XyloCor Therapeutics Completes Oversubscribed $41.9 Million Series A Financing To Advance Novel Gene Therapy Pipeline For Coronary Artery Disease

- *Company closes additional $22.6 million in new financing*

- *Proceeds will fund initiation of new clinical trial for lead gene therapy candidate XC001 as adjunctive therapy for patients undergoing coronary artery bypass graft surgery*

MALVERN, PA, March 22, 2021 – XyloCor Therapeutics, a private clinical-stage biopharmaceutical company focused on the development of gene therapy for the significant unmet patient needs in advanced coronary artery disease, today announced the closing of an additional $22.6 million financing. Fountain Healthcare Partners led the oversubscribed financing joined by new investors Longwood Fund and Lumira Ventures. All existing institutional investors including Sofinnova Investments and LSP (Life Sciences Partners) participated in the financing. The additional financing builds upon XyloCor's 2018 Series A financing round, bringing total investment in the company to $41.9 million to date. XyloCor's lead product candidate, XC001, is an investigational gene therapy currently being studied in a Phase 1/2 clinical trial (EXACT) for patients with refractory angina, a chronic condition for which there are no treatment options.

The financing will enable XyloCor to expand its clinical development program for XC001, including the initiation of a new trial of XC001 as a potential adjunctive therapy to augment the effectiveness of coronary artery bypass graft surgery (CABG). XyloCor is at the forefront of scientific research and clinical study in the application of gene therapy to address vast unmet treatment needs in large patient populations with cardiovascular disease. In both its initial potential indication in refractory angina, and as an adjunctive therapy for patients undergoing CABG, XC001 represents a novel therapeutic approach.

"We greatly appreciate the recognition by Fountain Healthcare Partners, Longwood Fund, and Lumira Ventures of the value we have created since our initial funding and in XC001's enormous potential for improving the lives of patients with advanced coronary disease," said Al Gianchetti, president and chief executive officer of XyloCor Therapeutics. "With the support of our investors, we can build on the progress we have made since our initial funding to pursue, with a sense of urgency, new clinical indications where XC001 has promise for addressing unmet medical needs."

"XyloCor has created significant value with XC001 with the progress the team has achieved on clinical and CMC milestones. Based on our experience, excellence on both fronts is critical to success in the gene therapy field," said Aidan King, managing partner and co-founder, Fountain Healthcare Partners, who also joined XyloCor's board of directors. "We are gratified that this additional capital accelerates XC001's development and expands its potential impact to the significant unmet need among CABG patients who are at high risk for incomplete revascularization."

Board of Directors Additions

Joining Mr. King as a member of the XyloCor board of directors is Daniel Hétu, M.D., managing director, Lumira Ventures, and Perry Nisen, M.D., Ph.D., executive partner, Sofinnova Investments. Alan Colowick, M.D., MPH, will now serve an independent board member of XyloCor.

About XC001

XC001 is an investigational gene therapy designed to promote the growth of new blood vessels in the heart, with these new blood vessels bypassing diseased blood vessels and improving blood flow in the heart. XC001 deposits the gene for vascular endothelial growth factor (VEGF) in targeted heart cells. VEGF is a naturally occurring protein and it is believed that XC001 enables the heart cells to produce more VEGF, thus stimulating the creation of new blood vessels, a process called angiogenesis. XC001 has been granted Fast Track designation by the U.S. Food and Drug Administration (FDA) for study in refractory angina. An Investigational New Drug (IND) application for XC001 is open with the FDA. XyloCor commenced the EXACT Trial, a Phase 1/2 study of XC001 in chronic refractory angina in 2020.

The EXACT Trial

The EXACT clinical trial is a Phase 1/2 multicenter, open-label, single arm, dose escalation trial. Approximately 12 subjects (n=3 per cohort) who have refractory angina will be enrolled into 4 ascending dose groups, followed by an expansion phase of the trial with 21 additional subjects at the highest tolerated dose. The trial is designed to assess the safety and efficacy of XC001. The investigational gene therapy will be administered directly to the muscle tissue of the heart by an experienced cardiac surgeon. The EXACT Trial was initiated in 2020 and is ongoing at top cardiovascular research sites across the United States.

About Chronic Refractory Angina

Chronic angina pectoris occurs when the heart muscle does not receive as much oxygen as it needs for the amount of work it is performing, and this often results in chest pain. This is usually due to coronary artery disease. Patients with chronic angina who are symptomatic despite optimal medical therapy and are no longer eligible for mechanical interventions like percutaneous coronary intervention (PCI) and CABG have refractory angina and currently have no treatment options. These patients often become sedentary because of their symptoms, which in turn can exacerbate comorbidities and severely impact quality of life causing further deterioration of their health status. An estimated one million people suffer from refractory angina in the United States.

About Coronary Artery Bypass Graft Surgery (CABG)

CABG is a procedure used to treat coronary artery disease – the narrowing or blockage of the blood vessels that supply oxygen and nutrients to the heart muscle. During CABG, a healthy artery or vein from the body is connected, or grafted, to the blocked coronary artery. The grafted artery or vein bypasses the blocked portion of the coronary artery. This creates a new passage, and oxygen-rich blood is routed around the blockage to the heart muscle. Approximately 500,000 CABG procedures are performed annually in the United States, in which an estimated one-third of patients are at risk for incomplete coronary revascularization, often resulting in persistent angina. An adjunctive treatment to CABG, such as gene therapy with XC001, may reduce the incidence of incomplete revascularization.

About XyloCor

XyloCor Therapeutics is a biopharmaceutical company focused on the development of novel gene therapy for unmet needs in advanced coronary artery disease. In the United States, coronary artery disease is a leading cause of death and disability. The company's lead product candidate, XC001, is in clinical development to investigate use for patients with refractory angina for which there are no treatment options. XyloCor also has a second preclinical investigational product, XC002, in discovery stage, being developed for the treatment of patients with cardiac tissue damage from heart attacks. The company, which was co-founded by Ronald Crystal, MD, and Todd Rosengart, MD, has an exclusive license from Cornell University. For more information, visit www.xylocor.com.

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