



Agenus Reports Third Quarter 2017 Financial Results and Provides Corporate Update

November 7, 2017

Agenus to host conference call and webcast today at 11am ET

LEXINGTON, Mass., Nov. 7, 2017 /PRNewswire/ -- Agenus Inc. (NASDAQ: [AGEN](#)), an immuno-oncology (I-O) company with a pipeline of immune checkpoint antibodies and cancer vaccines, provided a corporate update and reported financial results for the third quarter ended September 30, 2017.

"We are pleased with the substantial progress Agenus has made in the third quarter. We have initiated a combination trial with our anti-CTLA-4 antibody. Additionally, we are accruing patients with our CTLA-4 and PD-1 programs for trials designed for BLA filing," said Garo H. Armen, Ph.D., Chairman and CEO of Agenus "We are committed to continuing to innovate having generated several first-in-class and best-in-class immuno-oncology agents; Our partnering discussions are maturing on multiple fronts and we expect to close on several business development transactions across our portfolio between now and the end of the first quarter of 2018."

Anticipated Milestones for 4Q 2017

- AGEN1884 (anti-CTLA-4) Phase 1 trial to complete dose-escalation and generate safety and pharmacodynamic data
- AGEN2034 (anti-PD-1) Phase 1/2 trial
 - Complete dose-escalation and define optimal combination dose
 - Expand trial to include patients with second line cervical cancer
- AutoSynVax™ (neoantigen vaccine): immunological readouts expected in patients with advanced malignancies
- Presentations on **AGEN1884 and AGEN2034** planned for Society for Immunotherapy of Cancer (SITC)
- Planning for combination trials of **AGEN1884 and AGEN2034**
- Advance business development discussions and partnering transactions
- Advancing our cell therapy business entity, AgenTus, with partnership discussions and grant funding

Tracking to deliver with recent highlights:

- Data on AGEN1884 presented at ASCO
 - AGEN1884 safe at doses up to 3mg/kg
 - Preliminary data reveal signals of clinical activity with complete response in patient with angiosarcoma with reduction in tumor burden at 0.1 mg/kg dose (*update planned for poster presentation at SITC2017*)
 - Initiating a combination trial with AGEN1884 and a commercially available agent to accelerate development planning
- Upcoming presentations on **AGEN1884 and AGEN2034** are planned for SITC:
 - **AGEN2034 cooperates with AGEN1884 to enhance T cell responsiveness**
 - **Preclinical data reveal AGEN2034 + AGEN1884 promote a pharmacodynamic response in vivo**
- **AutoSynVax™** data presented at AACR2017 and CIMT2017 demonstrating immunogenicity and synergy in combination with CTLA-4 and OX-40 with early signals of clinical immunogenicity
- **Manufacturing update:**
 - Agenus West manufacturing successfully supplied GMP material for clinical programs; preparing for GMP material for our registrational program in 1H2018
- **QS-21 Stimulon® update:**
 - GSK's shingles vaccine, Shingrix, containing Agenus' QS-21 Stimulon® adjuvant, was approved by the US FDA on October 20, 2017, launch is anticipated in Q4
 - GSK's Shingrix was approved by Health Canada October 2017
 - US Centers for Disease Control and Prevention's (CDC) Advisory Committee on Immunization Practices (ACIP) voted in favor of three recommendations for the use of Shingrix (Zoster Vaccine Recombinant, Adjuvanted) containing QS-21 Stimulon for the prevention of shingles (herpes zoster) and related complications for immunocompetent adults age 50 year and older, for prevention of shingles and related complication for immunocompetent adults who previously received Zoster Vaccine Live (Zostavax), and Shingrix is preferred over Zoster Vaccine Live (Zostavax) for the prevention of herpes zoster and related complications.
- **AgenTus Cell Therapy Business**
 - On October 23, 2017, Agenus announced the establishment of cell therapy business entity and the appointment of Bruno Lucidi as CEO of AgenTus Therapeutics, Inc., a subsidiary of Agenus established to focus on the discovery, development, and commercialization of Adoptive Cell Therapy (ACT)

Third Quarter 2017 Financial Results

Cash, cash equivalents and short-term investments were \$70.1 million at September 30, 2017 compared to \$76.4 million as of December 31, 2016. On November 2, 2017, we exercised our option to issue additional notes under our existing note agreement which will add \$15 million of cash proceeds.

Cash used in operating activities for the three months ended September 30, 2017 was \$26.2 million compared to \$23.8 million for the same period in 2016.

