



## Exicure Announces License and Development Agreement with Dermelix Biotherapeutics in Rare Genetic Skin Diseases

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### – Agreement Leverages Recent Clinical Success of Exicure in Dermatology –

SKOKIE, Ill. & NEW YORK--(BUSINESS WIRE)--Feb. 19, 2019-- [Exicure, Inc.](#) (OTCQB: XCUR), the pioneer in gene regulatory and immunotherapeutic drugs utilizing spherical nucleic acid (SNA™) constructs, and [Dermelix Biotherapeutics](#), a biopharmaceutical company focused on the development of innovative treatments for rare genetic skin diseases, today announced a license and development agreement to advance SNA therapeutics in rare genetic skin diseases. Under the terms of agreement, Dermelix licensed worldwide rights to research, develop, and commercialize Exicure's technology for the treatment of [Netherton Syndrome](#) and up to five additional rare skin indications.

"Late last year we demonstrated the safety and clinical efficacy of our platform in a Phase 1 clinical trial in patients with psoriasis. Building on this success, we are now excited to extend the application of our SNA technology into rare dermatological conditions," said Dr. David Giljohann, Chief Executive Officer of Exicure. "We look forward to combining Exicure's ability to design and develop nucleic acid therapeutics with Dermelix's deep knowledge of the clinical development and regulatory pathways for patients with rare dermatological conditions."

Dr. Nick France, CEO of Dermelix noted, "Our company was founded to address the lack of innovation within the field of rare dermatological conditions. For too long patients have had few, or in many cases no, available treatment options. We believe the SNA platform will facilitate the rapid development of a portfolio of targeted treatment options for these severely debilitating conditions."

Dermelix will initially develop a targeted therapy for the treatment of Netherton Syndrome (NS). NS is a rare and severe autosomal recessive disorder caused by loss-of-function mutations in the *SPINK5* gene, which encodes the serine protease inhibitor LEKTI involved in skin barrier function. NS affects approximately 1 in 200,000 children born each year, and is characterized by severely inflamed, red, scaled, itchy skin, and patients are at increased risk of mortality in the first year of life due to recurrent infections and dehydration as a result of the impaired skin barrier. Currently, there are no approved treatments for NS patients and off-label use of standard of care treatments are of limited utility.

Under the terms of the agreement, Exicure will receive an upfront payment of \$1 million at closing of the transaction and will receive an additional \$1 million upon the exercise of each of the five options granted to Dermelix. Exicure will be responsible for conducting the early stage development for each indication up to IND enabling toxicology studies. Dermelix will assume subsequent development, commercial activities and financial responsibility. Exicure is eligible to receive potential payments following the achievement of certain clinical, regulatory, and commercial milestones of approximately \$166 million per indication in each of six indications. In addition, Exicure will receive low double-digit royalties on annual net sales for SNA therapeutics developed.

### About Exicure, Inc.

Exicure is a clinical stage biotechnology company developing a new class of immunomodulatory and gene regulating drugs against validated targets. Exicure's proprietary spherical nucleic acid (SNA™) architecture is designed to unlock the potential of therapeutic oligonucleotides in a wide range of cells and tissues. Exicure's lead programs address inflammatory diseases, genetic disorders and oncology. Exicure is based outside of Chicago, IL. [www.exicuretx.com](http://www.exicuretx.com)

### About Dermelix Biotherapeutics, LLC

Dermelix is a privately-held, clinical-stage biopharmaceutical company focused on the development of innovative therapies for rare and debilitating dermatologic conditions with high unmet medical need. For more information, please visit <http://www.dermelix.com/>.

### Forward Looking Statements

This press release contains forward-looking statements (including within the meaning of Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended) concerning the Company, the Company's technology, potential therapies and other matters. Forward-looking statements generally include statements that are predictive in nature and depend upon or refer to future events or conditions, and include words such as "may," "will," "should," "would," "expect," "plan," "believe," "intend," "look forward," and other similar expressions among others. Statements that are not historical facts are forward-looking statements. Forward-looking statements are based on current beliefs and assumptions that are subject to risks and uncertainties and are not guarantees of future performance. Actual results could differ materially from those contained in any forward-looking statement as a result of various factors, including, without limitation: unexpected costs, charges or expenses that reduce cash runway; that Exicure's pre-clinical programs, including the announced partnership to treat rare genetic skin diseases do not advance into the clinic or result in approved products on a timely or cost effective basis or at all; the cost, timing and results of clinical trials; possible safety and efficacy concerns; regulatory developments; and the ability of Exicure to protect its intellectual property rights. Risks facing the Company and its programs are set forth in the Company's filings with the SEC. Except as required by applicable law, the Company undertakes no obligation to revise or update any forward-looking statement, or to make any other forward-looking statements, whether as a result of new information, future events or otherwise.

Source: Exicure, Inc.

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