NEWS RELEASE

Arcus to Collaborate With AstraZeneca on Registrational Trial for Domvanalimab, Arcus's Novel Anti-TIGIT Antibody, Plus Imfinzi® in Stage III NSCLC

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- Collaboration Further Strengthens Arcus's Position at the Forefront of the Anti-TIGIT Field and Leverages AstraZeneca's Leadership in the Curative-Intent Stage III NSCLC Setting

- Registrational Trial for Domvanalimab plus Imfinzi Expected to Begin in 2021

- Further Builds on the Arcus-Gilead Option Agreement to Realize the Full Potential of Anti-TIGIT Therapy

HAYWARD, Calif.--(BUSINESS WIRE)-- Arcus Biosciences, Inc. (NYSE:RCUS), an oncology-focused biopharmaceutical company working to create best-in-class cancer therapies, today announced a collaboration with AstraZeneca (LSE/STO/Nasdaq: AZN) to evaluate domvanalimab (AB154), Arcus's investigational anti-TIGIT antibody, in combination with Imfinzi (durvalumab) in a registrational Phase 3 clinical trial in patients with unresectable Stage III non-small cell lung cancer (NSCLC). Imfinzi is the only immunotherapy approved for patients with unresectable Stage III NSCLC and was the first significant advancement in over twenty-five years for the treatment of patients with Stage III NSCLC whose disease has not progressed following concurrent platinum-based chemotherapy and radiation therapy (CRT). The collaboration reflects Arcus's commitment to ensuring the development of its portfolio of molecules in combinations and settings that maximize their value and bring their potential benefits to the broadest patient population possible.

"This collaboration provides a unique opportunity for domvanalimab, our novel anti-TIGIT antibody, to be combined with the definitive standard of care in the curative-intent setting of unresectable Stage III NSCLC and to leverage

AstraZeneca's experience, deep knowledge and leadership within this indication," said Bill Grossman, M.D., Ph.D., Chief Medical Officer of Arcus. "With the aggressive development of our anti-TIGIT antibody in this additional setting, we are well positioned to be a leader in both the anti-TIGIT field and more broadly in the creation, development and commercialization of the next generation of innovative immuno-oncology combination therapies."

José Baselga, M.D., Ph.D., Executive Vice President, Oncology R&D of AstraZeneca, said: "This partnership creates an important opportunity to leverage the promise of Arcus's anti-TIGIT antibody in Stage III NSCLC. This is a promising immunotherapy combination that has the potential to further enhance the efficacy and improvement of long-term survival that Imfinzi has already demonstrated in this setting, and to allow us to unlock the full potential of this medicine."

Results from the PACIFIC Phase 3 trial recently presented at the European Society for Medical Oncology (ESMO) annual meeting demonstrated that treatment with Imfinzi following CRT led to unprecedented survival in unresectable Stage III NSCLC, with an estimated 50% of patients surviving four years versus 36% for CRT alone, and 35% of patients not progressing after four years versus 20% for CRT alone. These data build on those reported in 2018 in **The New England Journal of Medicine**, demonstrating a significant benefit associated with Imfinzi treatment in the overall survival primary endpoint.

Arcus is currently evaluating domvanalimab, a new potential immuno-oncology backbone therapy in a three-arm randomized Phase 2 study, ARC-7, for first-line treatment of PD-L1-high metastatic NSCLC evaluating (1) zimberelimab monotherapy, versus (2) domvanalimab with zimberelimab versus (3) domvanalimab plus etrumadenant (AB928) with zimberelimab.

Under the terms of the agreement, each company will retain existing rights to their respective molecules and any future commercial economics. AstraZeneca will conduct the trial, and each company will supply its respective anti-cancer agent to support the trial. Pursuant to the terms of the agreement, the parties will share costs for the trial.

Consistent with the terms of the recently completed Arcus-Gilead partnership, Gilead maintains an option to co-develop and co-commercialize domvanalimab. If Gilead exercises its option to domvanalimab, the trial from this AstraZeneca collaboration is expected to form part of the Arcus and Gilead joint development program and Arcus's portion of the trial costs would be shared with Gilead. The collaboration with AstraZeneca has the potential to expand domvanalimab's clinical development program, accelerating the pathway to registration and adding value to the Arcus-Gilead alliance.

About Arcus Biosciences

Arcus Biosciences is an oncology-focused biopharmaceutical company leveraging its deep cross-disciplinary expertise to create highly differentiated therapies and to develop a broad portfolio of novel combinations addressing significant unmet needs. Arcus currently has four molecules in clinical development: Etrumadenant (AB928), the first and only dual A2a/A2b adenosine receptor antagonist in the clinic, is being evaluated in multiple Phase 1b/2 studies across different indications, including prostate, colorectal, non-small cell lung, pancreatic and triple-negative breast cancers. AB680, the first small-molecule CD73 inhibitor in the clinic, is in Phase 1 development for first-line treatment of metastatic pancreatic cancer in combination with zimberelimab and gemcitabine/nab-paclitaxel. Domvanalimab (AB154), an anti-TIGIT monoclonal antibody and new potential immuno-oncology backbone therapy, is in a three-arm randomized Phase 2 study for first-line treatment of PD-L1-high metastatic non-small cell lung cancer evaluating zimberelimab monotherapy, AB154 with zimberelimab and AB154 plus AB928 with zimberelimab. Zimberelimab (AB122), Arcus's anti-PD-1 monoclonal antibody, is also being evaluated in a Phase 1b study as monotherapy for cancers with no approved anti-PD-1 treatment options, and in various combinations across the portfolio. For more information about Arcus Biosciences, please visit **www.arcusbio.com**.

Forward-Looking Statements

This press release contains forward-looking statements. All statements other than statements of historical facts contained herein, including, but not limited to, Arcus's expectations regarding the benefits and advantages associated with the AstraZeneca collaboration, as well as anticipated milestones and timelines, are forward-looking statements reflecting the current beliefs and expectations of management made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. All forward-looking statements involve known and unknown risks, uncertainties and other important factors that may cause the actual results, performance or achievements to differ significantly from those expressed or implied. Factors that could cause or contribute to such differences include, but are not limited to, the inherent uncertainty associated with the COVID-19 pandemic, including the duration and/or severity of the outbreak and actions by government authorities to slow the spread of the virus, changes in the competitive landscape for our programs, the emergence of adverse events or other undesirable side effects, the inherent uncertainty associated with pharmaceutical product development and clinical trials, our relationship with our other strategic collaborators, including our dependence on Gilead for the successful development and commercialization of our investigational products, and delays in our clinical trials due to difficulties or delays in the regulatory process, enrolling subjects or manufacturing or supplying product for such clinical trials. Risks and uncertainties facing Arcus are described more fully in Arcus's quarterly report on Form 10-Q for the quarter ended June 30, 2020 filed on August 6, 2020 with the SEC. You are cautioned not to place undue reliance on the forward-looking statements, which speak only as of the date of this press release. Arcus disclaims any obligation or undertaking to update, supplement or revise any forward-looking statements contained in this press release.

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