開拓藥業有限公司*

KINTOR PHARMACEUTICAL LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 9939)

CHANGE IN USE OF PROCEEDS AND THE RESULTS OF PHASE III CLINICAL TRIAL OF PRUXELUTAMIDE MONOTHERAPY FOR THE TREATMENT OF PROSTATE CANCER

This announcement is made by Kintor Pharmaceutical Limited (the "**Company**") pursuant to 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) and Rule 13.09 of the Listing Rules.

CHANGE IN USE OF PROCEEDS

References are made to the announcements of the Company dated 11 December 2022 and 16 December 2022 (the "**Announcements**") respectively in relation to the Placing and the Subscription. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements.

As disclosed in the Announcements, the net proceeds raised from the Subscription (the "**Net Proceeds**") were approximately HK$509.1 million, net of professional fees and out-of-pocket expenses, which were intended to be used for the clinical development and/or commercialization of pruxelutamide (GT0918), pyrilutamide (KX-826) and AR-PROTAC (GT20029). For details of the original allocation for Net Proceeds, please refer to the table in the section headed "Details of Change in Use of Proceeds" below.

The Company received the Net Proceeds on 16 December 2022, and the Net Proceeds remained unutilised (the "**Unutilised Proceeds**") as at 31 December 2022 due to the short time interval. The Company has started utilising the Net Proceeds since January 2023.

REASONS FOR AND BENEFITS OF THE CHANGE IN USE OF PROCEEDS

As the COVID-19 pandemic has calmed down since early 2023, the prevention and control measures are gradually loose worldwide and there is lower expectation of another wave in the short period of time. In addition, the competition in the COVID-19 oral small molecule drug market is fierce, and we see many new COVID-19 small molecule drugs have obtained approval launching to market globally and in China. Considering the Company's current financial situation, we have decided to reduce the expenditure in pruxelutamide's COVID-19 clinical trials. We will allocate approximately 15% of the fund to pruxelutamide mainly due to the outstanding payment to third parties (including CROs and CDMOs). Approximately 49% of the fund will be used for the Company's clinical trials of other core clinical-stage drug candidates, including KX-826 and AR-PROTAC compound GT20029 in China and globally. The remaining fund will be used as the Company's working capital to strengthen its R&D and business development teams, so as to enhance its R&D and commercialization capabilities.

The Company has been deeply engaged in the androgen receptor (AR) field for more than ten years, and has leading R&D capabilities in the development of AR target. Both KX-826 and GT20029 are candidates that targeting AR. The change in use of proceeds will accelerate the R&D progress of KX-826 and GT20029, which can build the Company's leading position in the field of dermatology. We are conducting the phase III clinical trial of KX-826 for the treatment of male androgenetic alopecia ("**AGA**") in China, and will commence the phase III clinical trial of KX-826 for the treatment of female AGA in China in the second/third quarter of 2023. Previously, the phase II clinical trial for the treatment of male AGA in the United States has completed subjects enrollment. In addition, it is expected that the top-line data of the phase II trial of KX-826 for the treatment of acne vulgaris in China will be released in the second quarter of 2023. GT20029 is the first topical PROTAC compound developed based on the Company's PROTAC platform and is the first topical PROTAC compound enter clinical stage worldwide. Base on the positive safety data from the phase I clinical trial conducted in China and the United States, we are preparing to initiate the phase II clinical trial in China and expect to have the first patient enrollment in the second quarter of 2023, and planning to commence phase II clinical trial in the United States. We believe that KX-826 and GT20029 target for the big markets in China and globally, and would solve the unmet medical needs of AGA or acne vulgaris patients.

DETAILS OF CHANGE IN USE OF PROCEEDS

The board (the "**Board**") of directors (the "**Directors**") of the Company has proposed to reallocate the use of the Unutilised Proceeds as follows:

(i) approximately HK$76.4 million of the Unutilised Proceeds for payment to third parties (including CROs and CDMOs) related to developing pruxalutamide for treating COVID-19;

(ii) approximately HK$249.5 million of the Unutilised Proceeds for clinical development of pyrilutamide for the treatment of AGA and acne vulgaris;

(iii) approximately HK$137.5 million of the Unutilised Proceeds for clinical development of GT20029 for the treatment of AGA and acne vulgaris; and

(iv) approximately HK$45.8 million of the Unutilised Proceeds as general working capital.

