JW (Cayman) Therapeutics Co. Ltd
藥明巨諾（開曼）有限公司*
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2126)

CONTINUING CONNECTED TRANSACTION IN RELATION TO VECTOR SUPPLY AGREEMENT

The Board of the Company is pleased to announce that the Company has entered into the Vector Supply Agreement dated May 19, 2023 (Eastern Time) (being May 20, 2023 Hong Kong time) with Juno, one of the Substantial Shareholders and a connected person of the Company, pursuant to which the Company intends to purchase Vector from Juno to support the ongoing commercialization and further clinical development of Carteyva®.

IMPLICATIONS UNDER THE LISTING RULES

Juno is one of the Substantial Shareholders of the Company and therefore a connected person of the Company under Chapter 14A of the Listing Rules. As a result, the transactions contemplated under the Vector Supply Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio (as defined in the Listing Rules) in respect of the annual caps proposed herein exceeds 5%, the transactions contemplated under such agreement are subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

An Independent Board Committee comprising the existing independent non-executive Directors have been established to advise the Independent Shareholders on the Vector Supply Agreement and the transactions contemplated thereunder. The Company has also appointed an Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders on this matter.

EGM

An EGM will be convened and held for the Independent Shareholders to consider and, if thought fit, to approve Vector Supply Agreement and the transactions contemplated thereunder. A circular containing, among others, (i) further details of the Vector Supply Agreement and the transactions contemplated thereunder; (ii) a letter from the Board containing its opinion and recommendations to the Shareholders in respect of, among other things, the Vector Supply Agreement and the transactions contemplated thereunder; (iii) a letter from the Independent Board Committee containing its opinion and recommendations to the Independent Shareholders in respect of, among other things, the Vector Supply Agreement and the transactions contemplated thereunder; (iv) a letter from the Independent Financial Adviser containing its opinion and recommendations to the Independent Board Committee and the Independent Shareholders in respect of, among other things, the Vector Supply Agreement and the transactions contemplated thereunder; (v) other general information required to be disclosed under the Listing Rules; and (vi) a notice convening the EGM, will be despatched to the Shareholders on or before May 26, 2023.

WARNING

The effectiveness of Vector Supply Agreement is subject to compliance with the applicable requirements under the Listing Rules, including Independent Shareholders' approval, which may or may not be obtained. If the Independent Shareholders' approval is not obtained, the transactions contemplated by Vector Supply Agreement will not proceed. Shareholders and investors are therefore advised to exercise caution when dealing in the Shares.

VECTOR SUPPLY AGREEMENT

The key terms of Vector Supply Agreement are set out as follows:

Date

May 19, 2023 (Eastern Time) (being May 20, 2023 Hong Kong time)

Parties

(i) the Company; and

(ii) Juno.

As of the Latest Practicable Date, Juno directly held approximately 17.07% equity interests in the Company, and therefore Juno is one of the Substantial Shareholders and a connected person of the Company as defined under the Listing Rules.

Subject Matter

Pursuant to the terms and conditions set forth in Vector Supply Agreement:

Manufacturing

In the Vector Supply Agreement, Juno undertakes to use, or to ensure that, with prior written notice to Company, a third party manufacturer acting on Juno's behalf shall use, commercially reasonable efforts to manufacture Vector in accordance with the terms and conditions of the Vector Supply Agreement and any applicable project plan (as amended by any applicable change order) for the Company's use in connection with the clinical development and commercialization of Carteyva®.

Quantity of Vector to be Purchased

The quantity of Vector to be purchased by the Company during the term is not fixed at the outset of the term. Rather, the quantity of Vector to be purchased by the Company during the term will be determined by the parties on the basis of quarterly rolling forecasts of the Company's requirements for Vector. Juno shall have no obligation to manufacture or deliver more batches of Vector in any quarter, or more batches of Vector in any consecutive twelve (12)-month period, than are reasonably necessary for Company to continue clinical development of Carteyva® as contemplated as of the Effective Date and for commercialization of Carteyva® as contemplated by the parties pursuant to the License and Strategic Alliance Agreement.

Price of Vector

The price to be paid to Juno by the Company during the term for each batch of Vector is not fixed at the outset of the term. Rather, the cost for each batch of Vector shall be determined based on a cost-plus basis reflecting principally (i) the relevant costs incurred by Juno for such Vector which Juno from time to time determines to charge to the Company, up to Juno's fully loaded costs, including the normal manufacturing costs of Juno and its third party manufacturers with respect to such Vector, taking into account quality requirements and other specifications mutually agreed by the parties; and (ii) a profit mark-up, with a view to generating an arm's-length return for Juno over the three year term of the Vector Supply Agreement. The actual price for each batch of Vector shall be set forth in the applicable project plan.

Term

The Vector Supply Agreement will take effect as of the Effective Date and will expire on the later of (a) December 31, 2025; or (b) the completion of activities under all project plans executed by the parties prior to December 31, 2025.

The Company confirms that the terms of the Vector Supply Agreement are in compliance with Rule 14A.52 of the Listing Rules as all project plans agreed pursuant to the Vector Supply Agreement will expire on December 31, 2025 and as a result no purchase order could be placed thereafter.

