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Xencor Provides Updates on Lead Programs and Reviews Bispecific Oncology Partnership; Announces Expansion of Bispecific Oncology Pipeline at Analyst Day

- Strategic collaboration announced for bispecific programs: Novartis to receive ex-U.S. rights to XmAb®14045 and XmAb®13676, Xencor to retain U.S. commercial rights -
- XmAb®18087 and XmAb®20717 named as two XmAb® bispecific oncology candidates for treatment of neuroendocrine tumors and multiple cancers, respectively; on track to have four bispecific programs in clinic in 2017 -

MONROVIA, Calif., June 28, 2016 /PRNewswire/ -- Xencor, Inc. (NASDAQ: XNCR), a clinical-stage biopharmaceutical company developing engineered monoclonal antibodies for the treatment of autoimmune diseases, asthma and allergic diseases and cancer, today highlighted its lead product candidates and reviewed its recent collaboration with Novartis for the development and commercialization of novel bispecific oncology programs at its Analyst Day in New York City. In addition, the company announced the expansion of its pipeline with two new bispecific oncology programs.

"We believe our flexible bispecific oncology platform has substantial potential. Our programs are built on a novel XmAb Fc domain, which allows for the rapid creation of drug candidates that maintain important full-length antibody properties, without the manufacturing and commercialization challenges that have historically blocked the viability of bispecific antibodies," said Bassil Dahiyat, Ph.D., president and chief executive officer of Xencor. "As we announced earlier this morning, we are excited to collaborate with Novartis on the development of our two lead bispecific oncology programs, XmAb14045 and XmAb13676, while maintaining commercialization rights for both candidates in the U.S. In addition, we are unveiling two new programs today, XmAb18087 and XmAb20717 for the treatment of neuroendocrine tumors and multiple cancers, respectively."

Dr. Dahiyat continued, "We are also pleased to report on the continued advancement of our pipeline of wholly-owned programs. We remain on track to initiate Phase 1 trials with subcutaneous formulations of both XmAb®5871 and XmAb®7195 this year, and to announce initial data from our ongoing Phase 2 trials of XmAb5871 in IgG4-Related Disease (IgG4-RD) and systemic lupus erythematosus (SLE) in 2017 and 2018, respectively."

Program Highlights:

Novartis Collaboration for XmAb14045 and XmAb13676

Earlier today, Xencor announced that it has entered into a collaboration with Novartis to develop and commercialize XmAb14045, for the treatment of acute myeloid leukemia, and XmAb13676, for the treatment of for B-cell malignancies. Both XmAb14045 and XmAb13676 are expected to begin clinical development in 2016.

Under the terms of the agreement, Xencor and Novartis will share worldwide development costs for XmAb14045 and XmAb13676, with Xencor maintaining U.S. commercialization rights and Novartis having commercialization rights in the rest of the world. In addition, XmAb bispecific Fc domains will be applied to four Novartis programs, one of which Xencor may elect to share in cost and U.S. profits in lieu of royalties and to co-detail in the U.S. Novartis will also receive a non-exclusive license to use Xencor's XmAb Fc technologies in up to ten molecules.

Xencor will receive a $150 million upfront payment and is eligible to receive clinical, regulatory and sales milestone payments for successful programs, in addition to tiered royalties for product sales, except for the bispecific program that it elects to share in profits and costs.

XmAb5871

XmAb5871 is a first-in-class monoclonal antibody that targets CD19 with its variable domain and that uses Xencor's XmAb immune inhibitor Fc domain to target FcγRIIb, a receptor that inhibits B-cell function. In March 2016, Xencor initiated a Phase 2 clinical study for the treatment of IgG4-RD and a Phase 2 clinical study for the treatment of SLE.

Today, Xencor will discuss the trial design of its ongoing Phase 2 studies in IgG4-RD and SLE. Initial data from the IgG4-RD trial is expected in the first half of 2017 and initial data from the SLE trial is expected in 2018. A Phase 1 study with a

subcutaneous formulation of XmAb5871 is expected to begin this year with initial data expected in 2017.

