NEWS RELEASE

Gilead Exercises Options to Three Arcus Biosciences Clinical-stage Programs and Adds Research Collaboration

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-- Gilead Exercises Options to Arcus's Anti-TIGIT Program (Domvanalimab and AB308), Etrumadenant (A2a/A2b Adenosine Receptor Antagonist) and Quemliclustat (Small Molecule CD73 Inhibitor) --

-- Arcus to Receive Option Payments Totaling $725 million --

-- Arcus will Host a Webcast Today, Thursday, November 18, 2021, at 5:00 a.m. Pacific Time / 8:00 a.m. Eastern Time --

FOSTER CITY, Calif. & HAYWARD, Calif.--(BUSINESS WIRE)-- Gilead Sciences, Inc. (Nasdaq: GILD) and Arcus Biosciences, Inc. (NYSE: RCUS) today announced that Gilead has exercised its options to three programs in Arcus's clinical-stage portfolio, including both anti-TIGIT molecules, domvanalimab and AB308, as well as etrumadenant and quemliclustat. The companies also added a research collaboration as described below. Today's transaction is subject to applicable antitrust clearance under the Hart-Scott Rodino Antitrust Improvements Act and other customary closing conditions. The parties expect the transaction to close by year-end.

Domvanalimab is an Fc-silent anti-TIGIT antibody in Phase 2 and Phase 3 studies in non-small cell lung cancer (NSCLC) and AB308 is an Fc-enabled anti-TIGIT antibody under Phase 1 evaluation. Etrumadenant is a dual adenosine A2a/A2b receptor antagonist in Phase 1 and Phase 2 studies in NSCLC, colon cancer and prostate cancer. Quemliclustat is a small molecule CD73 inhibitor in a Phase 1 study in metastatic pancreatic ductal adenocarcinoma

(PDAC).

Gilead has been encouraged by early clinical data generated for each of the three programs. By opting in early to all three programs now, Gilead and Arcus are able to accelerate the clinical development and advancement of these clinical-stage molecules and facilitate the exploration of treatment combinations across the portfolios. For example, Gilead will be able to pursue potential chemotherapy-free regimens with Trodelvy® (sacituzumab govitecan-hziy) in combination with therapies optioned from the Arcus portfolio. Gilead will also have the flexibility to add Gilead portfolio candidates to existing Arcus studies.

“Gilead is pursuing some of the most promising mechanisms of action in oncology today, with the aim of achieving better treatment outcomes for more patients,” said Daniel O’Day, Chairman and Chief Executive Officer, Gilead Sciences. “The addition of three mid- to late-stage clinical programs into our oncology pipeline significantly expands the number of transformational medicines we can potentially deliver to people with cancer, while also enabling our pursuit of novel combinations.”

“Through the expanded partnership, we will be able to leverage the combined portfolios of the two companies to enable rational exploration of unique and innovative combination therapies within a single integrated program,” said Terry Rosen, Ph.D., Chief Executive Officer of Arcus. “The early exercise of Gilead’s options will now ensure that Arcus is well positioned to accelerate and expand clinical development activities so that it may deliver benefit to patients with some of the most difficult to treat cancers, including pancreatic, lung, colon and prostate.”

Terms of the Exercised Options and Amendment to the Agreement

Under the terms of the parties’ Option, License and Collaboration Agreement (the “2020 Agreement”), for the three options that Gilead is exercising today, Arcus will receive option payments totaling $725 million. The parties will co-develop and share the global costs related to these programs. If the optioned molecules achieve regulatory approval, Gilead and Arcus will co-commercialize and equally share profits in the U.S. Gilead will hold exclusive rights outside the U.S., subject to any rights of Arcus’s existing collaboration partners, and Gilead will pay to Arcus tiered royalties.

With Gilead’s early option exercises for all three programs, Gilead and Arcus amended the 2020 Agreement, including as follows:

- Arcus may be required to operationalize at least 50% of the clinical studies, with costs to be shared by Gilead and Arcus.
- The royalties payable by Gilead to Arcus on sales for these three programs outside of the U.S. were slightly reduced. The reduced royalties range from the mid-teens to the low twenties.

- Arcus will lead the discovery and early development of drug candidates against two novel research targets jointly selected by the parties.
- Upon closing of the transaction for all three programs, the $100 million option continuation payment due in 2022 will not be made by Gilead.

