**Ascletis Pharma Inc.**
**歌禮製藥有限公司**
*(incorporated in the Cayman Islands with limited liability)*
**(Stock Code: 1672)**

# VOLUNTARY ANNOUNCEMENT

# ASCLETIS ANNOUNCES DOSING OF THE FIRST PATIENT IN THE PHASE IIb EXPANSION COHORT OF ASC22 (ENVAFOLIMAB) FOR CHRONIC HEPATITIS B FUNCTIONAL CURE

- *After the pre-Phase III clinical trial meeting with Center for Drug Evaluation ("**CDE**") of China National Medical Products Administration ("**NMPA**") in June 2022, the pathway to the registration, including patient population, dose, treatment duration, etc. of ASC22 (Envafolimab) for functional cure of chronic hepatitis B (CHB) has been agreed*

- *The Phase IIb Expansion Cohort will enroll 50 CHB patients with baseline HBsAg≤100 IU/mL who will be treated with 1.0 mg/kg ASC22 or placebo (with the ratio of 4:1) in combination with Nucleot(s)ide analogues (NAs) for 24-week treatment plus 24-week follow-up*

- *The objective of this Expansion Cohort study is to confirm whether the rate of functional cure is similar to the data presented at oral session of the International Liver Congress™ 2022 ("**ILC 2022**") held by the European Association for the Study of the Liver ("**EASL**") in June 2022, which showed that 42.9% (3/7) of patients with baseline HBsAg ≤100 IU/mL obtained functional cure. The enrollment of 50 CHB patients is expected to be completed in early 2023*

This announcement is made by Ascletis Pharma Inc. (the "**Company**" or "**Ascletis**", together with its subsidiaries, the "**Group**") on a voluntary basis for the purpose of keeping the shareholders of the Company and potential investors abreast of the latest business development of the Group.

The board of directors (the "**Board**") of the Company announces dosing of the first patient in the Phase IIb Expansion Cohort (the "**Expansion Cohort**") of subcutaneously administered PD-L1 antibody ASC22 (Envafolimab) for functional cure of chronic hepatitis B (CHB).

After the pre-Phase III clinical trial meeting with Center for Drug Evaluation ("**CDE**") of China National Medical Products Administration ("**NMPA**") in June 2022, the pathway to the registration, including patient population, dose, treatment duration, etc. of ASC22 (Envafolimab) for functional cure of CHB has been agreed.

The Expansion Cohort will enroll 50 CHB patients with baseline hepatitis B surface antigen ("**HBsAg**") ≤100 IU/mL who will be treated with 1.0 mg/kg ASC22 or placebo (with the ration of 4:1) in combination with Nucleot(s)ide analogues (NAs) for 24-week treatment plus 24-week follow-up. The objective is to confirm whether the functional cure rate of ASC22 is similar to the data presented at oral session of the International Liver Congress™ 2022 ("**ILC 2022**") held by the European Association for the Study of the Liver ("**EASL**") in June 2022, which showed that 42.9% (3/7) of patients with baseline HBsAg≤100 IU/mL obtained functional cure. The enrollment of 50 CHB patients of the Expansion Cohort is expected to be completed in early 2023.

Prior to the initiation of the Expansion Cohort, Ascletis has completed a randomized, single-blind, placebo-controlled and multi-center Phase IIb clinical trial in China which evaluated the safety and efficacy of treating 149 patients with CHB for 24-week treatment plus 24-week follow-up of 1 mg/kg or 2.5 mg/kg ASC22 or matching placebo given once every two weeks (Q2W) in combination with NAs (ClinicalTrials.gov: NCT04465890).

CHB remains to be a significantly unmet medical need globally, with approximately 86 million people in China and 1.59 million people in the U.S. infected with hepatitis B virus (HBV)[1]. NAs inhibit only reverse transcription of HBV RNA into HBV DNA and do not inhibit the transcription of HBV cccDNA into HBV RNA, thus have no inhibitory effect on HBsAg.

ASC22 (Envafolimab) is the most advanced clinical-stage immunotherapy in the world for CHB functional cure, i.e. HBsAg loss, through blocking PD-1/PD-L1 pathway. Ascletis presented the latest Phase IIb clinical trial results of ASC22 in patients with CHB at oral session of EASL ILC 2022 in June 2022, which showed that 42.9% (3/7) patients with baseline HBsAg≤100 IU/mL obtained sustained HBsAg loss and no rebound has occurred up to now since the last dosing of ASC22 (Envafolimab), indicating a potential functional cure of CHB. For tumor indications, Envafolimab has been approved for treatment of adults with unresectable or metastatic microsatellite instability-high (MSI-H) or mismatch repair deficient (dMMR) advanced solid tumors by China NMPA in November 2021.

[1] Lim J K, Nguyen M H, Kim W R, et al. Prevalence of Chronic Hepatitis B Virus Infection in the United States [J]. The American journal of gastroenterology 2020, 115(9): 1429-38.

**Cautionary Statement required by Rule 18A.05 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited:** We cannot guarantee that we will be able to ultimately commercialize ASC22 successfully.

By order of the Board
**Ascletis Pharma Inc.**
**歌禮製藥有限公司**
**Jinzi Jason WU**
*Chairman*

Hangzhou, the People's Republic of China
September 28, 2022

*As at the date of this announcement, the Board comprises Dr. Jinzi Jason WU and Mrs. Judy Hejingdao WU, as executive Directors; and Dr. Yizhen WEI, Mr. Jiong GU and Ms. Lin HUA, as independent non-executive Directors.*