XmAb7195

XmAb7195 is a first-in-class monoclonal antibody that targets IgE with its variable domain and uses Xencor's XmAb Immune Inhibitor Fc domain to target FcgRIIb, resulting in three distinct mechanisms of action for reducing IgE levels. In May 2016, Xencor presented data from a Phase 1a trial at the American Thoracic Society Annual Meeting.

Today, Xencor will discuss the recently presented data from the Phase 1a study of XmAb7195 showing that XmAb7195 was generally well tolerated and induced rapid and extensive depletion of serum IgE at all doses tested, including in high IgE subjects. A Phase 1 multiple ascending dose study with subcutaneous administration of XmAb7186 is expected to begin this year with initial data expected in the first half of 2017.

Bispecific Oncology Pipeline

Xencor's bispecific programs are tumor-targeted antibodies that contain both a tumor antigen binding domain and a cytotoxic T-cell binding domain (CD3). These bispecific antibodies activate T cells for highly potent and targeted killing of malignant cells. Their XmAb Fc domains confer long circulating half-lives, stability and ease of manufacture.

Today, Xencor announced that it has selected XmAb18087, a SSTR2 x CD3 bispecific antibody, for development for neuroendocrine tumors as well as XmAb20717, a PD-1 x CTLA-4 bispecific antibody, for clinical testing for multiple oncology indications. Xencor plans to initiate clinical trials for XmAb18087 and XmAb20717 in 2017.

In addition to a presentation by Xencor management, the team will be joined by Michael Curran, Ph.D., Assistant Professor in the Department of Immunology at The University of Texas MD Anderson Cancer Center and Member of the Graduate Faculty at The University of Texas Graduate School of Biomedical Science. Dr. Curran will review the role of hypoxia in driving tumor immune suppression and immunotherapy resistance.

The team will also be joined by Paul Hamlin, M.D., Chief of the Basking Ridge Medical Oncology Service and Associate Member of the Lymphoma Service at Memorial Sloan Kettering Cancer Center who will present on the clinical trial landscape in non-Hodgkin Lymphoma (NHL).

Webcast Information
Beginning at 8:30 a.m. ET today, a live audio webcast and slides of the presentation will be available under the "Events & Presentations" section in the Investors section of the Company's website located at http://investors.xencor.com/events.cfm. A replay of the presentation will be posted on the Xencor website approximately one hour after the live event ends and will be available for 30 days following the presentation.

About Xencor, Inc.
Xencor is a clinical-stage biopharmaceutical company developing engineered monoclonal antibodies for the treatment of asthma and allergic diseases, autoimmune diseases and cancer. Currently, nine candidates that have been engineered with Xencor's XmAb® technology are in clinical development internally and with partners. Xencor's internally-discovered programs include: XmAb5871, in Phase 2 development for the treatment of IgG4-Related Disease, and also for the treatment of Systemic Lupus Erythematosus; XmAb7195 in Phase 1a development for the treatment of asthma and allergic disease; XmAb14045 expected to begin clinical development for acute myeloid leukemia in 2016; and XmAb13676 also expected to begin clinical development for B-cell malignancies in 2016. Xencor's XmAb antibody engineering technology enables small changes to the structure of monoclonal antibodies resulting in new mechanisms of therapeutic action. Xencor partners include Amgen, Merck, Janssen R&D LLC, Alexion, Novo Nordisk and Boehringer Ingelheim. 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 the quotation from Xencor's officers and any expectations relating to its business, research and development programs, including ongoing clinical trials and the XmAb bispecific antibody technology, including XmAb14045, XmAb13676, XmAb18087 and XmAb20717, partnering efforts or its 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. All forward-looking statements are based on Xencor's current information and belief as well as assumptions made by Xencor.

Readers are cautioned not to place undue reliance on such statements and Xencor disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

To view the original version on PR Newswire, visit:http://www.prnewswire.com/news-releases/xencor-provides-updates-on-lead-programs-and-reviews-bispecific-oncology-partnership-announces-expansion-of-bispecific-oncology-pipeline-at-analyst-day-300291077.html

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