Exelixis and Adagene Enter into Collaboration and License Agreement to Develop Novel Masked Antibody-Drug Conjugate Therapies with Improved Safety and Efficacy Profiles

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Exelixis will utilize Adagene's proprietary SAFEbody™ technology to develop novel masked antibody-drug conjugates (ADCs) with potential for improved therapeutic index

ALAMEDA, Calif., SAN FRANCISCO, Calif. & SUZHOU, China – February 1, 2021 – Exelixis, Inc. (Nasdaq: EXEL) and Adagene today announced a collaboration and license agreement under which Exelixis will utilize Adagene's SAFEbody™ technology platform to generate masked versions of monoclonal antibodies from Exelixis' growing preclinical pipeline for the development of ADCs or other innovative biologics against Exelixis-nominated targets. Under the terms of the agreement, Exelixis will make an upfront payment of $11 million to Adagene and will have the ability to nominate two targets during the collaboration term. Adagene will be eligible for development and commercialization milestones, as well as royalties on net sales of products developed around each of these targets.

"SAFEbody provides a solution to on-target off-tumor toxicity, which is a long-lasting challenge associated with many approved antibody therapeutics," said Peter Luo, Ph.D., Co-founder, Chief Executive Officer, and Chairman of Adagene. "This partnership with Exelixis strengthens our growing roster of collaborations with global biopharmaceutical companies. We are very pleased to collaborate with Exelixis and look forward to the company's development of ADCs that leverage our SAFEbody technology."

Biologic therapies, including therapeutic antibodies such as ADCs, are designed to bind to their targets with high efficiency. However, while the targets for biologic cancer therapies are expressed at high levels in cancer cells, many are also expressed at lower levels on healthy cells. Binding of these therapies to healthy cells may lead to unwanted safety or tolerability issues. Adagene's SAFEbody platform is designed to overcome this challenge by incorporating a masking peptide that covers the binding domain of the biologic therapy. Specific conditions within the tumor environment allow the biologic therapy to preferentially bind to its target in tumor cells. This allows for improved tumor-specific targeting of antibodies while minimizing on-target toxicity in healthy tissues. Adagene's most advanced SAFEbody candidate has been approved to start a clinical trial in Australia and the United States.

"As we expand our pipeline beyond small molecule therapies, we are committed to developing novel biotherapeutics that are optimized for safety and efficacy," said Peter Lamb, Ph.D., Executive Vice President, Scientific Strategy and Chief Scientific Officer of Exelixis. "We believe the SAFEbody platform has the potential to significantly improve the safety profile of ADCs, and we will initially focus on incorporating this innovative technology into novel ADCs that also utilize next-generation linkers and payloads. The combination of these cutting-edge technologies is expected to yield ADC product candidates with differentiated target profiles and/or improved therapeutic indices. We are committed to expanding our development pipeline into additional therapeutic classes even as we drive additional momentum toward broadening the label for cabozantinib into additional cancer

indications."

About Adagene

Adagene Inc. is a platform-driven, clinical-stage biopharmaceutical company committed to transforming the discovery and development of novel antibody-based cancer immunotherapies. Adagene combines computational biology and artificial intelligence to design novel antibodies that address unmet patient needs. Its proprietary pipeline is comprised of novel immunotherapy programs. Adagene has forged strategic collaborations with reputable global partners that leverage its technology in multiple approaches at the vanguard of science.

About Exelixis

Founded in 1994, Exelixis, Inc. (Nasdaq: EXEL) is a commercially successful, oncology-focused biotechnology company that strives to accelerate the discovery, development and commercialization of new medicines for difficult-to-treat cancers. Following early work in model system genetics, we established a broad drug discovery and development platform that has served as the foundation for our continued efforts to bring new cancer therapies to patients in need. Our discovery efforts have resulted in four commercially available products, CABOMETYX® (cabozantinib), COMETRIQ® (cabozantinib), COTELLIC® (cobimetinib) and MINNEBRO® (esaxerenone), and we have entered into partnerships with leading pharmaceutical companies to bring these important medicines to patients worldwide. Supported by revenues from our marketed products and collaborations, we are committed to prudently reinvesting in our business to maximize the potential of our pipeline. We are supplementing our existing therapeutic assets with targeted business development activities and internal drug discovery — all to deliver the next generation of Exelixis medicines and help patients recover stronger and live longer. Exelixis is a member of the Standard & Poor's (S&P) MidCap 400 index, which measures the performance of profitable mid-sized companies. In November 2020, the company was named to *Fortune*'s 100 Fastest-Growing Companies list for the first time, ranking 17th overall and the third-highest biopharmaceutical company. For more information about Exelixis, please visit www.exelixis.com, follow @ExelixisInc on Twitter or like Exelixis, Inc. on Facebook.

Exelixis Forward-Looking Statements

This press release contains forward-looking statements, including, without limitation, statements related to: Exelixis' strategy to build a growing preclinical pipeline for the development of ADCs and the therapeutic potential of such ADC product candidates; Exelixis' immediate and potential future financial and other obligations under the collaboration and license agreement with Adagene; and Exelixis' plans to reinvest in its business to maximize the potential of the company's pipeline, including through targeted business development activities and internal drug discovery. Any statements that refer to expectations, projections or other characterizations of future events or circumstances are forward-looking statements and are based upon Exelixis' current plans, assumptions, beliefs, expectations, estimates and projections. Forward-looking statements involve risks and uncertainties. Actual results and the timing of events could differ materially from those anticipated in the forward-looking statements as a result of these risks and uncertainties, which include, without limitation: the continuing COVID-19 pandemic and its impact on Exelixis' research and development operations; the level of costs associated with Exelixis' commercialization, research and development, in-licensing or acquisition of product candidates, and other activities; uncertainties inherent in the drug discovery and product development process; Exelixis' dependence on its relationship with Adagene, including Adagene's adherence to its obligations under the collaboration and license agreement and the level of Adagene's assistance to Exelixis in completing clinical trials, pursuing regulatory approvals or successfully commercializing partnered compounds in the territories where they may be approved; complexities and the unpredictability of the regulatory review and approval processes in the U.S. and elsewhere; Exelixis' and Adagene's continuing compliance with applicable legal and regulatory requirements; Exelixis' and Adagene's ability to protect their respective intellectual property rights; market competition; changes in economic and business conditions; and other factors affecting Exelixis and its product pipeline discussed under the caption "Risk Factors" in Exelixis' Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission (SEC) on November 5, 2020, and in Exelixis' future filings with the SEC. All forward-looking statements in this press release are based on information available to Exelixis as of the date of this press release, and Exelixis undertakes no obligation to update or revise any forward-looking statements contained herein, except as required by law.

Adagene Forward-Looking Statements

This press release contains forward-looking statements within the meaning of federal securities laws, including statements regarding the potential benefits and collaborations under the collaboration and license agreement with Exelixis, which involve risks and uncertainties that could cause the actual results to differ materially from the anticipated results and expectations expressed in these forward-looking statements. These statements are made under the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. Statements that are not historical facts, including statements about the Company's beliefs and expectations, are forward-looking statements. Forward-looking statements involve inherent risks and uncertainties, and a number of factors could cause actual results to differ materially from those contained in any forward-looking statement. In some cases, forward-looking statements can be identified by words or phrases such as "may", "will," "expect," "anticipate," "target," "aim," "estimate," "intend," "plan," "believe," "potential," "continue," "is/are likely to" or other similar expressions. Further information regarding these and other risks, uncertainties or factors is included in the Company's filings with the SEC. All information provided in this press release is as of the date of this press release, and the Company does not undertake any duty to update such information, except as required under applicable law.