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National Institutes of Health Initiates Phase 1 Trial of VRC01LS Anti-HIV Therapeutic Antibody Using Xencor's Xtend Fc Technology

MONROVIA, Calif., Jan. 7, 2016 /PRNewswire/ --Â 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, announced that the National Institutes of Health (NIH) has initiated a Phase 1 clinical trial of VRC01LS, a therapeutic antibody for the treatment of HIV that uses Xencor's Xtend antibody half-life extension technology.

VRC01LS is a humanized monoclonal antibody targeted to the CD4 binding site of HIV-1. VRC01LS is a modification of the VRC01 monoclonal antibody, which demonstrated a suppression of HIV viral load in a Phase 1 trial conducted by NIH.[1] VRC01LS includes Xencor's Xtend technology in order to enhance antibody half-life and stability.

"VRC01LS is the second antibody using our XmAb Xtend Fc domain to enter the clinic -- NIH's decision to use Xtend technology further supports the potential of our proprietary technology for improving therapeutic antibody performance," said Bassil Dahiyat, Ph.D., president and chief executive officer of Xencor. "Our Xtend technology is based on very modest changes to the antibody structure that result in improved half-life."

Phase 1 clinical study results of VRC01 published in the journal Science Translational Medicine[2] have shown that a single infusion of VRC01 can suppress the level of HIV in the blood of infected people who are not taking antiretroviral therapy (ART). The study also found that VRC01 was safe and well tolerated.[3]

About VRC01LS Trial
The Phase 1 dose-escalation study of the VRC-HIVMAB080-00-AB (VRC01LS) monoclonal antibody in healthy adults age 18 - 50 is to examine safety, tolerability, dose, and pharmacokinetics of VRC01LS. The hypothesis is that VRC01LS will be safe to administer to healthy adults by the intravenous (IV) and subcutaneous (SC) routes. The secondary hypothesis is that VRC01LS will be detectable in human sera with a definable half-life. The trial is actively recruiting participants. For more information visit: https://www.clinicaltrials.gov/ct2/show/NCT02599896?term=vrc01&rank=9

About Xencor's Xtend Technology
Xencor's Xtend Fc domains increase antibody half-life by increasing the domains' binding affinity to the receptor FcRn on endothelial cells that line blood vessels, to enhance FcRn-mediated rescue from degradation. By prolonging half-life of antibody drug molecules the opportunity arises to address chronic indications with an antibody drug product that potentially i) enhances drug exposure and patient responses, ii) is administered at more infrequent intervals, greatly enhancing patient convenience, reducing administration costs, and iii) has a reduced dose required to maintain effective drug levels, potentially improving the cost, profitability and capital expense profile of the product.

About Xencor, Inc.
XencorÂ is a clinical-stage biopharmaceutical company developing engineered monoclonal antibodies for the treatment of asthma and allergic diseases, autoimmune diseases and cancer. Currently, eight candidates that have been engineered with Xencor'sÂ XmAb® technology are in clinical development internally and with partners.Â Xencor'sÂ internally-discovered programs include: XmAb5871, which completed a Phase 1b/2a clinical trial for the treatment of rheumatoid arthritis and is in preparation for a clinical trial in IgG4-related disease in 2015; 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.Â Xencor'sÂ XmAb antibody engineering technology enables small changes to the structure of monoclonal antibodies resulting in new mechanisms of therapeutic action.Â XencorÂ partners include Amgen, Merck,Â Janssen R&D LLC, Alexion, Novo Nordisk and Boehringer Ingelheim. For more information, please visitÂ www.xencor.com.Â Â Â Â

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 any expectations relating to our business, research and development programs, partnering efforts or our capital requirements. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements and the timing ofÂ 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.

Notes:

1. "VRC 606: Safety and Pharmacokinetics of a Human Monoclonal Antibody, VRC-HIVMAB080-00-AB (VRC01LS), With Broad HIV-1 Neutralizing Activity, Administered Intravenously or Subcutaneously to HIV-Infected Adults."Â - *Full Text View*. N.p., n.d. Web. 06 Jan. 2016
2. Lynch, R. M., et al. "Virologic Effects of Broadly Neutralizing Antibody VRC01 Administration during Chronic HIV-1 Infection." *Science Translational Medicine* 7.319 (2015): n. pag. Web.
3. NIH/NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES. "HIV Antibody Infusion Safely Suppresses Virus in Infected People." *PUBLIC RELEASE: 23-DEC-2015*. N.p., n.d. Web. 06 Jan. 2016.

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