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 PHASE II CLINICAL RESEARCH APPLICATION FOR THE GLOBAL INNOVATIVE PRODUCT STC3141 OF THE GROUP IN CHINA WAS 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 Phase II clinical research application related to the treatment of sepsis in China for the Group's global innovative drug in the field of severe disease anti-infection STC3141, which is developed by the Group's wholly-owned subsidiary Grand Medical Pty Ltd. (an innovative drug R&D center set up by the Group in Australia), has been officially accepted by the National Medical Products Administration of the People's Republic of China ("**NMPA**") recently. This is another important R&D progress of the Group in the field of severe disease anti-infection.

The study is a multi-center, randomized, double-blinded, placebo-controlled Phase II dose-exploring clinical study. It plans to enroll 180 sepsis patients receiving standard treatment and care, with intravenously administration for 5 days and followed up for 23 days, to evaluate the efficacy, safety and pharmacokinetics of different doses of STC3141 in patients with sepsis, providing more information for later clinical trials and development directions, to accelerate the product's global development process.

The field of respiratory and severe anti-infection is one of the core strategic areas of the Group. STC3141, a global innovative product with a new mechanism, can neutralize extracellular protein and neutrophils trap net to reverse the body organ damage caused by the excessive immune response, and can be used for a variety of severe indications, such as sepsis, acute respiratory distress syndrome ("**ARDS**") and other diseases with high clinically mortality and lack of effective therapy. The product has a novel mechanism and the results of related preclinical research have been published in the top academic journal "Nature Communications" in February 2020, which has far-reaching academic influence. In terms of clinical research, the product was approved to conduct Phase Ib clinical research for the treatment of patients with sepsis conducted in Australia and Belgium, has complete all patient's enrolment in February 2023, and clinical research report is expected to be completed in the first half of 2023; was granted approval by NMPA to conduct Phase

Ib clinical research in patients with ARDS, and achieved the clinical endpoint in October 2022. It was also granted approval to conduct Phase IIa clinical trials for the treatment of severe SARS-CoV-2 infection ("**COVID-19**") in Belgium, Poland and the UK in April, September and October 2021 respectively, and has achieved the clinical endpoint in July 2022. The success of STC3141 in the clinical research on the treatment of ARDS and severe COVID-19 reveals the favorable safety and the potential trend of clinical benefit of this product in the treatment of patients with severe diseases, and provides positive data support for the subsequent clinical development of this product in the field of severe diseases. At present, the project has received seven clinical approvals for four indications that including sepsis, ARDS, severe COVID-19, and ARDS caused by COVID-19 in five countries on three continents, namely China, Australia, Belgium, the UK, and Poland. The comprehensive promotion of multi-center clinical practice demonstrates the continuous improvement of the Group's global innovation and R&D capabilities. The acceptance of the project's Phase II clinical trial application in China is also another important milestone in the Group's clinical research process.

In addition, the Group's another global innovative product APAD has submitted investigational new drug application in January 2023 and was approved in March. This product 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. 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.

The Group always puts focus on the R&D of innovative products and advanced technologies. Adhering to a patient-centered and innovation-driven approach, the Group will continue to increase its investment in world-class innovative products and advanced technologies to meet unmet clinical needs and enrich its 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 R&D capabilities, to accelerate the commercialization process for innovative products and provide patients with more advanced and diverse treatment options globally.

Warning:

The aforementioned product is still in the R&D stage. The approval of commercialization, manufacturing and sale of such product 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, 20 April 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*