



December 18, 2014

## **Xencor and Novo Nordisk Enter Discovery Collaboration Using Xencor's XmAb Bispecific and Immune Inhibitor Technologies**

MONROVIA, Calif., Dec. 18, 2014 /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 announced that it has entered into a collaboration and licensing agreement with Novo Nordisk to jointly discover novel biologic drug candidates for an undisclosed target by combining multiple Xencor XmAb® technologies, including bispecific and immune inhibitor technologies. Xencor is eligible to receive up to approximately \$175 million in upfront payments, research support, and pre-clinical and clinical development, regulatory and sales milestones, in addition to future royalties.

Xencor and Novo Nordisk will use Xencor's XmAb® bispecific technology to build a variety of molecular formats that can engage the target and also modulate desired immune functions using Xencor's XmAb immune inhibitor technology. XmAb immune inhibitor Fc domains target FcγRIIb (also known as CD32b), and have shown to be potent inhibitors of immune responses in clinical trials. In addition to its proprietary technologies, Xencor will also contribute expertise in studying immune functions of biologics and immune system modulation. Novo Nordisk will collaborate by using its proprietary technology during candidate discovery and will have all development and commercial rights.

"This collaboration marks the first time we have used our new XmAb® bispecifics technology, which consists of stable and easily expressed heterodimeric Fc domains that allow us to build robust molecules in a variety of formats that preserve many beneficial features of antibodies. The combination of our bispecific Fc domains with our unique FcγRIIb targeting technology allows us to create novel molecular structures and to explore a range of functional properties during discovery," said Bassil Dahiyat, Ph.D., Xencor's president and chief executive officer. "Furthermore, this collaboration demonstrates how the comprehensive and diverse capabilities of our XmAb® toolkit and robust plug-and-play nature of our bispecifics technology platform can lead to creative alliances with global partners such as Novo Nordisk."

### **About Xencor's XmAb® Bispecific Technology**

As opposed to traditional monoclonal antibodies that target and bind to a single antigen, bispecific antibodies are designed with two different variable domains to elicit biological effects that require simultaneous binding to two targets. Xencor's XmAb® bispecific Fc domain technology is designed to maintain full-length antibody properties in a bispecific antibody, potentially enabling favorable in vivo half-life and simplified manufacturing.

Efforts at bispecific antibody design are typically frustrated by poor molecular stability, difficulties in production and short in vivo half-life. Xencor has engineered a series of Fc domain variants that spontaneously form stable, heterodimeric bispecific antibodies and that can be made and purified with standard antibody production methods. These bispecific Fc domains are used to generate a broad array of novel drug candidates in a range of molecule formats.

### **About Xencor's XmAb® Immune Inhibitor Technology**

FcγRIIb (IIb), also called CD32b, is a receptor for Fc domains on B cells and other immune cells. When engaged, the IIb receptor blocks immune activation pathways and traffics bound antigens out of circulation. Xencor has discovered a series of Fc domain variants with up to a 400-fold increase in binding affinity to FcγRIIb derived from just two amino acid changes. These Immune Inhibitor Fc domains greatly heighten the properties of IIb receptor engagement and have potential as building blocks for drug candidates in autoimmune, allergic and inflammatory diseases.

### **About Xencor, Inc.**

Xencor is a clinical-stage biopharmaceutical company developing engineered monoclonal antibodies for the treatment of autoimmune diseases, asthma and allergic diseases, and cancer. Currently, eight 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 a Phase 1b/2a clinical trial for the treatment of rheumatoid arthritis and is in preparation for a clinical trial in IgG4-related disease; XmAb7195 in Phase 1a development for the treatment of asthma; and XmAb5574/MOR208 which has been licensed to Morphosys AG and is in Phase 2 clinical trials for the treatment of acute lymphoblastic leukemia and non-Hodgkin lymphoma. 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 Merck, Janssen R&D LLC, Alexion, Novo Nordisk and Boehringer Ingelheim. For more information, please visit [www.xencor.com](http://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 the U.S. securities laws, including statements associated with Xencor's research, collaborations and its

expectations regarding future therapeutic and commercial potential of Xencor's technologies, programs, drug candidates and intellectual property related to Xencor's XmAb® technology. Because such statements are subject to risks and uncertainties, including risks associated with the process of discovering, developing and commercializing drugs that are safe and effective, actual results and the timing of events may differ materially from those expressed or implied by such forward-looking statements. These and other risks concerning Xencor's programs and technology are described in additional detail in Xencor's SEC filings. These forward-looking statements speak as of the date on which they were made, are based upon Xencor's current expectations and involve assumptions that may never materialize or may prove to be incorrect. Xencor disclaims any intention or obligation to update such statements to reflect events that occur or circumstances that exist after the date on which they were made.

**Investor Contact:**

John Kuch, Vice President Finance, Xencor

Tel: 626-737-8013

[jkuch@xencor.com](mailto:jkuch@xencor.com)

**Corporate Communications Contact:**

Jason I. Spark

Canale Communications for Xencor

Tel: 619-849-6005

[jason@canalecomm.com](mailto:jason@canalecomm.com)

To view the original version on PR Newswire, visit: <http://www.prnewswire.com/news-releases/xencor-and-novo-nordisk-enter-discovery-collaboration-using-xencors-xmab-bispecific-and-immune-inhibitor-technologies-300011802.html>

SOURCE Xencor, Inc.

News Provided by Acquire Media