Scorpion Therapeutics and Pierre Fabre Announce Collaboration and License Agreement to Co-Develop and Commercialize STX-721 and STX-241 for Patients with EGFR Mutant Non-Small Cell Lung Cancer

-- Scorpion receives $65 million from an upfront payment and the achievement of near-term milestones and is eligible to receive up to $553 million in potential milestones, plus royalties on net product sales –

-- Scorpion will retain rights to STX-721 and STX-241 in the United States, Canada, and Japan; Pierre Fabre granted rights in all other global territories –

-- Collaboration will accelerate development of STX-721 and STX-241 in key international markets and support Scorpion and Pierre Fabre's missions to bring transformational therapies to patients globally –

BOSTON, Mass. and CASTRES, France – April 04, 2023 – Scorpion Therapeutics, Inc. ("Scorpion"), a pioneering oncology company redefining the frontier of precision medicine through its Precision Oncology 2.0 strategy, and Pierre Fabre, a French pharmaceutical and dermo-cosmetic group present in 120 countries, today announced an exclusive collaboration and license agreement for the co-development of STX-721 and STX-241, two candidates in Scorpion's franchise of highly-selective, next-generation mutant epidermal growth factor receptor ("EGFR") inhibitors. Discovered by Scorpion, STX-721 and STX-241 are potentially best-in-class inhibitors of EGFR mutations and potent treatment options for emergent and unmet medical needs in non-small cell lung cancer ("NSCLC"). Under the agreement, Scorpion will lead clinical development of STX-721 and Pierre Fabre will lead clinical development of STX-241. Scorpion will retain commercialization rights to STX-721 and STX-241 in the United States, Canada and Japan, and Pierre Fabre will be responsible for commercialization activities in all other territories, with a focus on Europe and China.

"Our mission is to develop the next generation of transformational therapies and to deliver them to patients worldwide," said Axel Hoos, M.D., Ph.D., Chief Executive Officer of Scorpion. "Pierre Fabre is the ideal partner to accelerate this vision; a global pharmaceutical company with a robust clinical and commercial footprint in Europe and Asia, and a track record of successfully partnering with biotechnology companies to develop and provide access to innovative cancer medicines. This partnership should help to expand the reach of our EGFR targeting programs, allowing us to help patients who urgently need these treatments, including in markets such as China, where nearly 50% percent of all cases of NSCLC are expected to be EGFR-mutant by 2030.[1]

"We are excited to engage into this co-development collaboration with Scorpion and eager to add STX-721 and STX-241 to our portfolio in oncology. Pierre Fabre has a track-record in developing and commercializing cancer therapies for nearly four decades. We recently focused our R&D efforts on targeted therapies and this partnership with Scorpion embodies this strategic move," said Eric Ducournau, Chief Executive Officer of Pierre Fabre.

NSCLC is the most common sub-type of lung cancer and various EGFR mutations are the most frequent drivers of NSCLC, occurring in approximately 14-38 percent of tumors, depending on geography.[2, 3, 4] Scorpion's franchise of highly selective, next-generation mutant EGFR inhibitors is designed to address several of these activating

[1] SEER*Explorer; WHO Cancer Today, both accessed March 2022
[2]The Prevalence of EGFR Mutation in Patients with Non-Small Cell Lung Cancer, Oncotarget, October 2016
[3] EGFR Mutation Incidence in Non-Small Cell Lung Cancer, J Cancer Res., August 2015
[4] Molecular Epidemiology of EGFR Mutations in Asian Patients, PLoS ONE, November 2015

mutations, with STX-721 targeting EGFR Exon 20 insertion mutants, and STX-241 targeting Exon 19 or 21 mutations with the co-occurring C797S mutation, a known resistance mechanism to 3rd generation EGFR inhibitors.

For NSCLC driven by EGFR Exon 20 insertion mutations, toxicities associated with the inhibition of wild-type EGFR in healthy tissues, such as the skin and gastrointestinal tract, often occur during treatment. These toxicities can lead to dose reductions or interruptions which, in turn, may reduce the overall efficacy of the treatment. STX-721 and STX-241 have been designed to maximize selectivity for the mutant form of the enzyme and to avoid the inhibition of wild-type EGFR in healthy tissues to minimize the occurrence of these toxicities.

Up to 12.5 percent of patients with NSCLC driven by mutations in Exon 19 or 21 who are treated with covalent inhibitors of EGFR in a front-line setting develop secondary resistance mutations at C797S.[5] There are currently no approved therapeutic options for the significant number of patients that develop "double mutant" EGFR NSCLC, creating a significant and growing unmet need.