Summary of anti-TIGIT Program

- ARC-7 is a Phase 2 study evaluating patients randomly allocated to domvanalimab plus zimberelimab vs. zimberelimab alone vs. domvanalimab plus zimberelimab plus etrumadenant as first-line treatment for PD-L1 ≥ 50%, metastatic NSCLC. The study is actively enrolling with a target total enrollment of 150 patients who are being randomly allocated 1:1:1 to each group and treated until disease progression or loss of clinical benefit. Gilead and Arcus have jointly decided that results, including data on progression-free survival, will be presented at a medical conference in 2022.
- ARC-10 is an ongoing registrational Phase 3 study intended to support the potential approvals of both zimberelimab monotherapy and domvanalimab plus zimberelimab in first-line, locally advanced or metastatic PD-L1≥50% NSCLC.
- PACIFIC-8 is a registrational Phase 3 study with a planned initiation by the end of 2021 in collaboration with AstraZeneca. PACIFIC-8 will evaluate domvanalimab plus durvalumab, an anti-PD-L1 antibody, with curative intent in unresectable Stage 3 NSCLC, where durvalumab is standard of care.
- ARC-12 is a Phase 1 study evaluating AB308 plus zimberelimab in advanced malignancies with five expansion cohorts currently open for enrollment.

Summary of ATP-Adenosine Axis (CD73 and A2a/A2b Receptor) Programs

- ARC-4 is a randomized Phase 1 study evaluating etrumadenant plus zimberelimab and chemotherapy vs. zimberelimab plus chemotherapy in EGFRmut tyrosine kinase inhibitor (TKI)-relapsed and refractory NSCLC. Initial data are expected to be presented in 1H22.
- ARC-6 is a Phase 1b/2 platform study in metastatic castration-resistant prostate cancer with a randomized cohort evaluating docetaxel versus docetaxel plus etrumadenant and zimberelimab. Initial results are expected in 2022.
- ARC-7 is an open-label randomized Phase 2 study as noted above.
- ARC-8 is an ongoing Phase 1 study evaluating quemliclustat plus zimberelimab and gemcitabine/nab-paclitaxel in first-line pancreatic cancer, with a randomized cohort comparing against quemliclustat plus gemcitabine/nab-paclitaxel. Gilead and Arcus have jointly decided that results, including data on progression-free survival, will be presented at a medical conference in 2022.
- ARC-9 is a randomized Phase 1b/2, open-label, multi-center platform study to evaluate the efficacy of etrumadenant in combination with zimberelimab and FOLFOX with or without bevacizumab in second- and

third-line metastatic colorectal cancer.

- Additional clinical studies are expected to be initiated in 2022.

Zimberelimab, domvanalimab, AB308, etrumadenant and quemliclustat are investigational agents and have not been proven safe and efficacious. Durvalumab, docetaxel, gemcitabine/nab-paclitaxel, FOLFOX and bevacizumab are owned by companies other than Arcus and Gilead.

Arcus Webcast Information

At 5:00 a.m. Pacific Time/8:00 a.m. Eastern Time today, Arcus's management will host a conference call and a simultaneous webcast to discuss the expanded partnership. A live webcast of the call can be accessed by visiting the "Investors" section of Arcus's website at **www.arcusbio.com**. Please connect to the website at least 15 minutes prior to the start of the call to allow adequate time for any software download that may be required. Alternatively, please call (833) 950-0062 (U.S.) or +1 (929) 526 1599 (International) and dial the participant access code 909703 to access the call. A replay of the webcast will be available approximately two hours after the call through 14 days following the live event.

About the Gilead Collaboration

In May 2020, Gilead and Arcus entered into a 10-year collaboration that provided Gilead immediate rights to zimberelimab and the right to opt into all other Arcus programs arising during the collaboration term. In November 2021, Gilead and Arcus amended the collaboration in connection with Gilead's option exercise for three of Arcus's then-clinical stage programs. For all other programs that are in clinical development or new programs that enter clinical development thereafter, the opt-in payments are $150 million per program. Gilead's option, on a program-by-program basis, expires after a specified period of time following the achievement of a development milestone for such program and Arcus's delivery to Gilead of the requisite qualifying data package. Concurrent with the May 2020 collaboration agreement, Gilead and Arcus entered into a stock purchase agreement under which Gilead made a $200 million equity investment in Arcus. That stock purchase agreement was amended and restated in February 2021 in connection with Gilead's increased equity stake in Arcus from 13% to 19.7%, with an additional $220 million investment.

