Xencor Earns Milestone Payment from MorphoSys for FDA Approval of Monjuvi® (tafasitamab-cxix) in the United States

August 1, 2020

-- Monjuvi is a new treatment in combination with lenalidomide for adult patients with relapsed or refractory diffuse large B cell lymphoma (DLBCL) --

-- Tafasitamab-cxix was created at Xencor and is the second product with Xencor's XmAb® technology to be approved by the FDA --

-- Xencor to receive $25 million milestone payment and royalty on worldwide net sales --

MONROVIA, Calif.--(BUSINESS WIRE)--Jul. 31, 2020-- Xencor, Inc. (NASDAQ: XNCR), a clinical-stage biopharmaceutical company developing engineered monoclonal antibodies for the treatment of cancer and autoimmune diseases, announced that the U.S. Food and Drug Administration (FDA) approved MorphoSys' Monjuvi (tafasitamab-cxix), a CD19-directed cytolytic antibody indicated in combination with lenalidomide for the treatment of adult patients with relapsed or refractory diffuse large B-cell lymphoma (DLBCL) not otherwise specified, including DLBCL arising from low grade lymphoma, and who are not eligible for autologous stem cell transplant (ASCT). The most common adverse reactions (≥ 20%) are neutropenia, fatigue, anemia, diarrhea, thrombocytopenia, cough, pyrexia, peripheral edema, respiratory tract infection, and decreased appetite. Xencor has earned a $25 million milestone payment from MorphoSys under the license agreement between the companies for Monjuvi in connection with the regulatory approval.

Xencor licensed exclusive worldwide rights to develop and commercialize Monjuvi, product code MOR208 and previously XmAb5574, to MorphoSys in 2010. Monjuvi incorporates Xencor's XmAb® engineered Fc domain, which mediates B-cell lysis through apoptosis and immune effector mechanism including antibody-dependent cell-mediated cytotoxicity and antibody-dependent cellular phagocytosis.

"We are incredibly proud of Xencor's discovery and early development of Monjuvi, an anti-CD19 antibody we engineered with our Cytotoxic XmAb ® Fc domain. Data from the L-MIND study highlight Monjuvi's potential as treatment for people living with relapsed or refractory DLBCL, an aggressive form of lymphoma with poor clinical outcomes," said Bassil Dahiyat, Ph.D., president and chief executive officer at Xencor. "Monjuvi follows Alexion's Ultomiris® (ravulizumab-cwvz) as the second product incorporating XmAb technology to receive a marketing approval. These partnerships expand the use of our XmAb technology and provide us with an important source of non-dilutive capital, used to advance and expand our broad internal portfolio of novel XmAb bispecific antibodies and cytokine drug candidates."

Xencor is eligible to receive royalties on worldwide net sales in the high-single to low-double digit percent range and additional development, regulatory and sales milestone payments. Monjuvi will be co-commercialized in the U.S. by MorphoSys and Incyte Corporation. The European Marketing Authorization Application (MAA) for tafasitamab, based on data from the L-MIND study and supported by the Re-MIND observational retrospective study, is currently under review by the European Medicines Agency (EMA).

About Cytotoxic XmAb® Fc Technology

Xencor's Cytotoxic XmAb ® Fc domain is designed to improve the immune system's elimination of tumors and other pathologic cells by antibody-dependent cellular cytotoxicity. The Cytotoxic Fc domain is engineered to increase binding affinity to activating Fcγ receptors to enhance activation of natural killer (NK) cells, as well as 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 and autoimmune diseases. Currently, 17 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, anticipated milestone payments and royalties due from MorphoSys AG and the therapeutic uses of Monjuvi. 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, 2019 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.

View source version on businesswire.com: https://www.businesswire.com/news/home/20200731005504/en/

Xencor, Inc.
Charles Liles
626-737-8118
cliles@xencor.com

Media Contact:
Jason I. Spark
Canale Communications
619-849-6005
jason@canalecomm.com

Source: Xencor, Inc.