

XL-protein and Easton Pharmaceutical Sign License Agreement to Develop Biopharmaceuticals Using PASylation® Technology

Freising, Germany, and Chengdu, P.R. China, December 17, 2015 — XL-protein GmbH and Easton Pharmaceutical Co., Ltd. announced today that they have entered into a License, Development and Commercialization Agreement for novel, long-acting biopharmaceutical products to address a range of unmet needs in ophthalmology and potential further indications. Under this collaboration, XL-protein will apply its proprietary PASylation® technology for drug half-life extension to one Easton target. XL-protein will assume responsibility for early preclinical development activities, Easton will be entitled to further development, manufacturing and marketing of the PASylated compound.

Under the terms of the agreement, XL-protein will receive an upfront payment as well as payments for achievement of preclinical, clinical, regulatory and commercial milestones. Furthermore, XL-protein will receive tiered, mid- to mid-high single digit royalties on sales from marketed compounds resulting from the collaboration. Easton will have exclusive marketing rights for the P.R. of China for all PASylated products under the agreement. Easton may choose to execute options to obtain world-wide rights and rights for additional therapeutic indications. Further financial terms have not been disclosed.

“We are very pleased to collaborate with XL-protein in Germany and exploit its unique PASylation technology to develop new biological molecules with extended half-life in patients, which will reduce drug administration frequency and the overall therapeutic costs as well”, said Dr. Qing Dong, VP Research & Development of Easton.

“We are excited to collaborate with Easton as one of the leading pharmaceutical companies in the P.R. of China and we are looking forward to a fruitful collaboration on the development of PASylated biopharmaceuticals as important medicines for the treatment of ocular diseases and beyond; this licensing deal further validates XL-protein's proprietary PASylation technology”, said Prof. Dr. Arne Skerra, CSO & Managing Director of XL-protein.

About Easton Pharmaceutical Co., Ltd.

Easton Pharmaceutical Co., Ltd., was established in 2009 and is headquartered in Chengdu, China. Easton is dedicated to the development, manufacture and distribution of drug substances and finished products. Our production and manufacturing facility includes API synthesis, tablets, capsules, injection solutions and lyophilization lines, which are built in accordance with EU and US GMP standards. We have a well equipped R&D center and QC labs. Our R&D fields comprise drugs for diabetic, cardiovascular, oncology, anesthetic and analgesics. Following our culture of Sunshine, Value, Innovation and Efficiency, Easton Pharma promises to provide high quality pharmaceutical products for our customers.

www.eastonpharma.cn

About XL-protein GmbH

XL-protein is a privately owned biopharmaceutical company based in Freising, Germany, which exploits its proprietary PASylation[®] technology to develop biologics with extended plasma half-life and enhanced in vivo activity. PASylation is a fully biological technology that can be applied both to approved biopharmaceuticals to yield second generation drugs ('biobetters') and to innovative therapeutic proteins, peptides or small molecule drugs, thus allowing less frequent and lower dosing combined with better patient tolerability. XL-protein pursues the preclinical and the clinical development of PASylated biologics in commercially attractive disease areas. Furthermore, XL-protein is engaged in collaborations with the Pharma and Biotech industry and offers licenses.

www.xl-protein.com

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