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

VOLUNTARY ANNOUNCEMENT

PARTICIPATION IN SAGIMET'S US$80 MILLION IN CROSSOVER FINANCING WITH PREMIUM INVESTORS

The Board of Directors (the "**Board**") of Ascletis Pharma Inc. (the "**Company**") is pleased to announce that the Company, through its wholly-owned subsidiary, AP11 Limited (**AP11**), participates in the US$80 million crossover financing of Sagimet Biosciences Inc. ("**Sagimet**"), which is led by an undisclosed public equity healthcare investment fund with participation from other existing investors (Kleiner Perkins, New Enterprise Associates (NEA) and Rock Springs), along with other new investors (Altium, HM Capital, Invus and PFM) (the "**Transaction**"). The Transaction has been completed on February 11, 2021, China time (For details, please refer to Sagimet' Press release: https://www.sagimet.com/press-releases/).

Prior to this crossover financing, the Company led a US$25 million Series E financing of Sagimet in 2019 through AP11. In conjunction with leading the Series E financing, the Company obtained an exclusive license from Sagimet to develop, manufacture and commercialize fatty acid synthase (FASN) inhibitors including ASC40 (TVB-2640) and all related compounds in Greater China for all indications such as non-alcoholic steatohepatitis (NASH) and oncology. Immediately upon completion of the Transaction, the equity interest held by the Company through AP11 in Sagimet is less than 10%.

In June, 2020, Sagimet announced positive results on its oral, once-daily NASH drug candidate ASC40 (TVB-2640) from its Phase II (FASCINATE-1) clinical trial. The preliminary data showed that ASC40 (TVB-2640) significantly reduced liver fat, the primary efficacy endpoint of this trial, with a 61% responder rate in the 50 mg group. In July, 2020, the Company announced completion of a single-dose, pharmacokinetic bridging study of ASC40 (TVB-2640) in 34 subjects in China and data indicates that key pharmacokinetic parameters (C_{max}, AUC, T_{max} and $t_{1/2}$) are consistent between subjects in China and in the United States.

As all the applicable percentage ratios of the Company under Rule 14.07 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") in respect of the Transaction are below 5%, it does not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules.

Cautionary Statement required by Rule 18A.05 of the Listing Rules: We cannot guarantee that we will be able to ultimately market 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
February 11, 2021

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.