Conditions precedent

The Vector Supply Agreement shall become effective upon the Company having obtained the Independent Shareholders' approval at the EGM in relation to the Vector Supply Agreement and the transactions contemplated thereunder.

Historical Figures and Existing Caps

For the three years ended December 31, 2020, 2021 and 2022 and the period commencing from January 1, 2023 to the Latest Practicable Date, the total amount paid by the Group to Juno under the Existing Vector Supply Agreement was approximately RMB3.1 million (equivalent to approximately US$0.5 million), approximately RMB9.0 million (equivalent to approximately US$1.4 million), approximately RMB14.6 million (equivalent to approximately US$2.2 million) and nil, respectively. The aggregate annual amount paid by the Group to Juno under the Existing Vector Supply Agreement for the three years ended December 31, 2020, 2021 and 2022 did not exceed the annual caps as disclosed in the Prospectus.

Proposed Annual Caps

For the period commencing from the Effective Date and ending on December 31, 2023, the total amount payable by the Company to Juno under the Vector Supply Agreement is expected not to exceed approximately RMB76.8 million (equivalent to approximately US$11.0 million). For the two years ending December 31, 2024 and 2025, the total amount payable by the Company to Juno under the Vector Supply Agreement is expected not to exceed approximately RMB137.6 million (equivalent to approximately US$19.8 million) and approximately RMB220.1 million (equivalent to approximately US$31.6 million), respectively.

Basis for the Proposed Annual Caps

The above proposed annual caps have been set on the basis of the following factors:

- The historical amounts payable by the Company to Juno in the years ended December 31, 2020, 2021 and 2022 in connection with the purchase of Vector for the manufacturing of Carteyva® (i) for use in clinical trials and (ii) commencing upon receipt of NMPA approval of the Company's NDA relating to Carteyva® as a third-line treatment for LBCL, for use commercially in the treatment of patients;

- The quantity of Vector that the Company expects to require for both commercial manufacturing and clinical manufacturing in the years ending December 31, 2023, 2024 and 2025 in a reasonable best case scenario, in light of (i) anticipated growth in sales of Carteyva® for indications currently approved by the NMPA (i.e., third-line treatment for both LBCL and FL); (ii) anticipated approval by the NMPA of sNDAs relating to additional indications for Carteyva® (such as third-line treatment for MCL and ALL, second-line treatment for LBCL and treatment for SLE) and the incremental increase in manufacturing requirements that would be associated with commercial manufacturing of Carteyva® for such indications; and (iii) manufacturing requirements related to ongoing clinical trials of Carteyva®; and

- The Company's best estimate as of the date of this announcement concerning the price per batch of Vector that will prevail from time to time throughout the term as determined in accordance with the terms of the Vector Supply Agreement, reflecting principally (i) the relevant costs incurred by Juno for such Vector which Juno from time to time determines to charge to the Company, up to Juno's fully loaded costs, including the normal manufacturing costs of Juno and its third party manufacturers with respect to such Vector, taking into account quality requirements and other specifications mutually agreed by the parties; and (ii) a profit mark-up determined in accordance with the terms of the Vector Supply Agreement. Quality requirements for a given batch of Vector, in turn, depend on whether such Vector will be used for commercial manufacturing or clinical manufacturing. GMP grade viral vector is required for commercial manufacturing and is more costly than the non-GMP grade vector that is used for clinical manufacturing, due to lower production yield as a result of GMP QC testing and sample retention requirements, additional costs for GMP qualification and maintenance, as well as additional costs for securing capacity and supply with qualified suppliers. The Company expects that the quantity of GMP grade viral vectors for commercialization purpose required in 2023, 2024 and 2025 will continue to grow in light of the substantial demand demonstrated in 2022 and the Group's intention to advance Carteyva® for treatment of a wider spectrum of indications.

INFORMATION ABOUT THE PARTIES

The Company

The Company is an independent, innovative biotechnology company focused on developing, manufacturing and commercializing cell immunotherapy products. Since the Company's founding in 2016, the Company has built an integrated platform for product development in cell immunotherapy, as well as a product pipeline covering hematologic malignancies, solid tumors and autoimmune diseases. The Company is committed to bringing breakthrough and quality cell immunotherapy products and the hope of a cure to patients in China and beyond, and to leading the healthy and standardized development of China's cell immunotherapy industry. For more information, please visit **www.jwtherapeutics.com**.

Juno Therapeutics, Inc.

Juno is a biotechnology company incorporated in the State of Delaware, the U.S. It is a wholly-owned subsidiary of Celgene Corporation, which is in turn wholly-owned by BMS, a U.S. multinational company listed on the New York stock exchange in the U.S. (NYSE: BMY) and one of the world's largest pharmaceutical companies. Juno Therapeutics, Inc. focuses on developing innovative cellular immunotherapies for the treatment of cancer.

