# Incyte Announces Agreement to Acquire Medicxi-backed Villaris Therapeutics and Auremolimab (VM6), an Anti-IL-15Rβ Monoclonal Antibody

October 3, 2022

*– Villaris shareholders to receive upfront payment of $70 million, with potential for up to $1.36 billion in additional milestone payments*

*– Pre-clinical data for auremolimab demonstrate high potency, selectivity and efficacy in vitiligo*

*– Acquisition will complement Incyte's existing Inflammation and AutoImmunity portfolio with potential applications for auremolimab beyond Dermatology*

WILMINGTON, Del.--(BUSINESS WIRE)--Oct. 3, 2022-- Incyte (NASDAQ:INCY) today announced that the Company has entered into an agreement to acquire Villaris Therapeutics, an asset-centric biopharmaceutical company seeded by Medicxi and focused on the development of novel antibody therapeutics for vitiligo. Its lead asset, auremolimab (VM6), an anti-IL-15Rβ monoclonal antibody (mAb), is expected to enter clinical development in 2023.

This press release features multimedia. View the full release here: https://www.businesswire.com/news/home/20221003005269/en/

Under the terms of the agreement, Incyte will acquire Villaris and the exclusive global rights to develop and commercialize auremolimab for all uses, including in vitiligo and other autoimmune and inflammatory diseases. Incyte will make an upfront payment of $70 million, and Villaris shareholders will be eligible for up to $310 million upon achievement of certain development and regulatory milestones, as well as up to an additional $1.05 billion in commercial milestones on net sales of the product.

"This acquisition complements our current portfolio, providing us the opportunity to further enhance treatment options for people with vitiligo, leveraging the expertise we established in the Dermatology space through our successful launch of Opzelura™ (ruxolitinib) Cream," saidHervé Hoppenot, Chief Executive Officer, Incyte. "People living with immune-mediated dermatologic diseases like vitiligo face significant challenges and we are committed to developing novel therapies like auremolimab, which may address these unmet needs."

John E. Harris, M.D., Ph.D., Professor and Chair of Dermatology at the University of Massachusetts Chan Medical School and Founder of Villaris, commented, "I am really excited by the potential for auremolimab to treat vitiligo and other diseases with significant unmet need, and to see that it will now be driven forward with the capabilities and resources of Incyte. Back in 2019, I was very pleased to partner with Michèle Ollier and the Medicxi team to create Villaris as a single-purpose, asset-centric company with a laser focus on developing auremolimab for people with vitiligo who are in desperate need of better treatments. This next phase of development with Incyte will help to make that a reality."

"Our mission at Medicxi is to partner with world-class innovators like John Harris, who are developing novel treatments for major unmet needs," said Nick Williams, Partner at Medicxi. "Auremolimab has the potential to transform the lives of people living with vitiligo, and we are extremely excited to be partnering with Incyte, a pioneering company in this indication with the capabilities to explore the broader potential of auremolimab."

The agreement is subject to clearance by the U.S. antitrust authorities under the Hart-Scott-Rodino Act and will become effective as soon as this condition has been met.

PJT Partners advised Villaris on the transaction.

**About Auremolimab**

Auremolimab (VM6) is a novel, ultra-humanized, anti-IL-15Rβ (CD122) antibody designed to target and deplete autoreactive resident memory T cells ($T_{RM}$) that has demonstrated efficacy as a treatment for vitiligo in preclinical models. IND-enabling studies are currently underway, and clinical development is expected to begin in 2023.

**About Incyte Dermatology**

Incyte's science-first approach and expertise in immunology has formed the foundation of the company. In Dermatology, the Company's research and development efforts are focused on leveraging our knowledge of the JAK-STAT pathway to identify and develop topical and oral therapies with the potential to modulate immune pathways driving uncontrolled inflammation and help restore normal immune function.

Currently, Incyte is exploring the potential of JAK inhibition for additional immune-mediated dermatologic conditions with a high unmet medical need, including hidradenitis suppurativa. To learn more, visit the Dermatology section of Incyte.com.

**About Incyte**

Incyte is a Wilmington, Delaware-based, global biopharmaceutical company focused on finding solutions for serious unmet medical needs through the discovery, development and commercialization of proprietary therapeutics. For additional information on Incyte, please visit Incyte.com and follow @Incyte.

**About Villaris**

Based in Cary, North Carolina, Villaris was founded in 2019 by Medicxi and John Harris, M.D., Ph.D. to develop a potentially transformational new treatment to improve the lives of people living with vitiligo. Villaris is a paradigmatic example of Medicxi's asset-centric development model, which combines world-class insights and experience with capital and expertise to fully power the program from its initial design to its improvement through ultra-humanization.

**About Medicxi**

Medicxi is a healthcare-focused investment firm with the mission to create and invest in companies across the full drug development continuum. Medicxi invests in early and late-stage therapeutics with a product vision that can fulfill a clear unmet medical need. Many of its portfolio companies have been acquired including: Impact Biomedicines (acquired by Celgene); XO1 (acquired by Janssen Pharmaceuticals); SynthorX (acquired by Sanofi); Miro Bio (acquired by Gilead); and PanGenetics (acquired by Abbott). Several portfolio companies are now publicly listed, including: GenMab (Copenhagen: GEN.CO); Molecular Partners (SIX: MOLN); Vaxcyte (NASDAQ: PCVX); Aura Biosciences (NASDAQ: AURA); and Centessa Pharmaceuticals (NASDAQ: CNTA). For more information, please visit: https://www.medicxi.com.

**Incyte Forward-Looking Statements**

Except for the historical information set forth herein, the matters set forth in this press release, including statements regarding whether and when auremolimab will be approved for use; whether and when Incyte will bring auremolimab to market; the potential of auremolimab to treat patients with vitiligo or for any other indication; the potential for Villaris and its shareholders to receive payments from Incyte for development, regulatory and commercial milestones; and the potential for Incyte to broaden its ability to bring new medicines to patients, contain predictions, estimates and other forward-looking statements.

These forward-looking statements are based on the Company's current expectations and are subject to risks and uncertainties that may cause actual results to differ materially, including unanticipated developments in and risks related to: unanticipated delays; further research and development and the results of clinical trials possibly being unsuccessful or insufficient to meet applicable regulatory standards or warrant continued development; the ability to enroll sufficient numbers of subjects in clinical trials; the effects of the COVID-19 pandemic and measures to address the pandemic on the Company’s clinical trials, supply chain, other third-party providers and development and discovery operations; determinations made by regulatory authorities; the Company’s dependence on its relationships with its collaboration partners; the efficacy or safety of the Company’s products and the products of the Company’s collaboration partners; the acceptance of the Company’s products and the products of the Company’s collaboration partners in the marketplace; market competition; sales, marketing, manufacturing and distribution requirements; and other risks detailed from time to time in the Company’s reports filed with the  Securities and Exchange Commission, including its annual report and its quarterly report on Form 10-Q for the quarter ended June 30, 2022. The Company disclaims any intent or obligation to update these forward-looking statements.

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