

Lycera Announces Celgene Has Exercised its Option to License Portfolio of Ex Vivo RORgamma Agonist Compounds under Global Strategic Collaboration

NEW YORK and ANN ARBOR, Mich., January 11, 2016 /PRNewswire/ -- Lycera Corp., a privately held biopharmaceutical company developing breakthrough immune modulatory medicines, announced today that it entered into a license agreement with its collaboration partner Celgene Corporation. Under the agreement, Lycera granted to Celgene an exclusive license for Lycera's portfolio of novel ex vivo RORgamma agonist compounds. Lycera is the leader in discovering and developing selective and potent oral agonists that target RORgamma, a master control switch of immune system activation, for the potential treatment of a broad range of cancers. While Lycera has developed orally bioavailable RORgamma agonists that have demonstrated single agent therapeutic activity in multiple animal models of cancer, ex vivo treatment with RORgamma agonist compounds has been shown to enhance the therapeutic benefit of adoptive T-cell therapy by improving both immune cell persistence and activation. Under the terms of the license agreement, Lycera received a \$17.5 million upfront cash payment and has the potential to receive an additional near-term milestone payment of \$5 million.

"The execution of the license is another important step in our strategic collaboration with Celgene to advance novel medicines to meet patient needs in cancer and autoimmune diseases. We are encouraged by the data we have generated to support both *in vivo* and *ex vivo* applications of our RORgamma agonists, and we plan to commence Phase 1 studies of an oral, selective RORgamma agonist later this year," said Paul Sekhri, President and CEO of Lycera Corp. "We also look forward to the progress of our lead clinical program for our product candidate LYC-30937 EC, a novel oral, gut-directed ATPase modulator, which has recently completed Phase 1 clinical studies and is anticipated to move into Phase 2 in patients with inflammatory bowel disease this year."

In June 2015, Lycera and Celgene entered an exclusive global collaboration to take forward Lycera's proprietary product development pipeline for cancer and immune-mediated diseases. Key programs being advanced under this collaboration include LYC-30937 EC and Lycera's RORgamma agonists, as well as earlier-stage programs including a Rho-associated protein kinase 2 (ROCK2) inhibitor. As part of the strategic collaboration agreement, Celgene obtained the exclusive right to acquire Lycera upon conclusion of the option period or achievement by Lycera of pre-specified clinical milestones. During the option period, Lycera retains full control of its research and development programs. Following the exercise of the option to acquire Lycera, shareholders will also be eligible to receive future success-based milestones.

About Lycera

Lycera is a biopharmaceutical company developing novel oral immune modulators for the treatment of autoimmune diseases and cancer. Based on successful progress of its world-class R&D platform, including expertise in immune metabolism, cell signaling, and immune cell differentiation, Lycera is commencing multiple clinical programs in 2016. The company is advancing a wholly owned, oral, gut-directed ATPase modulator, designated LYC-30937 EC, for the treatment of inflammatory bowel disease, has completed Phase 1 clinical studies in healthy volunteers, and oral RORgamma agonists for diverse applications in immune-oncology. Lycera has an exclusive strategic collaboration with Celgene Corporation to advance Lycera's proprietary pipeline for cancer and immune-mediated diseases. In addition, Lycera had previously established collaborations with Merck to discover, develop, and commercialize small molecule therapies for autoimmune disorders.

Lycera's leadership possesses deep experience in drug discovery, development, and commercialization and has established close relationships with renowned thought leaders and clinical researchers worldwide. Lycera was founded in 2006 based on an initial scientific platform in-licensed from the University of Michigan. Lead investors in Lycera include InterWest Partners, ARCH Venture Partners, Clarus Ventures, and EDF Ventures.

CONTACT: Justin Jackson, Burns McClellan, 212-213-0006, ext. 327, jjackson@burnsmc.com