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Sutro Biopharma Announces Inducement Grants Under Nasdaq Listing Rule 5635(c)(4)

SOUTH SAN FRANCISCO, Calif., June 03, 2022 (GLOBE NEWSWIRE) -- Sutro Biopharma, Inc. ("Sutro" or the "Company") (NASDAQ: STRO), a clinical-stage drug discovery, development and manufacturing company focused on the application of precise protein engineering and rational design to create next-generation cancer therapeutics, today announced that on June 3, 2022, the Compensation Committee of Sutro's Board of Directors granted 75,000 shares of Sutro Biopharma stock options and 80,000 Restricted Stock Units of Sutro common stock to three new employees. The grants were made as an inducement material to the employees' acceptance of employment with Sutro and were approved by the Compensation Committee of Sutro's Board of Directors in accordance with Nasdaq Listing Rule 5635(c)(4).

The RSUs and stock options are subject to the terms and conditions of Sutro's 2021 Equity Inducement Plan. One-fourth of the total number of shares subject to the RSUs will vest on the one-year anniversary of the employees hire date and annually thereafter until fully vested on the fourth anniversary, subject to the employee's continued service with Sutro on each such vesting date. One-fourth of the total number of shares underlying the stock options will vest on the one-year anniversary of the employee's date of hire and 1/48th of the total number of shares underlying the stock options will vest each month thereafter until fully vested on the fourth anniversary of the employee's date of hire, subject to the employee's continued service with Sutro on each such vesting date. The stock options have a term of ten years and an exercise price equal to the closing price of Sutro's common stock on the grant date as reported by The Nasdaq Stock Market.

About Sutro Biopharma

Sutro Biopharma, Inc., located in South San Francisco, is a clinical-stage drug discovery, development and manufacturing company. Using precise protein engineering and rational design, Sutro is advancing next-generation oncology therapeutics.

Sutro's proprietary and integrated cell-free protein synthesis platform XpressCF® and site-specific conjugation platform XpressCF+® led to the discovery of STRO-001 and STRO-002, Sutro's first two internally-developed ADCs. STRO-001 is a CD74-targeting ADC currently under investigation in a Phase 1 clinical trial for patients with advanced B-cell malignancies and was granted Orphan Drug Designation by the FDA for multiple myeloma. STRO-002, a folate receptor alpha (FolRα)-targeting ADC, is currently being investigated in a Phase 1 clinical trial for patients with ovarian and endometrial cancers and was granted Fast Track designation by the FDA for ovarian cancer. A third product candidate, CC-99712, a BCMA-targeting ADC, which is part of Sutro's collaboration with Bristol Myers Squibb, formerly Celgene Corporation, is enrolling patients for its Phase 1 clinical trial of patients with multiple myeloma and has received Orphan Drug Designation from the FDA. A fourth product

candidate, M1231, a MUC1-EGFR, bispecific ADC, which is part of Sutro's collaboration with Merck KGaA, Darmstadt, Germany, known as EMD Serono in the U.S. and Canada (EMD Serono), is enrolling patients for its Phase 1 clinical trial of patients with metastatic solid tumors, non-small cell lung cancer (NSCLC) and esophageal squamous cell carcinoma. These four product candidates resulted from Sutro's XpressCF® and XpressCF+® technology platforms. Bristol Myers Squibb and EMD Serono have worldwide development and commercialization rights for CC-99712 and M1231, respectively, for which Sutro is entitled to milestone or contingent payments and tiered royalties.

Sutro is dedicated to transforming the lives of cancer patients by creating medicines with improved therapeutic profiles for areas of unmet need. To date, Sutro's platform has led to ADCs, bispecific antibodies, cytokine-based immuno-oncology therapies, and vaccines directed atprecedented targets in clinical indications where the current standard of care is suboptimal.

Sutro's platform allows it to accelerate discovery and development of potential first-in-class and best-in-class molecules through rapid and systematic evaluation of protein structure-activity relationships to create optimized homogeneous product candidates. In addition to developing its own oncology pipeline, Sutro is collaborating with select pharmaceutical and biotechnology companies to discover and develop novel, next-generation therapeutics.

Follow Sutro on Twitter, [@SutroBio](https://twitter.com/SutroBio), and at <https://www.sutro.bio/> to learn more about our passion for changing the future of oncology.

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