CStone Pharmaceuticals

基石藥業

(Incorporated in the Cayman Islands with limited liability)

(**Stock Code: 2616**)

VOLUNTARY ANNOUNCEMENT
CSTONE ANNOUNCED GEMSTONE-302 FINAL ANALYSIS CONFIRMS EFFICACY AND SAFETY DATA OF SUGEMALIMAB PLUS CHEMOTHERAPY FOR METASTATIC NSCLC AS DEMONSTRATED IN THE INTERIM ANALYSIS, WITH SURVIVAL BENEFITS FURTHER STRENGTHENED

CStone Pharmaceuticals (the "**Company**" or "**CStone**") is pleased to announce the final progression-free survival ("**PFS**") analysis results of the registrational GEMSTONE-302 study which evaluates sugemalimab as first-line treatment in patients with stage IV non-small cell lung cancer ("**NSCLC**"). After the GEMSTONE-302 study met its primary endpoint in the interim PFS analysis last year, updated data in the recently-conducted final PFS analysis showed that sugemalimab plus chemotherapy demonstrated further improvement in PFS. In addition, data in longer follow-up further demonstrated that sugemalimab plus chemotherapy brought patients encouraging overall survival . With the unique mechanism of action and positive clinical data in multiple types of cancer, sugemalimab has the potential to be the best-in-class agent. So far, sugemalimab has demonstrated significant benefits in patients with Stage III and Stage IV NSCLC, and GAVRETO® (pralsetinib) has shown durable clinical activity as the first-line treatment of patients with NSCLC. CStone has also started to work with Pfizer to co-develop ROS1 inhibitor lorlatinib. With all this, the company is becoming a major player in precision treatment and immunotherapy for lung cancer.

Key Highlights

- Updated data from GEMSTONE-302 showed that sugemalimab combined with chemotherapy contributed to prolonged PFS and encouraging overall survival as first-line treatment for patients with metastatic NSCLC in the final PFS analysis.

- The new drug application ("**NDA**") of sugemalimab for the treatment of metastatic NSCLC is under review by the National Medical Products Administration ("**NMPA**") of China . Commercialization process is also accelerating.

- The efficacy and safety data will support regulatory activities with health authorities in multiple countries and regions.

Professor Caicun Zhou, Principal Investigator of the GEMSTONE-302 study and Director of the Department of Oncology, Shanghai Pulmonary Hospital, said, "Globally, lung cancer ranks first in mortality rate among all malignant tumors, and the treatment aims to prolong the overall survival. On top of the favorable interim data last year, sugemalimab combined with chemotherapy further demonstrated longer PFS and encouraging overall survival in the final PFS analysis. The results also verified the safety and efficacy of sugemalimab combined with chemotherapy in first-line treatment of patients with metastatic NSCLC. They again highlighted the clinical advantages of sugemalimab in improving the long-term treatment outcome."

Dr. Jason Yang, Chief Medical Officer of CStone, said, "The GEMSTONE-302 study features an innovative design and covers both pathologic types of squamous and non-squamous NSCLC. The promising interim results are expected to enable sugemalimab to be the first anti-PD-L1 monoclonal antibody combined with chemotherapy approved as a first-line treatment for both squamous and non-squamous NSCLC. In this final PFS analysis, the improved PFS associated with the addition of sugemalimab to chemotherapy are maintained over longer follow-up and an encouraging overall survival ("**OS**") was also observed. All these promising data prove the great value of sugemalimab as the potential best-in-class treatment. We are also making rapid progress on multiple registrational studies of sugemalimab in patients with hematological tumors, advanced gastric and esophageal cancers."

In November 2020, NMPA of China accepted NDA of sugemalimab combined with chemotherapy for the first-line treatment of patients with metastatic squamous and non-squamous NSCLC. It was the first NDA globally for sugemalimab submitted by CStone. The final PFS analysis data will be presented at an upcoming international academic conference.

In mainland China, CStone is working closely with partner Pfizer to advance the commercialization of sugemalimab. Outside of Greater China, CStone and EQRx have partnered to pursue regulatory discussions for sugemalimab in multiple countries.

About NSCLC

In recent years, China has had rising lung cancer incidence. According to the latest estimates on the global burden of cancer released by International Agency for Research on Cancer ("**IARC**"), in 2020, an estimated 0.82 million new lung cancer cases and 0.71 million new lung cancer deaths occurred in China. Among all Chinese cancer patients, lung cancer is the leading cause of cancer-related deaths. NSCLC is the most common type of lung cancer.

About Sugemalimab (anti-PD-L1 antibody)

Sugemalimab is an investigational anti-PD-L1 monoclonal antibody discovered by CStone. Authorized by the U.S.-based Ligand Corporation, sugemalimab is developed by the OmniRat® transgenic animal platform, which can generate fully human antibodies in one stop. As a fully human, full-length anti-PD-L1 monoclonal antibody, sugemalimab mirrors the natural G-type immunoglobulin 4 ("**IgG4**") human antibody, which reduces the risk of immunogenicity and potential toxicities in patients and makes it unique over similar drugs.

Currently, sugemalimab is being investigated in several ongoing clinical trials, including one Phase II registration study for lymphoma (CS1001-201) and four Phase III registrational studies on stage III NSCLC, stage IV NSCLC, gastric cancer, and esophageal cancer, respectively.