Upon closing of Gilead's exercise of its option to a program, the two companies will co-develop and share global development costs for the joint development program, subject to certain opt-out rights of Arcus in some cases and expense caps on its spending and related subsequent adjustments. For each optioned program, provided that Arcus has not exercised its opt-out rights, if any, Arcus has an option to co-promote in the United States with equal profit share. Gilead has the right to exclusively commercialize any optioned programs outside of the U.S., subject to the rights of Arcus's existing collaboration partners to any territories, and, for clinical stage programs that Gilead

has opted into, Gilead will pay Arcus tiered royalties as a percentage of revenues ranging from the mid or high teens to the low twenties.

About Arcus Biosciences

Arcus Biosciences is a clinical-stage, global biopharmaceutical company developing differentiated molecules and combination medicines for people with cancer. In partnership with industry partners, patients and physicians around the world, Arcus is expediting the development of first- or best-in-class medicines against well characterized biology and pathways and studying novel, biology-driven combinations that have the potential to help people with cancer live longer. Founded in 2015, the company has expedited the development of six investigational medicines into clinical studies, including new combination approaches that target TIGIT, PD-1, the adenosine axis (CD73 and dual A2a/A2b) and most recently, HIF-2alfa. For more information about Arcus Biosciences's clinical and pre-clinical programs, please visit **www.arcusbio.com** or follow us on Twitter.

About Gilead Sciences

Gilead Sciences, Inc. is a biopharmaceutical company that has pursued and achieved breakthroughs in medicine for more than three decades, with the goal of creating a healthier world for all people. The company is committed to advancing innovative medicines to prevent and treat life-threatening diseases, including HIV, viral hepatitis and cancer. Gilead operates in more than 35 countries worldwide, with headquarters in Foster City, California.

Arcus Biosciences Forward-Looking Statements

This press release contains forward-looking statements. All statements regarding events or results to occur in the future contained herein, including, but not limited to, the ability of the parties to complete this transaction in a timely manner or at all or achieve the expected benefits of this transaction, the broadening of treatment combinations across the two companies, the expansion of Arcus's clinical development activities, future growth and the timing of future initiation of, enrolment in and data releases from clinical trials, 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 and uncertainties and other important factors that may cause our actual results, performance or achievements to differ significantly from those expressed or implied by the forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to: the ability to obtain regulatory approval for the transaction; dependence on the collaboration with Gilead for the successful development and commercialization of Arcus's investigational products; difficulties associated with the management of the collaboration activities or expanded clinical programs; risks associated with preliminary and interim data; the unexpected emergence of adverse events or other undesirable side effects; the inherent uncertainty associated with the COVID-19 pandemic,

including the duration and/or severity of the pandemic and actions by government authorities to contain or slow the spread of the virus; the inherent uncertainty associated with pharmaceutical product development and clinical trials; delays in Arcus's clinical trials due to difficulties or delays in the regulatory process, enrolling subjects or manufacturing or supplying product for such clinical trials; and changes in the competitive landscape for Arcus's programs. Risks and uncertainties facing Arcus are described more fully in its quarterly report on Form 10-Q for the quarter ended September 30, 2021, filed on November 8, 2021, 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.

Gilead Forward-Looking Statements

This press release includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that are subject to risks, uncertainties and other factors, including the parties' ability to receive antitrust clearance under the Hart-Scott Rodino Antitrust Improvements Act and close this transaction in a timely manner or at all, Gilead's ability to realize the anticipated benefits from the collaboration; difficulties or unanticipated expenses in connection with the collaboration and the potential effects on Gilead's earnings; the ability of the companies to initiate, progress or complete clinical trials within currently anticipated timelines or at all, including those involving domvanalimab, AB308, etrumadenant and quemliclustat; the possibility of unfavorable results from ongoing or additional trials, including those involving domvanalimab, AB308, etrumadenant and quemliclustat; uncertainties relating to regulatory applications and related filing and approval timelines, including the risk that regulatory authorities may not approve such applications in the anticipated timelines or at all; the possibility that the parties may make a strategic decision to discontinue development of any of the investigational agents under the collaboration and therefore these investigational agents may never be successfully commercialized; the possibility that the parties may make a strategic decision to terminate the collaboration; and any assumptions underlying any of the foregoing. These and other risks, uncertainties and other factors are described in detail in Gilead's Quarterly Report on Form 10-Q for the quarter ended September 30, 2021, as filed with the U.S. Securities and Exchange Commission. These risks, uncertainties and other factors could cause actual results to differ materially from those referred to in the forward-looking statements. All statements other than statements of historical fact are statements that could be deemed forward-looking statements. Investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve risks and uncertainties and are cautioned not to place undue reliance on these forward-looking statements. All forward-looking statements are based on information currently available to Gilead, and Gilead assumes no obligation and disclaims any intent to update any such forward-looking statements.

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