(collectively the "**Revised Allocation**")

Details of the original allocation and utilisation of the Unutilised Proceeds and the Revised Allocation are set out below:

	Original use of Unutilised Proceeds		**Revised allocation of Unutilised Proceeds**		**Expected timeline for utilising the Unutilised Proceeds**
	%	*HK$' million*	*%*	*HK$' million*	*HK$' million*
Clinical development and preparation for the commercialisation of pruxelutamide for the treatment of COVID-19	70	356.4	15	76.4	Expected to be fully utilised by December 2023
Clinical development of pyrilutamide for the treatment of AGA and acne vulgaris	25	127.3	49	249.5	Expected to be fully utilised by June 2024
Clinical development of GT20029 for the treatment of AGA and acne vulgaris	5	25.4	27	137.5	Expected to be fully utilised by June 2024
General working capital	—	—	9	45.8	Expected to be fully utilised by June 2024
Total	100	509.1	100	509.1	

The Revised Allocation is expected to optimize our fund allocation and will be a more efficient and effective use of the Unutilised Proceeds and will generate better investment returns in the long run. Hence, the Board considers that the Revised Allocation is in the interests of the Company and the shareholders of the Company as a whole. The Board will continuously assess the plan for the use of the Unutilised Proceeds and may revise or amend such plan where necessary to cope with the changing market conditions and strive for better business performance of the Company.

THE RESULTS OF PHASE III CLINICAL TRIAL OF PRUXELUTAMIDE MONOTHERAPY FOR THE TREATMENT OF PROSTATE CANCER

The Company is conducting a multi-centre, randomised, double-blind, placebo-controlled phase III clinical trial ("**Monotherapy Phase III Clinical Trial**") of Pruxelutamide for the treatment of metastatic castration-resistant prostate cancer ("**mCRPC**") in China, and the purpose of the trial is to evaluate the efficacy and safety of Pruxelutamide in patients with mCRPC who have progressed after or intolerance to Abiraterone and Docetaxel treatments in China. The co-primary endpoints of the trial are radiographic progression free survival ("**rPFS**") and overall survival time ("**OS**"). Previously, on 28 September 2020, the Company announced that, after evaluating the interim analysis of the primary endpoint of rPFS, the Company should continue with the study and collect further OS data as recommended by the independent data monitoring committee ("**IDMC**"). For further information, please refer to the announcement of the Company dated 28 September 2020.

As of the date of this announcement, the Monotherapy Phase III Clinical Trial has completed the data collection, analysis and summary of OS. The analysis results showed that it failed to reach statistical significance differences at the OS primary endpoint, but some sub-groups observed positive effects of Pruxelutamide and showed good safety and tolerability. This laid the foundation for our continued research and development of Pruxelutamide. According to preliminary analysis, the failure of the trial to meet the primary endpoint may be due to the following reasons: the actual situation of the enrolled patients is the most critical case in the enrollment standard (more than 90% of the patient has received both Abiraterone and Docetaxel treatment), and the disease progresses rapidly; the sample size of the trial is small and it is difficult to achieve statistical differences; the co-primary endpoints setting consumed part of the α values in the interim analysis, which make it more difficult to achieve statistical differences in the final analysis. The Company will continue to analyse the results of the Monotherapy Phase III Clinical Trial of Pruxelutamide and plan to release its results in the academic journals viewed by peers.

Save as disclosed above, the Company is undergoing a multi-centre, randomised, double-blind phase III clinical trial for Pruxelutamide's combination therapy with Abiraterone as first-line therapy for mCRPC in China. The enrollment of all 718 patients was completed on 24 February 2022 and the trial is expected to be completed in the second half of 2023 or the first half of 2024. In addition, the phase II clinical trial of Pruxelutamide as second-line therapy for the treatment of mCRPC patients who have progressed after or intolerance to Enzalutamide or Abiraterone conducted in the United States is nearly finished. We will continue to focus on the research and development of innovative therapies for the treatment of prostate cancer to provide patients with more treatment options.

Warning under Rule 18A.05 of the Listing Rules: There is no assurance that the marketing approval of Pruxelutamide will be obtained by the Company or that Pruxelutamide will ultimately be successfully marketed by the Company. 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
KINTOR PHARMACEUTICAL LIMITED
Dr. Youzhi Tong
Chairman of the Board, Executive Director and Chief Executive Officer

Hong Kong, 28 March 2023

As at the date of this announcement, the executive Directors are Dr. Youzhi Tong and Ms. Yan Lu; the non-executive Directors are Mr. Weipeng Gao, Ms. Geqi Wei and Mr. Chengwei Liu; and the independent non-executive Directors are Dr. Michael Min Xu, Mr. Wallace Wai Yim Yeung and Prof. Liang Tong.

* *For identification purposes only*