Vaccinex Reports Fourth Quarter 2018 Financial Results and Provides Corporate Update

March 13, 2019

Initial data from ongoing open label study of pepinemab (VX15/2503) in combination with avelumab in non-small cell lung cancer expected in 2Q 2019

Enrollment in cohort B of the Phase 2 SIGNAL Huntington's disease trial complete; data expected in 2H 2020

ROCHESTER, N.Y., March 13, 2019 (GLOBE NEWSWIRE) -- Vaccinex, Inc. (NASDAQ: VCNX), a clinical-stage biotechnology company engaged in the discovery and development of targeted biotherapeutics to treat serious diseases and conditions with unmet medical needs, including cancer, neurodegenerative diseases, and autoimmune disorders, today announced financial results for the fourth quarter and year-ended December 31, 2018, and provided a corporate update.

Fourth Quarter and Recent Accomplishments:

- Announced completion of enrollment in cohort B of its ongoing Phase 2, multi-center, randomized, double-blind, placebo-controlled SIGNAL study. This is a potentially pivotal registration study designed to assess the safety, tolerability, pharmacokinetics, and efficacy of pepinemab, a humanized anti-SEMA4D monoclonal antibody, in subjects with early manifest and late prodromal Huntington's disease
- Presented preclinical data in the journal *Cancer Immunology Research* demonstrating that Vaccinex's anti-SEMA4D monoclonal antibody, on which its humanized lead compound pepinemab is based, reduces function and recruitment of myeloid derived suppressor cells within the tumor, a key mechanism of resistance to immune checkpoint blockade
- Delivered a podium presentation at the Society for Immunotherapy of Cancer Annual Meeting summarizing preclinical data on the role of anti-SEMA4D monoclonal antibody in reducing immune suppression by myeloid-derived cells, thereby restoring the ability of dendritic cells and cytotoxic T cells to migrate into the tumor
- Presented an overview of pepinemab as a potential treatment for Huntington's disease at the Huntington Study Group's 25th Annual Meeting: HSG 2018

Pepinemab Clinical Updates:

- **Non-Small Cell Lung Cancer (NSCLC).** The dose escalation phase of the CLASSICAL–Lung clinical trial, in which the Company is evaluating pepinemab in combination with avelumab in NSCLC, has been completed and the recommended Phase 2 dose for the dose expansion phase was identified. The dose expansion phase has been initiated and aims to enroll a total of 50 subjects in two cohorts: 22 patients who are immunotherapy naïve and 28 patients whose tumors have progressed during or following prior treatment with immunotherapy. Primary completion for this trial and initial data are expected in the second quarter of 2019.
- **Huntington's Disease.** Enrollment in cohort B of the SIGNAL trial evaluating pepinemab for the treatment of Huntington's disease, consisting of 265 subjects, was completed in December 2018. The Company expects data from this study in the second half of 2020.
- In addition, pepinemab is being evaluated in multiple investigator-sponsored trials (ISTs) in additional indications:
  - **Melanoma -** The UCLA School of Medicine, in collaboration with Bristol-Myers Squibb, is evaluating pepinemab in combination with the checkpoint inhibitors nivolumab and ipilumumab in two cohorts of patients with advanced melanoma whose tumors progressed during or following initial treatment with immunotherapy.
  - **Osteosarcoma -** The National Cancer Institute's Children's Oncology Group is evaluating pepinemab for the treatment of osteosarcoma
  - **Other Cancers -** Multiple "window of opportunity" trials are being conducted by the Winship Cancer Institute of Emory University to evaluate pepinemab in combination with immunotherapies in colorectal, pancreatic, head and neck cancer and melanoma

"The fourth quarter caps a year of significant progress at Vaccinex, during which we transitioned to a publicly-traded company and continued to advance pepinemab in a number of serious and difficult to treat medical conditions, including cancer and Huntington's disease," commented Maurice Zauderer, Ph.D., Chief Executive Officer of Vaccinex. "As we progress through 2019, we are rapidly approaching significant milestones for our Company, with the anticipated release of initial open label data from our ongoing CLASSICAL - Lung trial in non-small cell lung cancer during the second quarter and continuing progress evaluating combination immunotherapy in melanoma."

