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 – EXCLUSIVE LICENSE AGREEMENT WITH ASTRAZENECA FOR CMG901

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 Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The board of directors of the Company (the "**Board**") is pleased to announce that KYM Biosciences Inc. (a 70% non-wholly owned subsidiary of the Group, "**KYM**") and AstraZeneca AB (a global pharmaceutical company who to the best knowledge and belief of the Company, is independent of and not connected with the Company and its connected persons (as defined in the Listing Rules), "**AstraZeneca**") have entered into a global exclusive out-license agreement (the "**License Agreement**") to develop and commercialize CMG901, a key product of the Group which has been co-developed with Innocube Limited, the 30% minority shareholder of KYM under the control of Lepu Biopharma Co., Ltd.

Upon the execution of the License Agreement and subject to terms and conditions thereof (including obtaining certain regulatory approval for the licensing transaction), AstraZeneca will be granted an exclusive global license for research, development, registration, manufacturing, and commercialization of CMG901, and shall be responsible for all costs and activities associated with its further development and commercialization in accordance with the License Agreement.

Pursuant to the License Agreement and subject to the terms and conditions thereof, KYM shall receive an upfront payment of US$63 million with the potential for additional payments up to US$1,125 million subject to achievement of certain development, regulatory and commercial milestones. KYM is also entitled to receive tiered royalties on net sales from AstraZeneca. KYM is obliged to provide assistance and staff to facilitate technology and know-how transfer. Except as otherwise agreed, AstraZeneca will be responsible for bearing all costs for activities associated with the development and regulatory affairs on ongoing trial in relation to CMG901. The License Agreement is subject to customary closing conditions, including completion of antitrust regulatory reviews.

The Board believes that entering the License Agreement is in the best interests of the Company and its shareholders as a whole. The Company will also leverage on this opportunity to further strengthen its global cooperation network through its innovative collaboration model and maximize the scientific and commercial value of the Company's technology platforms.

About CMG901

CMG901 is a Claudin 18.2-targeting anti-body drug conjugate (ADC) comprising of a Claudin 18.2-specific antibody, a cleavable linker and a toxic payload, monomethyl auristatin E (MMAE). It is the first Claudin 18.2 ADC to have received IND clearance both in China and the U.S. Claudin 18.2 is selectively and widely expressed in gastric cancer, pancreatic cancer and other solid tumors, which makes it an ideal tumor target for therapeutic development.

We have completed the patient enrollment of the dose-escalation stage of the Phase I clinical trial of CMG901 in subjects with solid tumors in the first half of 2022, and plan to present and disclose the data from the Phase I clinical trial in academic papers/conferences in the future. Furthermore, we also initiated the dose-expansion stage of the Phase I clinical trial of CMG901 in subjects with solid tumors in China in the second quarter of 2022 and have disclosed the latest results from the Phase Ia does-escalation trial on January 18, 2023.

In April 2022, CMG901 for the treatment of relapsed/refractory gastric cancer and gastroesophageal junction adenocarcinoma has been granted the Fast Track Designation by the Food and Drug Administration (the "**FDA**") of the United States. Previously, we have received the Orphan-drug Designation for this indication from the FDA.

About KYM

KYM is a non-wholly owned subsidiary of the Company which is held as to 70% by the Company and 30% by Innocube Limited (which is under the control of Lepu Biopharma Co., Ltd.). It is primarily engaged in the development and commercialization of CMG901.

This announcement is made by the Company to provide information to the shareholders and potential investors of the Company. There is no assurance that the Company will ultimately develop, launch and/or commercialize CMG901 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, February 23, 2023

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. 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.