Xencor and Gilead Enter License Agreement for Use of XmAb® Antibody Technologies in Investigational Agents for HIV

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MONROVIA, Calif.--(BUSINESS WIRE)--Jan. 8, 2020-- Xencor, Inc. (NASDAQ:XNCR), a clinical-stage biopharmaceutical company developing engineered monoclonal antibodies for the treatment of cancer, autoimmune disease, asthma and allergic diseases, today announced it has entered into a technology license agreement in which Gilead Sciences, Inc., will access Xencor's Xtend™ extended half-life and Cytotoxic XmAb® Fc technologies for developing and commercializing GS-9722, Gilead's first-in-class effector-enhanced broadly neutralizing anti-HIV antibody, which is currently in Phase 1 clinical development.

"Xencor's plug-and-play antibody engineering platform enables selective licensing of our Fc domain technologies to partners to improve drug candidate properties in their own antibody development programs," said Bassil Dahiyat, Ph.D., president and chief executive officer at Xencor. "This agreement with Gilead expands the potential of XmAb technologies to create new therapies for people living with HIV."

Under the terms of the agreement, Xencor has granted Gilead an exclusive license for GS-9722 and up to three additional anti-HIV antibodies. Xencor retains the right to grant licenses for other antibodies directed to the target. Gilead will be solely responsible for the activities and costs related to research, development, regulatory and commercial activities. Xencor will receive an upfront payment and is eligible to receive milestones and royalties for the successful development and commercialization of these products.

About Xtend™ XmAb® Fc Technology

Xencor's Xtend™ XmAb® Fc domains increase circulating half-life by increasing binding affinity to the receptor FcRn. FcRn is present inside lysosomes in endothelial cells lining the blood vessels and functions to rescue antibodies from the degradation that makes most proteins short-lived in circulation. Half-life extension can be exploited to potentially improve therapeutic antibody performance in several ways, such as increasing dosing interval or decreasing drug quantities at the same dosing interval compared to a parent antibody. Xtend technology is currently in multiple clinical-stage programs and one approved therapy, Alexion's Ultomiris ® (ravulizumab-cwvz).

About Cytotoxic XmAb® Fc Technology

Xencor's Cytotoxic XmAb ® Fc domain is designed to improve the immune system's elimination of tumor and other pathologic cells by antibody-dependent cellular cytotoxicity (ADCC). The Cytotoxic Fc domain is engineered to increase binding affinity to activating Fcγ receptors to enhance activation of natural killer (NK) cells and other immune cells such as macrophages, which play a role in immunity by engulfing and digesting foreign material.

About Xencor, Inc.

Xencor is a clinical-stage biopharmaceutical company developing engineered monoclonal antibodies for the treatment of cancer, autoimmune diseases, asthma and allergic diseases. Currently, 15 candidates engineered with Xencor's XmAb® technology are in clinical development internally and with partners. Xencor's XmAb antibody engineering technology enables small changes to the structure of monoclonal antibodies resulting in new mechanisms of therapeutic action. For more information, please visit www.xencor.com.

Forward-Looking Statements

Statements contained in this press release regarding matters that are not historical facts are forward-looking statements within the meaning of applicable securities laws, including, but not limited to, the quotations from Xencor's president and chief executive officer and any expectations relating to Xencor's financial expectations and business, the timing and success of clinical trials, future product candidates, Xencor's research and development programs, partnering efforts and capital requirements. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements and the timing of events to be materially different from those implied by such statements, and therefore these statements should not be read as guarantees of future performance or results. Such risks include, without limitation, the risks associated with the process of discovering, developing, manufacturing and commercializing drugs that are safe and effective for use as human therapeutics and other risks described in Xencor's public securities filings. For a discussion of these and other factors, please refer to Xencor's annual report on Form 10-K for the year ended December 31, 2018 as well as Xencor's subsequent filings with the Securities and Exchange Commission. All forward-looking statements are based on Xencor's current information and belief as well as assumptions made by Xencor. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. This caution is made under the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. All forward-looking statements are qualified in their entirety by this cautionary statement and Xencor undertakes no obligation to revise or update this press release to reflect events or circumstances after the date

hereof, except as required by law.

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