Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

Grand Pharmaceutical Group Limited
遠大醫藥集團有限公司*
(Incorporated in Bermuda with limited liability)
(Stock Code: 00512)

VOLUNTARY ANNOUNCEMENT

THE INVESTIGATIONAL NEW DRUG APPLICATIONS OF THE GROUP'S THREE INNOVATIVE PRODUCTS IN CHINA WERE ACCEPTED BY NMPA

This announcement is made by the board of directors (the "**Board**") of Grand Pharmaceutical Group Limited (the "**Company**", together with its subsidiaries, the "**Group**") on a voluntary basis.

The Board is pleased to announce that the Investigational New Drug ("**IND**") applications of the Group's three innovative products in the sector of respiratory, severe disease and anti-infection, and ophthalmology were officially accepted by the National Medical Products Administration of the People's Republic of China ("**NMPA**") recently. It is an important R&D progress of the Group in the field of the treatment in the above diseases.

Field	Sector	Direction	Product	Indication	Current Stage
Pharmaceutical Technology	Respiratory, severe disease and anti-infection	Severe disease and anti-infection	GPN00068 (APAD)	Sepsis	IND Accepted
	Ophthalmology	Ophthalmology	GPN00136 (BRM421)	Dry eye	IND Accepted
			GPN00833 (APP13007)	Ocular inflammation and pain	IND Accepted

GPN00068 (APAD) is a small molecule compound with a novel mechanism of action independently developed by the Group. By antagonizing a variety of pathogen-related molecules and inhibiting the excessive activation of immune cells, it is expected to prevent the occurrence and progression of sepsis from the source. The preclinical animal trial data shows that it has therapeutic effect in sepsis caused by both bacterial and viral infections. STC3141, the Group's another global innovative product, treats sepsis by antagonizing the body's excessive immune response. These two products complement each other in their mechanism and can form a favorable synergistic effect in the treatment of severe diseases

such as sepsis. Sepsis is a body's disorder response to infection leading to life-threatening organ dysfunction. There are about 48.9 million new cases of sepsis in the world every year, and the related death exceeds 11 million, accounting for one-fifth of the global death. It is one of the major diseases that seriously threaten human health. However, there is no targeted drug that has been commercialized, and APAD and STC3141 are expected to fill the clinical gap in this therapeutic field.

GPN00136 (BRM421) is a global innovative small molecule peptide eye drops product. By accelerating the division and proliferation of limbal stem cells, it stimulates the repair of ocular surface. According to its phase II clinical study data completed in the United States, compared to cyclosporine eye drops currently commercialized for the treatment of dry eye, BRM421 has high safety and low irritation, as well as the potential to quickly alleviate the signs and symptoms of dry eye within two weeks.

According to statistics, there are more than 210 million dry eye syndrome patients in China by 2019, and the compound annual growth rate is 2%. It is estimated that by 2030, there will be more than 260 million patients with dry eye syndrome. Dry eye syndrome has become the most common ophthalmic disease in China. Currently, the most commonly used treatment options in China are artificial tears, hormones, non-steroidal anti-inflammatory drugs, and immunosuppressants. Artificial tears can relieve mild dry eye, but have limited effect on moderate to severe dry eye. However, due to the long-term drug safety risks of glucocorticoids and non-steroidal anti-inflammatory drugs, most patients fail to obtain satisfactory therapeutic effects. In recent years, immunosuppressants such as cyclosporine products have gradually become common treatment methods of dry eye syndrome. However, such products take effect slowly, and patients need to continue using them for 90 days to achieve the best curative effect. Meanwhile, it will also be accompanied by side effects such as eye irritation, eyelash loss, and vision loss, which have a greater impact on patient compliance. BRM421 is expected to provide a new, safe and effective treatment for dry eye patients in China.

GPN00833 (APP13007) is an ophthalmic anti-inflammatory nano preparation product. Its main active ingredient is a potent glucocorticoid, which has efficient local anti-inflammatory and strong capillary contraction effect. Its unique nano preparation technique effectively eliminates the risk of low bioavailability and safety due to the low water solubility of hormones products. The completed phase III clinical trial in the United States showed that the product has good effectiveness and safety at lower concentrations. Hormone ophthalmic preparations are one of the most commonly used and effective drugs for the treatment of ocular inflammatory reactions. It can quickly and effectively control the inflammatory response and condition after ophthalmic surgery. However, due to the limitation of ophthalmic preparation technology, the current hormone ophthalmic preparations in China are dominated by imported products. There are no new commercialized products in this market segment in the past decade. There is an urgent need for strong hormonal eye drops with high safety in clinic, and APP13007 product is expected to fill the gap in clinical demand.

The Group always puts focus on the R&D of innovative products and advanced technologies. Sticking to patients-centered and innovation-driven, the Group will continue to increase its investment in the world-class innovative products and advanced technologies to meet unmet clinical needs and enrich product pipeline and improve supply chain. The Group adopts the strategy of "global expansion and dual-cycle operation", forming a new pattern of domestic

and international cycles that synergize with each other. In this way, the Group can make full use of its industrial advantages and research and development capabilities, to accelerate commercialization process for innovative products and provide patients with more advanced and diverse treatment options in the world.

Warning:

The approval of commercialization of above products in China is subject to various factors with uncertainty. Shareholders and prospective investors of the Company are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
Grand Pharmaceutical Group Limited
Chairman
Dr. Tang Weikun

Hong Kong, 29 January 2023

As at the date of this announcement, the Board comprises four executive directors, namely, Dr. Tang Weikun, Dr. Shao Yan, Dr. Niu Zhanqi and Dr. Shi Lin, and three independent nonexecutive directors, namely, Ms. So Tosi Wan, Winnie, Dr. Pei Geng and Mr. Hu Yebi.

** For identification purpose only*