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Sutro Biopharma Achieves “First in Human” Milestone in Cytokine Derivatives Collaboration with Merck

SOUTH SAN FRANCISCO, Calif., July 26, 2022 (GLOBE NEWSWIRE) -- Sutro Biopharma, Inc. (“Sutro” or the “Company”) (NASDAQ: STRO), a clinical-stage oncology company pioneering site-specific and novel-format antibody drug conjugates (ADCs), today announced that the first patient has been dosed in a Phase 1 study of an investigational candidate resulting from the collaboration between Sutro and Merck, known as MSD outside the United States and Canada, for the development of a novel cytokine derivative therapeutic for the treatment of cancer. As a result of this milestone, Sutro will receive a $10 million payment from Merck.

“We are pleased with the progress of this next-generation biologic candidate, from discovery to clinical development for patients with advanced or metastatic solid tumors,” said Bill Newell, Chief Executive Officer of Sutro. “This milestone reflects the strong synergistic collaboration between Merck’s biological expertise in the field of immuno-oncology and Sutro’s prowess in designing, engineering, and manufacturing complex biologics that incorporate site-specific conjugation. We are excited about the potential this therapeutic may have for cancer patients.”

Under the terms of the July 2018 collaboration agreement between Sutro and Merck, Sutro has been primarily responsible for preclinical research and development, as well as manufacturing, of cytokine derivatives utilizing Sutro’s proprietary cell-free protein synthesis and site-specific conjugation platforms, XpressCF® and Xpress CF+®. Merck has exclusive worldwide rights to therapeutic candidates derived from the collaboration.

About Sutro Biopharma

Sutro Biopharma, Inc., headquartered in South San Francisco, is a clinical-stage oncology company pioneering site-specific and novel-format antibody drug conjugates (ADCs). Sutro has two wholly owned ADCs in the clinic—STRO-002, a folate receptor alpha (FolRα)-targeting ADC, in clinical studies for ovarian and endometrial cancers; and STRO-001, a CD74-targeting ADC, in clinical studies for B-cell malignancies. Additionally, Sutro is collaborating with Bristol Myers Squibb (BMS) on CC-99712, a BCMA-targeting ADC in the clinic for patients with multiple myeloma; with Merck KGaA, Darmstadt, Germany, known as EMD Serono in the U.S. and Canada (EMD Serono), on M1231, a MUC1-EGFR bispecific ADC in clinical studies for patients with solid tumors, particularly non-small cell lung cancer (NSCLC) and esophageal squamous cell carcinoma; with Merck, known as MSD outside of the United States and Canada, a biologic in clinical studies for the treatment of solid tumors; and with Astellas Pharma (Astellas) on a novel modality, immunostimulatory antibody-drug conjugates (iADCs). Sutro’s platform technology also enabled the spin out of Vaxcyte and the creation of VAX-24, a 24-valent pneumococcal conjugate vaccine in clinical studies for

the prevention of invasive pneumococcal disease. Sutro's rational design and precise protein engineering has enabled six product candidates in the clinic. Follow Sutro on Twitter, @Sutrobio, and at **www.sutrobio.com** to learn more about our passion for changing the future of oncology.

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, potential benefits of STRO-002 and Sutro's other product candidates and platform, potential future milestone and royalty payments, and potential market opportunities for STRO-002 and Sutro's other product candidates. All statements other than statements of historical fact are statements that could be deemed forward-looking statements. Although Sutro believes that the expectations reflected in such forward-looking statements are reasonable, Sutro 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 Sutro's actual activities or results to differ significantly from those expressed in any forward-looking statement, including risks and uncertainties related to Sutro's ability to advance its product candidates, the receipt and timing of potential regulatory designations, approvals and commercialization of product candidates and Sutro's ability to successfully leverage Fast Track designation, the market size for Sutro's product candidates to be smaller than anticipated, the impact of the COVID-19 pandemic on Sutro's business, clinical trial sites, supply chain and manufacturing facilities, Sutro's ability to maintain and recognize the benefits of certain designations received by product candidates, the timing and results of preclinical and clinical trials, Sutro's ability to fund development activities and achieve development goals, Sutro's ability to protect intellectual property and Sutro's commercial collaborations with third parties and other risks and uncertainties described under the heading "Risk Factors" in documents Sutro 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 Sutro undertakes no obligation to revise or update any forward-looking statements to reflect events or circumstances after the date hereof.

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