Keymed Biosciences Inc.
康諾亞生物醫藥科技有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2162)

INSIDE INFORMATION ANNOUNCEMENT

POSITIVE RESULTS FROM PHASE I CLINICAL STUDY OF CM326, A CLASS ONE INNOVATIVE DRUG FROM CHINA

This announcement is made by Keymed Biosciences Inc. (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Group is pleased to announce that the Phase I clinical study of its self-developed Class 1 innovative drug CM326 injection conducted in the healthy human subjects ("**CM326HV001**"), has completed the analysis of unblinded data and obtained positive key results.

CM326HV001 is a randomized, double-blind, placebo-controlled, dose-escalation Phase I clinical study that evaluates the safety, tolerability, pharmacokinetics, pharmacodynamics and immunogenicity of a single subcutaneous administration of CM326 injection in healthy subjects. The primary objective of the study is to evaluate the safety and tolerability of a single subcutaneous administration of CM326 injection in healthy subjects with different dosages.

A total of 44 healthy subjects were enrolled in this study, and the safety results showed that the overall safety and tolerability profile of the CM326 injection group was comparable to that of the placebo group. The incidence of treatment-emergent adverse events (TEAEs) reported by the CM326 injection group was comparable to that of the placebo group, a substantial majority of which were Grade 1 TEAEs and all were transient and the subjects recovered without medical intervention.

Throughout the study, there was no TEAE that resulted in the interruption of the dose-escalation, nor were there Grade 3 or higher TEAE, TEAE that resulted in the withdrawal of subjects from the trial, serious adverse events (SAEs), suspected unexpected serious adverse reactions (SUSARs) or deaths. CM326 showed good safety and tolerability in each dosage group compared to the placebo group.

About CM326

CM326 is a Class 1 innovative drug researched and developed by Keymed with the new mechanism of action and global independent intellectual property rights targeting thymic stromal lymphopoietin (TSLP), and is the first drug developed for this target that is under clinical study in China. TSLP is one of the initiators of inflammatory cascade response. The inhibition of TSLP can interfere with the inflammation in the early stage, preventing immune cells from releasing proinflammatory cytokines. TSLP is closely related to the occurrence of allergic diseases such as atopic dermatitis, asthma and chronic rhinosinusitis, and is currently the only target that has been proven to be effective for Th2-low asthma. Pre-clinical studies have shown that CM326 has a good safety profile and excellent efficacy, and various *in vitro* pharmacodynamics studies have proved that the biological activities of this product are significantly superior than those of overseas drugs developed for their targets.

Based on the positive results obtained by CM326 in the Phase I clinical study in healthy volunteers, Keymed will rapidly advance the clinical trials for various indications of CM326. CM326 has currently obtained the permission for clinical trials focusing on asthma and moderate to severe atopic dermatitis indications in China.

Cautionary Statement: There is no assurance that the Company will ultimately develop, market and/or commercialize CM326 successfully. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By order of the Board of Directors
Keymed Biosciences Inc.
Dr. Bo CHEN
Chairman

Hong Kong, November 4, 2021

As at the date of this announcement, the Board of Directors of the Company comprises Dr. Bo CHEN, Dr. Changyu WANG and Dr. Gang XU as executive Directors; Mr. Qi CHEN, Dr. Dong LYU, Dr. Min Chuan WANG and Mr. Yilun LIU as non-executive Directors; Prof. Xiao-Fan WANG, Prof. Yang KE, Mr. Cheuk Kin Stephen LAW and Prof. Linqing LIU as independent non-executive Directors.