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MacroGenics Licenses Synthon's Technology to Develop an Anti-B7-H3 ADC

ROCKVILLE, Md. and NIJMEGEN, the Netherlands, Dec. 12, 2016 (GLOBE NEWSWIRE) --

MacroGenics, Inc. (NASDAQ: MGNX), a clinical-stage biopharmaceutical company focused on discovering and developing innovative monoclonal antibody-based therapeutics for the treatment of cancer, as well as autoimmune disorders and infectious diseases, and Synthon Biopharmaceuticals B.V., an international biopharmaceutical company with highly focused development activities for new molecular entities in the therapeutic areas of oncology and autoimmune diseases, today announced they have entered a license and collaboration agreement for the development of MGC018, an antibody-drug conjugate (ADC) directed against solid tumors expressing B7-H3. This molecule is based on a MacroGenics proprietary B7-H3 antibody and Synthon's proprietary duocarmycin-based, linker-drug technology.

Under the terms of the agreement, Synthon has licensed rights to its linker-drug technology to MacroGenics to enable future development and commercialization of MGC018. Synthon will also provide manufacturing support and supply ADC to MacroGenics and will be entitled to receive license fees, milestone payments and royalties based on successful development and commercialization of MGC018. Additional details of the transaction were not disclosed.

Based on favorable activity and safety profiles in the non-clinical setting, MacroGenics has selected MGC018 as its lead anti-B7-H3 ADC candidate. MacroGenics has recently initiated IND-enabling studies for this molecule.

"We are encouraged by the data generated with Synthon's ADC platform and believe that MGC018 will nicely complement our broader portfolio of B7-H3-directed agents," said Scott Koenig, M.D., Ph.D., President and Chief Executive Officer of MacroGenics. "The team at Synthon brings tremendous expertise in linker-drug chemistry and product development that complements our existing capabilities. We look forward to continuing to collaborate with them on this important molecule."

Jacques Lemmens, founder and CEO of Synthon added: "We are very pleased with this commercial licensing agreement with MacroGenics, which enables us to deploy our unique linker-drug technology against a therapeutic target that is complementary to those in our own pipeline. We believe that such collaborations are an important means to accelerate the availability of important therapeutic treatment options to patients who need them."

MacroGenics' B7-H3 Franchise

MGC018 represents the third molecule in MacroGenics' franchise of B7-H3-directed molecules. In addition to MGC018, MacroGenics is pursuing two other therapeutic product candidates utilizing different and complementary immune-based mechanisms of action. The leading program, enoblituzumab, is an Fc-optimized monoclonal antibody directed against B7-H3 and is currently in clinical testing as both monotherapy and in combination with either pembrolizumab or ipilimumab. The second program, MGD009, also in clinical testing, is a bispecific DART® molecule designed to target tumors expressing B7-H3 by recruiting and expanding T cells at the tumor site. MacroGenics retains worldwide development and commercialization rights to all three of these programs.

Synthon's Unique Technology Based on Duocarmycin Analogs

Antibody-drug conjugates are designed to combine the specificity of antibodies directed against tumor-associated targets with potent cytotoxicity. Upon internalization of the ADC, the antibody-bound cytotoxins are released intracellularly, leading to programmed tumor cell death.

While the cytotoxins used in the majority of advanced programs in the field prevent tubulin polymerization during cell division, Synthon's differentiating linker-drug technology − which applies valine-citrulline-*seco*-DUocarmycin-hydroxyBenzamide-Azaindole (vc-*seco*-DUBA) − is based on synthetic duocarmycin analogs, which bind to the minor groove of DNA and subsequently cause irreversible alkylation of DNA. This disrupts the nucleic acid architecture, which eventually leads to tumor cell death.

Duocarmycins are able to exert their mode of action at any phase in the cellular cycle, whereas tubulin binders will only

attack tumor cells when they are in a mitotic phase. Growing evidence suggests that DNA damaging agents, such as duocarmycins, are more efficacious in tumor cell killing than tubulin binders, particularly in solid tumors.

Although based on natural products, Synthon's proprietary ADC linker-drug technology uses fully synthetic duocarmycin analogs. The unique design of the selectively cleavable linker connecting the antibody to a duocarmycin prodrug leads to high stability in circulation, and induces efficient release of the cytotoxin in the tumor.

About MacroGenics, Inc.

MacroGenics is a clinical-stage biopharmaceutical company focused on discovering and developing innovative monoclonal antibody-based therapeutics for the treatment of cancer, as well as autoimmune disorders and infectious diseases. The company generates its pipeline of product candidates primarily from its proprietary suite of next-generation antibody-based technology platforms. The combination of MacroGenics' technology platforms and protein engineering expertise has allowed the company to generate promising product candidates and enter into several strategic collaborations with global pharmaceutical and biotechnology companies. For more information, please see the company's website at www.macrogenics.com. MacroGenics, the MacroGenics logo, and DART are trademarks or registered trademarks of MacroGenics, Inc.

About Synthon

Synthon, with headquarters in Nijmegen, the Netherlands, is an international pharmaceutical company and a leader in the field of generic medicines. The company started its biopharmaceutical franchise in 2007 and is building a promising portfolio of next generation medicines. Synthon is developing rapidly into a specialty pharmaceutical company, focusing on the therapeutic areas of oncology and auto-immune diseases. Synthon products are currently approved by regulatory agencies in over 90 countries worldwide and marketed through strategic partnerships and — in dedicated areas — through direct sales. Synthon employs about 1,600 staff worldwide, and in 2015 it recorded a turnover of EUR 267 million. For more information, go to http://www.synthon.com.

MacroGenics' Cautionary Note on Forward-Looking Statements

Any statements in this press release about future expectations, plans and prospects for MacroGenics, including statements about the company's strategy, future operations, clinical development of the company's therapeutic candidates, milestone or opt-in payments from the company's collaborators, the company's anticipated milestones and future expectations and plans and prospects for the company and other statements containing the words "subject to", "believe", "anticipate", "plan", "expect", "intend", "estimate", "project", "may", "will", "should", "would", "could", "can", the negatives thereof, variations thereon and similar expressions, or by discussions of strategy constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Actual results may differ materially from those indicated by such forward-looking statements as a result of various important factors, including: the uncertainties inherent in the initiation and enrollment of future clinical trials, expectations of expanding ongoing clinical trials, availability and timing of data from ongoing clinical trials, expectations for regulatory approvals, other matters that could affect the availability or commercial potential of the company's product candidates and other risks described in the company's filings with the Securities and Exchange Commission. In addition, the forward-looking statements included in this press release represent the company's views only as of the date hereof. The company anticipates that subsequent events and developments will cause the company's views to change. However, while the company may elect to update these forward-looking statements at some point in the future, the company specifically disclaims any obligation to do so, except as may be required by law. These forward-looking statements should not be relied upon as representing the company's views as of any date subsequent to the date hereof.

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