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 COMPLETION OF 180 PATIENT ENROLLMENT FOR PHASE II CLINICAL TRIAL OF FASN INHIBITOR ASC40 FOR ACNE

- *To date, approximately 50% enrolled patients have completed 12-week treatment and all enrolled patients are expected to complete 12-week treatment by the end of February 2023*

- *Clinical efficacy observed in patients who have completed 12-week treatment of ASC40 or placebo was comparable to that from two U.S. FDA approved acne drugs – WINLEVI® and TWYNEO®*

- *In the previous Phase II clinical trial of non-alcoholic steatohepatitis (NASH) patients with 12-week treatment of 50 mg ASC40 once daily, 61% patients showed ≥ 30% relative decrease of liver fat*

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 the completion of 180 patient enrollment for the Phase II clinical trial of ASC40 (denifanstat) for treatment of moderate to severe acne. The study is currently still blind.

To date, approximately 50% enrolled patients have completed 12-week treatment and all enrolled patients are expected to complete 12-week treatment by the end of February 2023. Clinical efficacy observed in patients who have completed 12-week treatment of ASC40 or placebo was comparable to that from two recently approved acne drugs by U.S. Food and Drug Administration – WINLEVI® and TWYNEO® [1,2], in terms of percentage change from baseline in total lesion counts and percentage change from baseline in inflammatory and non-inflammatory lesion counts. To date, the preliminary data also indicated that ASC40 or placebo treatment in acne patients is safe and well tolerated, and majority of treatment-related adverse events are grade 1. In the previous Phase II clinical trial of non-alcoholic steatohepatitis (NASH) patients with 12-week treatment of 50 mg ASC40 once daily, 61% patients showed ≥ 30% relative decrease of liver fat[3].

The current Phase II clinical trial is a randomized, double-blind, placebo-controlled, multicenter clinical trial in China to evaluate the safety and efficacy of ASC40 for the treatment of patients with moderate to severe acne. 180 enrolled patients have been randomized into three active treatment arms or one placebo control arm at the ratio of 1:1:1:1 to receive ASC40 (25 mg, 50 mg or 75 mg) or matching placebo orally once daily for 12 weeks. The primary outcomes include percentage change of total lesion count at week 12 compared with baseline and/or ratio of subjects, whose Investigator's Global Assessment (IGA) grades are decreased by ≥2 grades at week 12 compared with baseline.

ASC40 is an oral, selective small molecule inhibitor of fatty acid synthase (FASN), a key enzyme which regulates de novo lipogenesis (DNL). Human sebum production requires de novo lipogenesis, which is increased in acne and can be suppressed by the FASN inhibitor ASC40.

Acne is the eighth most prevalent disease in the world and affects more than 640 million people globally[4]. The onset of acne often coincides with pubertal hormonal changes, and the condition affects approximately 85% of adolescents and young adults aged 12 to 25 years[5]. However, acne can also persist into or develop during adulthood. Current first-line treatments for acne include topical creams such as topical retinoids, androgen receptor inhibitor, oral isotretinoin, and antibiotics, but still have various limitations.

[1] Loomba R, Mohseni R, Lucas K J, et al. TVB-2640 (FASN inhibitor) for the treatment of nonalcoholic steatohepatitis: FASCINATE-1, a randomized, placebo-controlled Ph2a trial[J]. Gastroenterology, 2021.

[2] Hebert A, Thiboutot D, Gold L S, et al. Efficacy and Safety of Topical Clascoterone Cream, 1%, for Treatment in Patients With Facial Acne: Two Phase 3 Randomized Clinical Trials[J]. JAMA Dermatology, 2020, 156(6).

[3] Drug label of tretinoin and benzoyl peroxide cream https://www.accessdata.fda.gov/drugsatfda_docs/label/2021/214902s000lbl.pdf.

[4] Tan J K, Bhate K. A global perspective on the epidemiology of acne [J]. Br J Dermatol 2015, 172 Suppl 1(3-12. DOI: 10.1111/bjd.13462.

[5] Krowchuk D P. Managing acne in adolescents [J]. Pediatric clinics of North America 2000, 47(4): 841-57. DOI: 10.1016/s0031-3955(05)70243-1.

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 ASC40 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
November 30, 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.