



XBiotech Wins “Commercial Real Estate Award for Industrial Development” for its Headquarters in Austin, Texas

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AUSTIN, Texas, June 26, 2019 (GLOBE NEWSWIRE) -- XBiotech Inc. (NASDAQ: XBIT) announced today that it is the recipient of the first place 2019 Commercial Real Estate Award for Industrial Development, chosen by the Austin Business Journal. XBiotech USA Inc. received the award for its integrated R&D, administrative, and manufacturing facility located just 15 minutes from downtown Austin. XBiotech began construction of its state-of-the-art facility in 2015 as part of a master plan to build its worldwide operations headquarters.

The Austin Business Journal reported, “a ‘green living’ concept served as the guiding vision of the Southeast Austin campus of biosciences company XBiotech USA Inc. The 40,000-square-foot facility was built on 48 acres of dense terrain including creeks, dense vegetations...and a 100-year flood plain running across the south end of the site.”

Austin's Best New Buildings: XBiotech Named as Winner in 2019 Commercial Real Estate Awards

The acclaimed “open air” facility is home to XBiotech’s proprietary True Human™ therapeutic antibody discovery and manufacturing platform. True Human™ antibodies are not commercially produced or marketed anywhere else in the world (all currently available/marketed therapeutic antibodies are either of animal origin or have been modified from the original human sequences in attempt to target specific diseases. Modified antibodies differ from antibodies that the human body creates*). XBiotech produces the only therapeutic antibodies in clinical development that are derived from the natural human immune response, including the Company’s lead anti-inflammatory antibody, bermekimab. The unique discovery and manufacturing processes undertaken at XBiotech’s Austin location distinguishes the Company and its products from all other pharmaceutical developers.

**Currently marketed biologic antibody treatments are classified as either “Humanized” or “Fully Human”. “Humanized” antibodies have been sourced from non-human species and modified to become more similar to human antibodies. https://en.wikipedia.org/wiki/Humanized_antibody “Fully Human” antibodies are derived from either transgenic mice or developed from human gene sequences that are modified to create antibody drug. When either “Humanized” or so-called “Fully Human” antibodies are introduced into the human bloodstream, the immune system can recognize this as foreign and react to reject them, and these antibodies can cause various side effects. https://en.wikipedia.org/wiki/Monoclonal_antibody*

XBiotech’s True Human™ antibodies are sourced from humans and derived without modification from individuals who possess natural immunity to certain diseases. With discovery and clinical programs across multiple disease areas, XBiotech’s True Human™ antibodies have the potential to harness the body’s natural immunity to fight disease with a high degree of safety, efficacy, and tolerability.

At its Austin location, XBiotech uses its proprietary Super High Stringency Antibody Mining (SHSAM™) technology to screen hundreds to thousands of human blood donations to identify the most medically important antibodies from individuals naturally immune to specific diseases. After the desired antibodies are identified from an individual, the genes responsible for producing those antibodies are identified. Those genes are copied for production in a unique and scalable mammalian expression system that involves the use of bioreactor technology designed and engineered by XBiotech.

XBiotech’s state-of-the-art bioreactor technology replaces the complex, extremely expensive plant and equipment infrastructure that is used by other producers of antibody therapeutics. This technology allows XBiotech to produce antibodies on a commercial scale at a fraction of the capital cost, and at a fraction of the lead time than typically required in the pharmaceutical industry.

John Simard, Chairman & CEO of XBiotech, commented, “We are very proud of our people and our infrastructure. The facility was designed and built around a vision to assimilate our operations into the beautiful surrounding hill country, sparing trees and the natural ecosystem as much as possible to create a serene, even rejuvenating, work environment. The master plan for the campus envisions as many as six buildings and 267,000 square feet of administrative, research and development, and manufacturing space. We are grateful to the Austin Business Journal and the City of Austin for their support and recognition of our important project.”

About XBiotech

XBiotech is a fully integrated global biosciences company dedicated to pioneering the discovery, development and commercialization of therapeutic antibodies based on its True Human™ proprietary technology. XBiotech currently is advancing a robust pipeline of antibody therapies to redefine the standards of care in oncology, inflammatory conditions and infectious diseases. Headquartered in Austin, Texas, XBiotech also is leading the development of innovative biotech manufacturing technologies designed to more rapidly, cost-effectively and flexibly produce new therapies urgently needed by patients worldwide. For more information, visit www.xbiotech.com.

Cautionary Note on Forward-Looking Statements

This press release contains forward-looking statements, including declarations regarding management’s beliefs and expectations that involve substantial risks and uncertainties. In some cases, you can identify forward-looking statements by terminology such as “may,” “will,” “should,” “would,” “could,” “expects,” “plans,” “contemplate,” “anticipates,” “believes,” “estimates,” “predicts,” “projects,” “intend” or “continue” or the negative of such terms or other comparable terminology, although not all forward-looking statements contain these identifying words. Forward-looking statements are subject to inherent risks and uncertainties in predicting future results and conditions that could cause the actual results to differ materially from those projected in these forward-looking statements. These risks and uncertainties are subject to the disclosures set forth in the “Risk Factors” section of certain of our SEC filings. Forward-looking statements are not guarantees of future performance, and our actual results of operations, financial condition and liquidity, and the development of the industry in which we operate, may differ materially from the forward-looking statements contained in this press release. Any forward-looking statements that we make in this press release speak only as of the date of this press release. We assume no obligation to update our forward-looking statements whether as a result of new information, future events or otherwise, after the date of this press

release.

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