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Sutro & Celgene to Refocus 2014 Immuno-Oncology Collaboration on Four Programs

Will Rapidly Advance Promising Drug Candidates to the Clinic

SOUTH SAN FRANCISCO, Calif., Aug. 10, 2017 /PRNewswire/ -- [Sutro Biopharma](#) today announced it is refocusing its 2014 immuno-oncology collaboration with Celgene on four programs that are advancing through preclinical development, including an antibody drug conjugate (ADC) program targeting B-Cell maturation antigen (BCMA) previously disclosed by Celgene. Sutro may also produce both GLP and cGMP material as the BCMA ADC program progresses.

These programs are additive to Sutro's proprietary pipeline which includes two 2018 investigational new drug (IND) candidates: STRO-001, an ADC targeting CD74, a cell surface protein associated with B-cell malignancies, including non-Hodgkin lymphoma and multiple myeloma; and STRO-002, an ADC which targets folate receptor alpha which is overexpressed in platinum-resistant ovarian cancer and other solid tumors. Sutro is also advancing six ADC programs under the 2014 collaboration with Merck KGaA.

In the 2014 agreement, Celgene had worldwide rights to the first collaboration program to reach IND status. Under the newly modified agreement, Celgene can acquire worldwide rights to a second collaboration program to reach IND status. Sutro will retain U.S. development and commercialization rights, and Celgene will retain ex-U.S. rights, to the next two programs to reach IND status from the four programs. Under the revised agreement, Sutro receives an undisclosed amount upon signing of the revised agreement and continues to be entitled to development and regulatory milestone payments and royalties.

To acquire worldwide rights to the second program to reach IND status, Celgene must make payments to Sutro in undisclosed amounts.

In addition, Sutro grants Celgene the right to purchase shares of Sutro stock in a future private financing and a right to purchase shares in a private placement contemporaneous with an initial public offering by Sutro. In conjunction with this revision, the option to acquire Sutro has been terminated along with restrictions from Sutro entering into additional collaborations or accessing the public financial markets.

"Our goal is to continue to build momentum for promising antibody drug conjugates and bispecific antibodies for immuno-oncology therapeutics developed with Sutro's cell-free protein synthesis platform," Sutro CEO Bill Newell said. "With this revised agreement, Celgene continues to support Sutro's development, while we can move rapidly into development of multiple product candidates and evaluate new opportunities for partnerships and funding."

About Sutro Biopharma

[Sutro Biopharma](#), located in South San Francisco, has pioneered a compelling and unique way of discovering, developing and manufacturing therapeutics. Sutro's focus is primarily next generation cancer therapeutics — antibody drug conjugates, or ADCs, and bispecific antibodies.

Unconstrained by traditional methods of cell-based discovery, Sutro can design and develop targeted medicines by innovating outside the constraints of the cell.

Sutro's technology enables Sutro to iteratively discover and test molecules in a rapid cycle of weeks rather than months to rapidly identify the optimal molecule designed for safety and potency.

Sutro's approach to discovery, without the cell, is also transcending the limitations of biologics manufacturing. Sutro has the world's only cGMP cell-free manufacturing facility located in San Carlos, California. This state-of-the-art facility confers an important competitive advantage as Sutro heads into human clinical trials in 2018. In addition to developing its own oncology pipeline, Sutro Biopharma is collaborating with select pharmaceutical and biotech companies to discover and develop novel, next generation therapeutics. As the pace of clinical development accelerates, Sutro and its partners are demonstrating a more efficient approach to killing tumors without harming healthy cells.

Follow Sutro on Twitter, @SutroBio, and at www.sutro.bio to learn more about our passion for changing the future of oncology.

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