Aimmune Licenses Exclusive Worldwide Rights to Xencor's XmAb®7195 for the Development of Next-Generation Food Allergy Treatments

February 5, 2020

MONROVIA, Calif.--(BUSINESS WIRE)--Feb. 5, 2020-- Xencor, Inc. (NASDAQ:XNCR), a clinical-stage biopharmaceutical company developing engineered monoclonal antibodies for the treatment of cancer and autoimmune diseases, announced it has granted an exclusive worldwide license to develop and commercialize the investigational humanized monoclonal antibody XmAb®7195 to Aimmune Therapeutics, Inc.

XmAb7195, which has been renamed AIMab7195, was originally developed by Xencor for the treatment of allergic asthma. It uses three distinct mechanisms of action to reduce blood serum IgE and suppress IgE-producing cells. Aimmune initially plans to develop AIMab7195 as an adjunctive treatment with select **C**haracterized **O**ral **D**esensitized **I**mmuno**T**herapy (CODIT™) programs, including PALFORZIA™, to explore treatment outcomes in patients with food allergies.

"As we look to the future of food allergy treatments, we are excited to explore the potential of oral immunotherapy to achieve greater levels of desensitization – and perhaps even remission – when combined with adjunctive biologics that target immune pathways," said Jayson Dallas, M.D., president and CEO of Aimmune. "In-licensing AIMab7195 demonstrates our commitment to enriching our pipeline and strengthening Aimmune's global leadership in the evolving therapeutic landscape of food allergy treatments."

"Aimmune's focus, clinical success and regulatory expertise in food allergy demonstrate their capability to advance AIMab7195 with highly complementary CODIT pipeline programs to create new options for people living with food allergy," said Bassil Dahiyat, Ph.D., President and CEO of Xencor. "AIMab7195 is designed to reduce levels of IgE, a key mediator of allergic response, and there is strong scientific rationale that this reduction would synergize with the activity of desensitization therapies."

Under the terms of the agreement, Aimmune will make an upfront payment to Xencor of $5 million in cash and $5 million in equity, equivalent to 156,238 newly issued shares of Aimmune common stock at $32.00/share, the seven-day volume weighted average price. Xencor also is eligible to receive up to $385 million based on the achievement of certain clinical development, regulatory and commercialization milestones – beginning with the initiation of a Phase 2 clinical trial – and is eligible to receive a high single-digit to mid-teen percentage of royalties upon commercialization of AIMab7195. Aimmune will be solely responsible for costs related to the development of AIMab7195 and plans to provide a development plan in the coming months.

About AIMab7195 (formerly XmAb®7195)

AIMab7195 is an anti-IgE monoclonal antibody with enhanced binding to the Fc gamma receptor IIb (FcγRIIb). IgE recognizes and interacts with allergens and, as a result, can activate immune cells, such as mast cells and basophils, that drive an allergic response in patients. AIMab7195 is designed to clear IgE rapidly from circulation, to prevent the production of IgE by preventing the activation of IgE-positive B cells, and to block IgE from interacting with its receptor on immune cells. AIMab7195 has been evaluated in two Phase 1 studies that enrolled more than 100 healthy volunteers and patients with allergy and atopic disease.

About Xencor, Inc.

Xencor is a clinical-stage biopharmaceutical company developing engineered monoclonal antibodies for the treatment of cancer and autoimmune 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 the chief executive officers of Xencor and Aimmune and any expectations relating to the potential benefits of AIMab7195; its clinical development, synergies with CODIT™ programs and efficacy; regulatory approval; or commercialization. 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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