Jounce Therapeutics Achieves First Milestone in Exclusive License Agreement with Gilead Sciences and FDA Clearance of Investigational New Drug Application for Anti-CCR8 Antibody

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CAMBRIDGE, Mass., June 15, 2021 (GLOBE NEWSWIRE) -- Jounce Therapeutics, Inc. (NASDAQ: JNCE), a clinical-stage company focused on the discovery and development of novel cancer immunotherapies and predictive biomarkers, today announced the U.S. Food and Drug Administration's (FDA) clearance of its Investigational New Drug (IND) application for JTX-1811, an anti-CCR8 antibody, for which Gilead Sciences, Inc. (Nasdaq: GILD) has exclusive rights to develop and commercialize. The IND clearance triggers a $25.0 million milestone payment to Jounce.

JTX-1811, which will be referred to as GS-1811 in Gilead's pipeline, is a monoclonal antibody created by Jounce and designed to selectively deplete immunosuppressive tumor-infiltrating T regulatory (TITR) cells. The target of JTX-1811 is CCR8, a chemokine receptor enriched on TITR cells. When JTX-1811 binds to CCR8, it targets TITR cells for depletion by enhancing an antibody-dependent cellular cytotoxicity mechanism.

"The clearance of the JTX-1811 IND marks an important and validating milestone for Jounce in our approach to cancer immunotherapy treatment. We have now been able to bring multiple novel and diversified immunotherapy development candidates into clinical development, further enhancing our opportunity to bring benefit to cancer patients who have few options. Specifically, this is our fourth internally-developed antibody in five years and is testament to the power of our discovery to early development engine" said Richard Murray, PhD, Chief Executive Officer and President of Jounce Therapeutics. "We look forward to JTX-1811's continued advancement as Gilead progresses this program into the clinic."

Under the terms of the September 2020 agreement, Gilead invested $35.0 million in Jounce's common stock and made an $85.0 million upfront payment to Jounce. Jounce has led the development of JTX-1811 through IND clearance, after which Gilead now has the sole right to develop and commercialize the program. After receiving this $25.0 million milestone payment, Jounce may receive up to an additional $660.0 million in future clinical, regulatory and commercial milestone payments and will also be eligible to receive royalties ranging from high single digit to mid-teens based upon worldwide sales. Any milestone or royalty paid to Jounce is subject to certain reductions as described in the license agreement

About Jounce Therapeutics:

Jounce Therapeutics, Inc. is a clinical-stage immunotherapy company dedicated to transforming the treatment of cancer by developing therapies that enable the immune system to attack tumors and provide long-lasting benefits to patients through a biomarker-driven approach. Jounce currently has multiple development stage programs ongoing while simultaneously advancing additional early-stage assets from its robust discovery engine based on its Translational Science Platform. Jounce's highest priority program, JTX-8064, is a LILRB2 (ILT4) receptor antagonist shown to reprogram immune-suppressive tumor associated macrophages to an anti-tumor state in preclinical studies. JTX-8064 is being studied in a Phase 1 clinical trial named INNATE as a monotherapy and in combination with Jounce's internal anti-PD-1 inhibitor, pimivalimab (formerly JTX-4014) and is currently enrolling patients with advanced solid tumors. Jounce's most advanced product candidate, vopratelimab, is a monoclonal antibody that binds to and activates ICOS, and is currently being studied in the SELECT Phase 2 trial. Pimivalimab is a PD-1 inhibitor intended for combination use in the INNATE and SELECT trials and with Jounce's broader pipeline. Additionally, Jounce exclusively licensed worldwide rights to JTX-1811, a monoclonal antibody targeting CCR8 and designed to selectively deplete T regulatory cells in the tumor microenvironment, to Gilead Sciences, Inc. For more information, please visit www.jouncetx.com.

Cautionary Note Regarding Forward-Looking Statements:

Various statements in this release concerning Jounce's future expectations and prospects, including without limitation, Jounce's expectations regarding the development of JTX-1811 or future milestone payments or royalty payments, may constitute forward-looking statements for the purposes of the safe harbor provisions under The Private Securities Litigation Reform Act of 1995 and other federal securities laws and are subject to substantial risks, uncertainties and assumptions. You should not place reliance on these forward-looking statements, which often include words such as "look forward", "may" or similar terms, variations of such terms or the negative of those terms. Although Jounce believes that the expectations reflected in the forward-looking statements are reasonable, Jounce cannot guarantee such outcomes. Actual results may differ materially from those indicated by these forward-looking statements as a result of various important factors, including, without limitation, the preclinical and clinical results JTX-1811, which may not support further development and marketing approval; the potential advantages of JTX-1811; the development plans of Gilead; and those risks more fully discussed in the section entitled "Risk Factors" in Jounce's most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission as well as discussions of potential risks, uncertainties, and other important factors in Jounce's subsequent filings with the Securities and Exchange Commission. All such statements speak only as of the date made, and Jounce undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

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