Together, Scorpion's next-generation EGFR inhibitors may have the potential to address over 90 percent of activating mutations in EGFR-mutant NSCLC, potentially providing improved clinical outcomes to thousands of patients globally.

"Based on their preclinical data, we've concluded that STX-721 and STX-241 may present best-in-class product profiles. Further, this partnership will significantly expand our efforts in precision oncology, allowing us to better support the care and treatment of thousands of people globally," added Francesco Hofmann, Head of Research and Development for Medical Care at Pierre Fabre.

Subject to the terms of the agreement, Scorpion will receive a combined $65 million from an upfront payment and the achievement of near-term milestones, and will be eligible to receive up to a total of $553 million in potential milestone payments. In addition, Pierre Fabre will pay Scorpion tiered percentage royalties on a licensed product-by-licensed product basis, ranging from mid-single to mid-teens based on annual net sales of each licensed product in territories excluding the United States, Canada, and Japan. Scorpion will pay Pierre Fabre tiered percentage royalties based on a licensed product-by-licensed product basis, ranging from low-single to low-double digits on annual net sales of each licensed product in the United States. The companies will share global development expenses based on a pre-specified cost-sharing arrangement.

About STX-721
STX-721 is a next-generation, orally delivered small molecule designed with potentially best-in-class selectivity to target Exon 20 insertion mutations in EGFR. Scorpion estimates that NSCLC tumors that express EGFR with Exon 20 insertion mutations have an incidence of approximately 3,400 patients per year in the United States. STX-721 is currently advancing through preclinical studies and Scorpion expects to submit an investigational new drug ("IND") application to the U.S. Food and Drug Administration ("FDA") in the middle of 2023.

About STX-241
STX-241 is a fourth generation, orally delivered, central nervous system ("CNS")-penetrant small molecule designed with potentially best-in-class selectivity to target resistance mutations at C797S. Scorpion estimates that up to 3,000 patients per year in the United States, or up to 12.5 percent of NSCLC patients with Exon 19 or 21 mutations, develop resistance mutations at C797S. STX-241 is currently advancing through preclinical studies, and Scorpion expects to submit an IND to the U.S. FDA in the first half of 2024.

[5] Ramalingam S. (2022, August 6-9). *Real-World Landscape of EGFR C797X Mutation as a Resistance Mechanism to Osimertinib in NSCLC.* [Oral presentation]. 2022 World Conference on Lung Cancer, Vienna, Austria.

About Scorpion Therapeutics
Scorpion is a pioneering oncology company redefining the frontier of precision medicine to deliver optimized and transformational therapies for larger populations of patients with cancer, a strategy Scorpion refers to as Precision Oncology 2.0. Scorpion has built a proprietary and fully integrated platform of the most advanced technologies across cancer biology, medicinal chemistry, and data sciences, with the goal of consistently and rapidly creating exquisitely selective small molecule compounds against an unprecedented spectrum of targets. Scorpion aims to leverage its platform to advance a broad pipeline of wholly owned, optimized compounds across three target categories: best-in-class molecules targeting validated oncogene targets; first-in-class molecules for previously undruggable targets; and first-in-class molecules for novel cancer targets. For more information, visit www.scorpiontx.com.

About Pierre Fabre
Pierre Fabre is a leading French medical and beauty care company with 4 decades of experience in innovation, development, manufacturing, and commercialization in oncology. The company dedicated about 80% of its R&D spendings to oncology in 2022 and has recently declared targeted therapies as its main R&D priority. Its current commercial portfolio in oncology covers colorectal, breast and lung cancers, melanoma, hematology, and pre-cancerous skin conditions like actinic keratosis.
In 2022, Pierre Fabre posted 2.7 billion euros in revenues, 69% of which came from international sales in 120 countries. Established in the South-West of France since its creation in 1962, the Group manufactures over 90% of its products in France and employs some 9,600 people worldwide. The company is 86%-owned by the Pierre Fabre Foundation, a government-recognized public-interest foundation, and secondarily by its own employees through an international employee stock ownership plan. Pierre Fabre's sustainability policy has been assessed by the independent AFNOR Certification body at the "Exemplary" level of its CSR label (ISO 26 000 standard for sustainable development).

Further information about Pierre Fabre can be found at www.pierre-fabre.com, @PierreFabre.

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