Xenon Pharmaceuticals Announces Collaboration with Neurocrine Biosciences Achieves $15.0 Million Regulatory Milestone

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BURNABY, British Columbia, Jan. 12, 2022 (GLOBE NEWSWIRE) -- Xenon Pharmaceuticals Inc. (Nasdaq:XENE), a neurology-focused biopharmaceutical company, today announced that its collaboration to develop treatments for epilepsy with Neurocrine Biosciences, Inc. (Nasdaq: NBIX) achieved a regulatory milestone, which has triggered an aggregate payment of $15.0 million to Xenon. The U.S. Food and Drug Administration (FDA) accepted Neurocrine's protocol amendment that expands the study population to include subjects aged between 2 and 11 years in the ongoing Phase 2 randomized, double-blind, placebo-controlled study to evaluate the efficacy, safety, tolerability, and pharmacokinetics of NBI-921352 in pediatric patients with SCN8A developmental and epileptic encephalopathy (SCN8A-DEE).

Mr. Ian Mortimer, Xenon's President and Chief Executive Officer stated, "The shared goal of our collaboration with Neurocrine Biosciences is to develop and deliver new epilepsy treatments that improve the lives of patients. The work to date within this valued partnership has culminated in two ongoing Phase 2 clinical trials with NBI-921352. With the acceptance of this protocol amendment, children over the age of two can now be included in the ongoing Phase 2 clinical trial evaluating NBI-921352 as a treatment of SCN8A-DEE."

Pursuant to the agreement, Xenon will receive an aggregate of $15.0 million from Neurocrine Biosciences in the form of a $6.75 million payment in cash and a $8.25 million equity investment at a Xenon per share price of $31.855, calculated as a 15% premium to Xenon's 30-day trailing volume weighted average price.

About the Collaboration Between Xenon and Neurocrine Biosciences
Xenon has an ongoing collaboration with Neurocrine Biosciences to develop treatments for epilepsy. Neurocrine Biosciences has an exclusive license to XEN901, now known as NBI-921352, a selective Nav1.6 sodium channel inhibitor. Neurocrine Biosciences is conducting a Phase 2 clinical trial evaluating NBI-921352 in adult patients with focal-onset seizures, with data expected in 2023. In addition, a Phase 2 clinical trial is underway evaluating NBI-921352 in pediatric patients (aged between 2 and 21 years) with SCN8A-DEE. Pursuant to the terms of the agreement, Xenon has the potential to receive certain clinical, regulatory, and commercial milestone payments, as well as future sales royalties.

About Xenon Pharmaceuticals Inc.

Xenon Pharmaceuticals is a clinical stage biopharmaceutical company committed to developing innovative therapeutics to improve the lives of patients with neurological disorders. We are advancing a novel product pipeline of neurology therapies to address areas of high unmet medical need, with a focus on epilepsy. For more information, please visit www.xenon-pharma.com.

Safe Harbor Statement

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995 and Canadian securities laws. These forward-looking statements are not based on historical fact, and include statements regarding the timing of and results from clinical trials, including those related to NBI-921352 and other partnered and proprietary product candidates; the potential efficacy, safety profile, future development plans, addressable market, regulatory success and commercial potential of NBI-921352 and other partnered and proprietary product candidates; the efficacy of our clinical trial designs; our ability to successfully develop and achieve milestones in our NBI-921352 program with Neurocrine Biosciences and other partnered and proprietary programs; the progress and potential of our other ongoing development programs; the potential receipt of milestone payments and royalties from Neurocrine Biosciences and our other collaborators; and the timing of potential publication or presentation of future clinical data. These forward-looking statements are based on current assumptions that involve risks, uncertainties and other factors that may cause the actual results, events or developments to be materially different from those expressed or implied by such forward-looking statements. These risks and uncertainties, many of which are beyond our control, include, but are not limited to: the impact of the COVID-19 pandemic on our business, research and clinical development plans and timelines and results of operations, including impact on our clinical trial sites, collaborators, and contractors who act for or on our behalf, may be more severe and more prolonged than currently anticipated; clinical trials may not demonstrate safety and efficacy of any of our or our collaborators' product candidates; our assumptions regarding our planned expenditures and sufficiency of our cash to fund operations may be incorrect; our ongoing discovery and pre-clinical efforts may not yield additional product candidates; any of our or our collaborators' product candidates may fail in development, may not receive required regulatory approvals, or may be delayed to a point where they are not commercially viable; we may not achieve additional milestones in our proprietary or partnered programs; regulatory agencies may impose additional requirements or delay the initiation of clinical trials; regulatory agencies may be delayed in reviewing, commenting on or approving any of our or our collaborators' clinical development plans as a result of the COVID-19 pandemic, which could further delay development timelines; the impact of competition; the impact of expanded product development and clinical activities on operating expenses; impact of

new or changing laws and regulations; adverse conditions in the general domestic and global economic markets; as well as the other risks identified in our filings with the Securities and Exchange Commission and the securities commissions in British Columbia, Alberta and Ontario. These forward-looking statements speak only as of the date hereof and we assume no obligation to update these forward-looking statements, and readers are cautioned not to place undue reliance on such forward-looking statements.

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