"In parallel, we are efficiently advancing pepinemab in our SIGNAL Phase 2 trial for our lead indication, Huntington's disease, with enrollment in cohort B now completed. The positive results from cohort A demonstrated that pepinemab significantly increased brain metabolic activity with no concerning safety issues, and we believe suggests potential broader clinical utility in other neurodegenerative diseases as well."

"Finally, we continue to leverage our proprietary ActivMAb antibody discovery platform which we believe offers opportunities for long-term value creation. Of particular interest to our biotech and pharmaceutical partners has been the novel capability to efficiently select antibodies to multi-pass membrane receptors such as GPCR and ion channels, an important class of pharmaceutical products that has, to date, eluded development of

antibody drugs," Dr. Zauderer concluded.

Upcoming Milestones:

- **Second quarter of 2019** – Expected release of initial report of open label study of pepinemab in combination with avelumab in NSCLC
- **Second half of 2019** – Estimated primary completion date of combination study in NSCLC
- **First half of 2019** – Anticipated publication of SIGNAL cohort A data in Huntington's disease
- **Second half of 2020** – Expected topline data from cohort B of ongoing SIGNAL trial of pepinemab in Huntington's disease

Financial Results for the Three and Twelve Months Ended December 31, 2018:

Revenue. Revenue for the three months ended December 31, 2018 was $194,000 as compared to $90,000 for the comparable period in 2017. Revenue for the twelve months ended December 31, 2018 was $724,000 compared to $90,000 for the twelve months ended December 31, 2017. Revenue recognized during 2018 was principally derived from collaboration agreements with Surface Oncology, Merck and Heptares.

Research and Development Expenses. Research and development expenses for the three months ended December 31, 2018 were $7.1 million as compared to $5.0 million for the comparable period in 2017. Research and development expenses for the twelve months ended December 31, 2018 were $22.4 million as compared to $16.6 million for the comparable period in 2017. This increase was attributable to the increase in patients enrolled in active clinical trials.

General and Administrative Expenses. General and administrative expenses for the three months ended December 31, 2018 were $1.4 million as compared to $1.1 million for the comparable period in 2017. General and administrative expenses for the twelve months ended December 31, 2018 were $4.6 million as compared to $4.5 million for the comparable period in 2017. This increase was primarily attributable to costs associated with directors' and officers' liability insurance.

Cash and Cash Equivalents and Marketable Securities. Cash and cash equivalents and marketable securities at December 31, 2018 were $19.7 million as compared to $4.2 million at December 31, 2017. For the year 2018, the Company used $25.3 million of cash in operating activities. Vaccinex is committed to continue to aggressively pursue its clinical development program. In order to ensure continued funding, the Company continues to actively explore partnering and financing options.

About Vaccinex, Inc.

Vaccinex, Inc. is a clinical-stage immunotherapy company engaged in the discovery and development of targeted biotherapeutics to treat serious diseases and conditions with unmet medical needs, including cancer, neurodegenerative diseases, and autoimmune disorders, with currently active clinical trials in Non-Small Cell Lung Cancer and Huntington's disease. Vaccinex is based in Rochester, New York.

Forward Looking Statements

To the extent that statements contained in this press release are not descriptions of historical facts regarding Vaccinex, Inc. ("Vaccinex," "we," "us," or "our"), they are forward-looking statements reflecting management's current beliefs and expectations. Words such as "may," "will," "expect," "anticipate," "estimate," "intend," "potential," "advance," and similar expressions or their negatives (as well as other words and expressions referencing future events, conditions, or circumstances) are intended to identify forward-looking statements. Forward-looking statements may involve substantial risks and uncertainties that could cause our research and pre-clinical development programs, clinical development programs, future results, performance, or achievements to differ significantly from those expressed or implied by the forward-looking statements. Such risks and uncertainties include, among others, uncertainties inherent in the execution, cost and completion of preclinical and clinical trials, uncertainties related to regulatory approval, risks related to our dependence on our lead product candidate pepinemab (VX15/2503), and other matters that could affect our development plans or the commercial potential of our product candidates. Except as required by law, we assume no obligation to update these forward-looking statements. For a further discussion of these and other factors that could cause future results to differ materially from any forward-looking statement, see the section titled "Risk Factors" in our periodic reports filed with the Securities and Exchange Commission ("SEC") and the other risks and uncertainties described in our Form 10-K dated March 13, 2019.

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