CS1001-201 is a single-arm, multicenter, Phase II pivotal study designed to evaluate the efficacy and safety of sugemalimab as monotherapy for the treatment of adult patients with relapsed or refractory extranodal natural killer/T-cell lymphoma ("**R/R ENKTL**"). Based on the encouraging preliminary efficacy results, sugemalimab was granted Orphan Drug Designation for the treatment of T-cell lymphoma and Breakthrough Therapy Designation for the treatment of R/R ENKTL by the U.S. Food and Drug Administration ("**FDA**"). It has also been granted Breakthrough Therapy Designation by the China National Medical Products Administration. The proposed indication is R/R ENKTL.

GEMSTONE-302 Study

GEMSTONE-302 (clinicaltrials.gov registration number: NCT03789604; drug clinical trial registration number: CTR20181452) is a randomized, double-blind, Phase III trial of sugemalimab plus platinum-based chemotherapy as first-line treatment for stage IV squamous or non-squamous NSCLC to evaluate the efficacy and safety of sugemalimab in combination with chemotherapy vs. placebo in combination with chemotherapy as first-line treatment of patients with stage IV NSCLC. The primary endpoint of the study is investigator-assessed PFS. Secondary endpoints include OS, Blinded Independent Central Review ("**BICR**") assessed PFS, overall response rate ("**ORR**"), and safety.

In August 2020, GEMSTONE-302 study met its primary endpoint of significantly prolonging PFS and reducing the risk of disease progression or death by 50% with sugemalimab in combination with chemotherapy compared to placebo in combination with chemotherapy (median PFS: 7.82 vs 4.9 moths, HR=0.50 [95% CI: 0.39, 0.64], p<0.0001), as assessed by the independent Data Monitoring Committee ("**iDMC**") at the planned interim analysis.

Subgroup analysis showed clinical benefits regardless of PD-L1 expression level or pathologic subtype in patients with Stage IV NSCLC.

OS data was immature, but showed a trend favoring sugemalimab plus chemotherapy (median OS: not reached vs 14.75 months, HR=0.66 [95% CI: 0.44, 0.97]).

Sugemalimab in combination with chemotherapy was well tolerated, and no new safety signals were identified. Specific study data were presented in a Proffered Paper Oral Presentation (Late-Breaking Abstract) at ESMO Asia 2020. In November 2020, the NMPA of China accepted the NDA for sugemalimab combined with chemotherapy for the first-line treatment of metastatic squamous and non-squamous NSCLC patients.

GEMSTONE-301 Study

GEMSTONE-301 study is a multicenter, randomized, double-blind Phase III clinical trial (clinicaltrials.gov registration number: NCT03728556; drug clinical trial registration number: CTR20181429), designed to evaluate the efficacy and safety of sugemalimab as a consolidation therapy in patients with locally advanced/unresectable stage III NSCLC without disease progression after concurrent or sequential chemoradiotherapy. The trial's primary endpoint is PFS as assessed by the BICR according to RECIST v1.1; the secondary endpoints include OS, PFS as assessed by investigators and safety profile.

In May 2021, a registrational clinical trial (GEMSTONE-301 study) of the anti-PD-L1 monoclonal antibody sugemalimab in patients with stage III NSCLC met its primary endpoint at a planned interim analysis reviewed by iDMC. The findings showed that sugemalimab as a consolidation therapy brought statistically significant and clinically meaningful improvement in BICR assessed PFS in patients with locally advanced/unresectable NSCLC without disease progression after concurrent or sequential chemoradiotherapy. Investigator assessed PFS showed consistent results as those of the primary endpoint. Sugemalimab was well-tolerated with no new safety signals. Subgroup analyses demonstrated

that sugemalimab was associated with clinical benefit regardless of whether patients received concurrent or sequential chemoradiotherapy prior to sugemalimab.

CStone plans to submit an NDA to the NMPA for sugemalimab in stage III NSCLC, and is working closely with EQRx outside the Greater China, to pursue regulatory discussions for stage III NSCLC in multiple countries.

About CStone

CStone is a biopharmaceutical company focused on researching, developing and commercializing innovative immuno-oncology and precision medicines to address the unmet medical needs of cancer patients in China and worldwide. Established in 2015, CStone has assembled a world-class management team with extensive experience in innovative drug development, clinical research, and commercialization. The Company has built an oncology-focused pipeline of 15 drug candidates with a strategic emphasis on immuno-oncology combination therapies. Currently, CStone has received three drug approvals in Greater China, including two in mainland China and one in Taiwan. CStone's vision is to become globally recognized as a world-renowned biopharmaceutical company by bringing innovative oncology therapies to cancer patients worldwide.

For more information about CStone, please visit: www.cstonepharma.com.

By Order of the Board
CStone Pharmaceuticals
Dr. Frank Ningjun Jiang
Chairman

Suzhou, the People's Republic of China, July 12, 2021

As at the date of this announcement, the Board of Directors of the Company comprises Dr. Frank Ningjun Jiang as Chairman and executive Director, Dr. Wei Li, Mr. Qun Zhao, Mr. Yanling Cao, Mr. Xianghong Lin and Mr. Edward Hu as non-executive Directors, and Dr. Paul Herbert Chew, Mr. Ting Yuk Anthony Wu and Mr. Hongbin Sun as independent non-executive Directors.