June 26, 2023

Sutro Biopharma and Blackstone Announce Royalty Financing Collaboration

- Sutro will receive $140 million upfront and is eligible to receive up to an additional $250 million in future milestone payments in exchange for the royalty, or revenue interest, in potential future sales of Vaxcyte's products -

- Transaction provides non-dilutive growth capital to Sutro for continued pipeline advancement and further development of its cell-free protein synthesis and site-specific conjugation technologies -

SOUTH SAN FRANCISCO, Calif and NEW YORK, June 26, 2023 (GLOBE NEWSWIRE) -- Sutro Biopharma, Inc. (NASDAQ: STRO), a clinical-stage oncology company pioneering site-specific and novel-format antibody drug conjugates (ADCs), and Blackstone (NYSE: BX), today announced the companies have entered into a royalty financing collaboration agreement where funds managed by Blackstone Life Sciences will provide $140 million upfront, with up to an additional $250 million in future milestone payments triggered at various return thresholds, in exchange for Sutro's 4% royalty, or revenue interest, in the potential future sales of Vaxcyte's products, including VAX-24 and other products that Vaxcyte develops under its license with Sutro.

Vaxcyte's lead candidate, VAX-24, is a Phase 3 ready, 24-valent next-generation pneumococcal conjugate vaccine (PCV) with enhanced serotype coverage and immunogenicity. Vaxcyte's PCV franchise is enabled by Sutro's XpressCF® cell-free protein synthesis technology.

"We established an important and valued partnership with Blackstone Life Sciences through this transaction, while continuing to capitalize on the value generated from the technologies underlying our cell-free protein synthesis and conjugation platforms," said Bill Newell, Sutro's Chief Executive Officer. "The infusion of non-dilutive capital to the company strengthens our balance sheet, allowing us to advance our pipeline for the further development of luveltamab tazevibulin (STRO-002 or luvelta), for which we have recently initiated a registration-directed Phase 2/3 study, REFRaME, for patients with platinum resistant ovarian cancer, and for the development of STRO-003, a novel β-glucuronidase-exatecan ROR1 ADC."

M. Craig Shepherd, Blackstone Life Sciences Senior Managing Director added, "Sutro's innovative technology enables Vaxcyte's PCV franchise to overcome limitations in traditional PCVs and is expected to result in a significant reduction in the global burden of pneumococcal disease, which in the United States alone causes 150,000 hospitalizations per year."

TD Cowen acted as exclusive financial advisor to Sutro Biopharma on the transaction.

About Sutro Biopharma

Sutro Biopharma, Inc., is a clinical-stage company developing next-generation cancer therapeutics, principally antibody-drug conjugates (ADCs), designed for greater potency, tolerability and improved safety. Sutro's cell-free technology, XpressCF®, enables the design and manufacture of homogeneous product candidates with precise and empirically-demonstrated positioning of linker-payloads and consistent drug antibody ratio (DAR). Sutro's platform has produced six clinical stage candidates to date, including two wholly-owned ADCs—luveltamab tazevibulin, or luvelta, a folate receptor alpha (FolRα)-targeting ADC in clinical studies for ovarian and endometrial cancers, as well as STRO-001, a CD74-targeting ADC in clinical studies for B-cell malignancies. In addition, the Company has a robust pipeline of preclinical and discovery stage candidates including STRO-003, a ROR1-targeting ADC, and STRO-004, a tissue factor-targeting ADC. Sutro has also entered into high-value collaborations with industry partners, including Astellas and Merck (MSD outside of the United States and Canada); and Sutro's platform technology enabled the formation of Vaxcyte. Sutro is headquartered in South San Francisco. For more information, follow Sutro on Twitter, @Sutrobio, or visit www.sutrobio.com.

About Blackstone Life Sciences

Blackstone Life Sciences is an industry-leading private investment platform with capabilities to invest across the life cycle of companies and products within the key life science sectors. By combining scale investments and hands-on operational leadership, Blackstone Life Sciences helps bring to market promising new medicines and medical technologies that improve patients' lives and currently has more than $8 billion in assets under management. More information is provided at https://www.blackstone.com/our-businesses/life-sciences/.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, including, but not limited to, anticipated preclinical and clinical development activities, timing of announcements of clinical results, trial initiation, and regulatory filings, potential benefits of luvelta and the Company's other product candidates and platform, the potential and timing of future milestone and royalty payments under the agreement with Blackstone, expectations regarding the expected use of proceeds from the agreement with Blackstone, and potential market opportunities for luvelta and the Company's other product candidates. All statements other than statements of historical fact are statements that could be deemed forward-looking statements. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, the Company cannot guarantee future events, results, actions, levels of activity, performance or achievements, and the timing and results of biotechnology development and potential regulatory approval is inherently uncertain. Forward-looking statements are subject to risks and uncertainties that may cause the Company's actual activities or results to differ significantly from those expressed in any forward-looking statement, including risks and uncertainties related to the Company's ability to advance its product candidates, the receipt and timing of potential regulatory designations, approvals and commercialization of product candidates and the Company's ability to successfully leverage Fast Track designation, the market size for the Company's product candidates to be smaller than anticipated, the impact of the COVID-19 pandemic on the Company's business, clinical trial sites, supply chain and manufacturing facilities, the Company's ability to maintain and recognize the benefits of certain designations received by

product candidates, the timing and results of preclinical and clinical trials, the Company's ability to fund development activities and achieve development goals, the Company's ability to protect intellectual property, the value of the Company's holdings of Vaxcyte common stock, and the Company's commercial collaborations with third parties and other risks and uncertainties described under the heading "Risk Factors" in documents the Company files from time to time with the Securities and Exchange Commission. These forward-looking statements speak only as of the date of this press release, and the Company undertakes no obligation to revise or update any forward-looking statements to reflect events or circumstances after the date hereof.

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