maintain therapeutic concentrations.

Monitor INR and prothrombin time and adjust the dosage of warfarin, as needed, to maintain target INR.

VARUBI is available by prescription only. Please see full prescribing information, including additional important safety information, available at www.varubirx.com.

Forward Looking Statements

To the extent that statements contained in this press release are not descriptions of historical facts regarding TESARO, they are forward-looking statements reflecting the current beliefs and expectations of management made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Words such as “may,” “will,” “expect,” “anticipate,” “estimate,” “intend,” and similar expressions (as well as other words or expressions referencing future events, conditions or circumstances) are intended to identify forward-looking statements. Examples of forward-looking statements contained in this press release include, among others, statements regarding the expected closing of the transaction and its timing as well as future fees and payments payable and services to be provided in connection with the transaction. Forward-looking statements in this release involve substantial risks and uncertainties that could cause our research and development programs, future financial and other results, performance, or achievements to differ significantly from those expressed or implied by the forward-looking statements. Such risks and uncertainties include, among others, risks related to the closing of the transaction, including the satisfaction of closing conditions, and uncertainties inherent in the development, commercialization, commercial availability and success of pharmaceutical products. TESARO undertakes no obligation to update or revise any forward-looking statements. TESARO undertakes no obligation to update or revise any forward-looking statements. For a further description of the risks and uncertainties that could cause actual results to differ from those expressed in these forward-looking statements, as well as risks relating to the business of the Company in general, see TESARO's Annual Report on Form 10-K for the year ended December 31, 2017, and its Quarterly Report on Form 10-Q for the quarter ended March 31, 2018.

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