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# **Sutro Biopharma and Celgene Corporation Enter Multi-Year Strategic Collaboration and Option to Acquire Agreement**

## **Deal Expands Immuno-Oncology Product Discovery and Development Program and Aims to Accelerate Development of Oncology Therapeutics with Compelling Patient Benefit**

SOUTH SAN FRANCISCO, Calif., Oct 23, 2014 /PRNewswire/ -- Sutro Biopharma today announced it has entered into a strategic collaboration and option agreement with Celgene Corporation to discover and develop multispecific antibodies and antibody drug conjugates (ADCs). This new agreement follows the December 2012 collaboration between the two companies and focuses on the field of immuno-oncology, while further broadening the Sutro platform for discovery, development, and manufacture of best-in-class biotherapeutics.

The scope of the collaboration allows the parties to systematically interrogate the immuno-oncology space, including established targets, such as PD-1 and PD-L1, as well as novel targets, using Sutro's cell-free biologics development platforms, Xpress CF™ and Xpress CF+™. During the collaboration, after an initial period, Celgene will have the exclusive option to acquire Sutro, including rights to all Sutro-owned programs at that time, on pre-specified terms. Under terms of the agreement, Sutro will receive upfront payments totaling \$95 million, which includes an equity investment. Sutro may also receive up to an additional \$90 million during the initial research term, including payments for manufacturing-related and productivity milestones. Celgene has the option to extend the collaboration beyond the initial research term in exchange for an additional payment. Across all product candidates Sutro is eligible to receive more than \$1 billion in total payments, upon achievement of clinical and regulatory milestones for product candidates and royalties on product sales resulting from the collaboration.

During the collaboration, Sutro will be responsible for discovery and early pre-clinical development of all collaboration multispecific antibodies and ADCs, as well as the manufacturing of pre-clinical product candidates. The collaboration also contemplates a clinical and commercial supply agreement between Sutro and Celgene for collaboration products. Celgene may assume responsibility for global development and commercialization and will have worldwide rights to all collaboration products, with the exception of certain collaboration products for which Sutro retains U.S. development and commercialization rights, in the event Celgene does not exercise its option to acquire Sutro. For product candidates not licensed to Celgene under the collaboration, Sutro retains worldwide rights, in the event Celgene does not exercise its option to acquire Sutro.

"This multi-year collaboration agreement reflects Celgene's commitment to our highly collaborative relationship, the significant progress we have made in exploring best-in class

multispecific antibodies and ADCs using Sutro's cell-free protein synthesis platform, and the value of our early pipeline of multispecific antibodies targeting immuno-oncology pathways," said William Newell, chief executive officer of Sutro Biopharma. "Our platform and product development efforts bear enormous promise. We look forward to continuing and expanding our productive collaboration with Celgene and to accelerating the development of our own portfolio of mono- and bi-specific ADC pipeline candidates."

Thomas Daniel, M.D., Celgene president, global research and early development, added, "Substantive progress and unique advantages of Sutro's platform have led us to expand and extend our relationship, as a key capability supporting our emerging Immuno-Oncology pipeline. We see this collaboration as a unique opportunity to accelerate the evaluation and development of important products in this and other strategic areas of high potential impact. Sutro has been a strong partner expanding a potentially disruptive technology, and we look forward to building on the existing collaboration."

In 2012, Sutro and Celgene entered into a collaboration to design and develop ADCs and bispecific antibodies for two undisclosed targets and to manufacture a proprietary Celgene antibody.

### **About Sutro Biopharma**

Sutro Biopharma, Inc., located in South San Francisco, develops best-in-class antibody drug conjugate and multi-specific antibody-based therapeutics for cancer therapy, including Immuno-Oncology therapies. Sutro's discovery and development efforts are driven by our proprietary Xpress CF- and Xpress CF+-platforms, a biochemical synthesis system that enables rapid and systematic evaluation of protein structure-activity relationships, as well as rapid and predictable scalability for manufacturing in Sutro's cGMP facility. In addition to developing its own drug candidate pipeline, which is focused on mono- and bi-specific ADCs, Sutro Biopharma is collaborating with select pharmaceutical and biotech companies to discover and develop novel therapeutics.

For more information, visit [www.sutrobio.com](http://www.sutrobio.com).

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