For the third quarter ended September 30, 2017, Agenus reported a net loss of \$36.8 million, or \$0.37 per share, compared with a net loss for the third quarter of 2016 of \$40.8 million, or \$0.47 per share. The decrease in net loss for the three months ended September 30, 2017, compared to the net loss for the same period in 2016, was due to the decrease in the value of our contingent considerations offset by an increase in our research and development expenses.

For the nine months ended September 30, 2017, Agenus reported a net loss of \$85.7 million, or \$0.88 per share, compared with a net loss for the same period in 2016 of \$100.9 million or \$1.16 per share. The decrease in net loss for the nine months ended September 30, 2017, compared to the net loss for the same period in 2016, was primarily due to the accelerated milestone payment received from Incyte during the first quarter of 2017. Our operating expenses increased \$3.5 million over the same period in 2016. Cash used in operating activities for the nine months ended September 30, 2017 was \$68.4 million compared to \$63.8 million for the same period in 2016.

Conference Call, Webcast and Prepared Statement Information

Agenus executives will host a conference call on Tuesday, November 7, 2017 at 11:00 a.m. Eastern Time. To access the live call, dial 1-844-492-3727 (U.S.) or 1-412-317-5118 (international) and ask to be joined into the Agenus call. The call will also be webcast and will be accessible from the Company's website at <http://investor.agenusbio.com/presentation-webcasts> or via the following link: <https://www.webcaster4.com/Webcast/Page/1556/23075>. A replay will be available on the Company's website approximately two hours after the call and will remain available for 90 days.

About Agenus

Agenus is a clinical-stage immuno-oncology company focused on the discovery and development of therapies that engage the body's immune system to fight cancer. The Company's vision is to expand the patient populations benefiting from cancer immunotherapy by pursuing a number of combination approaches that leverage a broad repertoire of antibody therapeutics and proprietary cancer vaccine platforms. The Company is equipped with a suite of antibody discovery platforms and a state-of-the-art GMP manufacturing facility with the capacity to support early phase clinical programs. Agenus is headquartered in Lexington, MA. For more information, please visit www.agenusbio.com; information that may be important to investors will be routinely posted on our website.

Forward-Looking Statements

This press release contains forward-looking statements that are made pursuant to the safe harbor provisions of the federal securities laws, including statements regarding Agenus' clinical trial plans and activities, and anticipated milestones, including the expected closing of several business development transaction, and upcoming corporation presentations. These forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially. These risks and uncertainties include, among others, the factors described under the Risk Factors section of our most recent Quarterly Report on Form 10-Q or Annual Report on Form 10-K filed with the Securities and Exchange Commission. Agenus cautions investors not to place considerable reliance on the forward-looking statements contained in this release. These statements speak only as of the date of this press release, and Agenus undertakes no obligation to update or revise the statements, other than to the extent required by law. All forward-looking statements are expressly qualified in their entirety by this cautionary statement.

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Summary Consolidated Financial Information

Condensed Consolidated Statements of Operations Data

(in thousands, except per share data)

(unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2017	2016	2017	2016
Revenue	\$ 3,360	\$ 4,446	\$ 34,523	\$ 16,997

Operating expenses:				
Research and development	25,789	21,588	84,253	68,988
General and administrative	8,051	8,107	23,957	24,456
Non-cash contingent consideration fair value adjustment	1,184	10,975	123	11,354
Operating loss	(31,664)	(36,224)	(73,810)	(87,801)
Other expense, net	(5,178)	(4,550)	(11,848)	(13,071)
Net loss	(36,842)	(40,774)	(85,658)	(100,872)
Dividends on Series A-1 convertible preferred stock	(51)	(51)	(154)	(153)
Net loss attributable to common stockholders	\$ (36,893)	\$ (40,825)	\$ (85,812)	\$ (101,025)
Per common share data, basic and diluted:				
Net loss attributable to common stockholders	\$ (0.37)	\$ (0.47)	\$ (0.88)	\$ (1.16)
Weighted average number of common shares outstanding, basic and diluted	99,892	87,207	97,557	86,954

Condensed Consolidated Balance Sheet Data

(in thousands)

(unaudited)

September 30, 2017 December 31, 2016

Cash, cash equivalents and short-term investments	\$ 70,051	\$ 76,437
Total assets	149,270	156,986
Total stockholders' deficit	(51,594)	(39,126)

SOURCE Agenus