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 INITIATION OF PHASE III CLINICAL TRIAL OF ASC40 (DENIFANSTAT) FOR TREATMENT OF ACNE

- *The Phase III clinical trial of ASC40 for moderate to severe acne vulgaris will enroll 480 subjects*

- *The protocol of Phase III clinical trial has been agreed by Center for Drug Evaluation, National Medical Products Administration and obtained the approval from Institutional Review Board of Huashan Hospital, Fudan University*

- *Professor Leihong Xiang of Huashan Hospital, Fudan University, serves as the principal investigator of this Phase III clinical trial*

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 initiation of the Phase III clinical trial of fatty acid synthase (FASN) inhibitor ASC40 (Denifanstat) for treatment of moderate to severe acne vulgaris.

This Phase III 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 moderate to severe acne vulgaris. 480 subjects with moderate to severe acne vulgaris will be enrolled and randomized into one active treatment arm and one placebo control arm at the ratio of 1:1 to receive 50 mg ASC40 or matching placebo orally, once daily for 12 weeks. Professor Leihong Xiang of Huashan Hospital, Fudan University, serves as the principal investigator of this Phase III clinical trial.

The co-primary efficacy endpoints are: proportion of subjects achieving treatment success at week 12, percentage change from baseline in total lesion count, and percentage change from baseline in inflammatory lesion count (ILC) at week 12. Treatment success is defined as at least a 2-point reduction in Investigator's Global Assessment (IGA) score from baseline and a score of clear (0) or almost clear (1).

The protocol of Phase III clinical trial has been agreed by Center for Drug Evaluation, National Medical Products Administration and obtained the approval from Institutional Review Board of Huashan Hospital, Fudan University.

On May 2, 2023, Ascletis announced that ASC40 achieved primary and key secondary endpoints in the Phase II clinical trial for the treatment of acne vulgaris, demonstrating superior efficacy and good safety.

ASC40 is an oral, selective small molecule inhibitor of FASN. Mechanisms of ASC40 for treatment of acne are (1) direct inhibition of facial sebum production, through inhibition of de novo lipogenesis (DNL) in human sebocytes; and (2) inhibition of inflammation, through decreasing cytokine secretion and Th17 differentiation. Ascletis holds the rights to develop, manufacture and commercialize ASC40 in Greater China under an exclusive license from Sagimet Biosciences Inc.

Acne is the eighth most prevalent disease in the world and affects more than 640 million people globally [1]. Adherence to topical therapies is worse when compared with that for oral agents: an estimated 30% to 40% of patients do not adhere to their topical treatments [2]. Currently, effective oral treatment for acne are mainly isotretinoin which can cause a lot of severe adverse events such as hepatotoxicy, hearing impairment and depression, etc. ASC40 has the potential to be a first-in-class, once-daily oral acne therapeutic with high patient compliance.

[1] 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.

[2] Purvis CG, Balogh EA, Feldman SR. Clascoterone: How the Novel Androgen Receptor Inhibitor Fits Into the Acne Treatment Paradigm. Ann Pharmacother. 2021;55(10):1297-1299. doi:10.1177/1060028021992055.

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
December 5, 2023

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.