BMS is engaged in the discovery, development, licensing, manufacturing, marketing, distribution and sale of biopharmaceutical products on a global basis. Its principal strategy is to combine the resources, scale and capability of a pharmaceutical company with the speed and focus on innovation of the biotech industry. Its focus as a biopharmaceutical company is on discovering, developing and delivering transformational medicines for patients facing serious diseases in areas such as oncology (both solid tumors and hematology), immunology, cardiovascular and neurology. For more information, please visit **https://www.bms.com/**.

As of the date of this announcement, Juno directly held 70,231,140 Shares, representing approximately 17.07% of the equity interests in the Company, and therefore Juno is one of the Substantial Shareholders and a connected person of the Company as defined under the Listing Rules.

REASONS FOR ENTERING INTO VECTOR SUPPLY AGREEMENT

The Company's lead product, Carteyva®, is an autologous CAR-T cell immunotherapy product directed at a tumor antigen called CD19, which is a cell surface protein expressed on the surface of nearly all B cell leukemias and lymphomas. Carteyva® was independently developed by the Company based on a CAR construct that the Company in-licensed from Juno pursuant to the License and Strategic Alliance Agreement. Juno's product based on that same CAR construct, Breyanzi®, was approved by the U.S. FDA as a third-line treatment for LBCL in February 2021, and as a second-line treatment for LBCL in June 2022.

In September 2021, the NMPA approved the Company's NDA with respect to Carteyva® as a treatment for adult patients with relapsed or refractory LBCL after two or more lines of systemic therapy, and in October 2022 the NMPA approved the Company's sNDA with respect to Carteyva® as a treatment for adult patients with FL that is refractory or relapses within 24 months after second-line or above systemic treatment.

In the year ended December 31, 2021, the Company generated revenue of RMB30 million in 2021, all of which was generated from sales of Carteyva® for third-line treatment for LBCL after receipt of NMPA approval in September 2021. In the year ended December 31, 2022, the Company generated revenue of RMB145.7 million, primarily from sales of Carteyva® as a third-line treatment for LBCL.

Based on the prevalence of LBCL and FL in China, the efficacy of currently approved first-and second-line treatments for these indications and the efficacy and safety profile of Carteyva® relative to other approved treatments for these indications, the Company anticipates significant revenue growth in the years ending December 31, 2023, 2024 and 2025 from commercial sales of Carteyva® for third-line treatment for both LBCL and FL. To meet the anticipated demand, the Company must engage in continuous commercial manufacturing of Carteyva®.

In addition, the Company is currently engaged in clinical development of Carteyva® as a treatment for several other indications that have substantial commercial potential, including third-line treatment for MCL and ALL, second-line treatment for LBCL and treatment for SLE.

To support clinical development of Carteyva® for these additional indications on schedule during the years ending December 31, 2023, 2024 and 2025, with the goal of obtaining NMPA approval of sNDAs relating to these indications as soon as possible, the Company must also engage in continuous clinical manufacturing of Carteyva®. Moreover, the Company currently anticipates that sNDAs relating to one or more of these additional indications will be approved by the NMPA prior to December 31, 2025, which would give rise to a need for an even higher volume of commercial manufacturing of Carteyva®.

An appropriate viral vector is a central and indispensable factor in the process whereby a CAR-T therapy is manufactured, and therefore the Company cannot manufacture Carteyva®, whether for commercial sale or for clinical use, without an appropriate viral vector. The Company has procured Vector from Juno since the commencement of clinical manufacturing of Carteyva® in July 2018. The Company is of the view that continuing to partner with Juno on the manufacture of Vector will be in the best interest of the Company and its shareholders as a whole, considering the years of working relationship, cost effectiveness and the consistently high quality of Vector supplied by Juno all the years under the Existing Vector Supply Agreement. Therefore, it is both necessary and appropriate for the Company to continue to procure Vector from Juno for the manufacturing of Carteyva®.

For the foregoing reasons, and given that the Existing Vector Supply Agreement is scheduled to expire on June 28, 2023, the Company has entered into the Vector Supply Agreement to replace the Existing Vector Supply Agreement.

The Board is of the view that the transactions contemplated under the Vector Supply Agreement are conducted in the ordinary and usual course of business of the Company and on normal commercial terms, that terms of the Vector Supply Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole and there is no material disadvantage of entering into the Vector Supply Agreement. None of the Directors has a material interest in the Vector Supply Agreement, and therefore none of the Directors is required to abstain from voting on the board resolutions relating to the Vector Supply Agreement and the transactions contemplated thereunder.

IMPLICATIONS UNDER THE LISTING RULES

Juno is one of the Substantial Shareholders and therefore a connected person of the Company under Chapter 14A of the Listing Rules. As a result, the transactions contemplated under the Vector Supply Agreement constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio (as defined in the Listing Rules) in respect of the annual caps proposed above exceeds 5%, the transactions contemplated by the Vector Supply Agreement are subject to the reporting, announcement and shareholder approval requirements under Chapter 14A of the Listing Rules.

Juno and its associates are required to abstain from voting on the resolutions in respect of the Vector Supply Agreement and the transactions contemplated thereunder at the EGM. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, save for Juno, none of the Shareholders has any material interest in the transactions contemplated under the Vector Supply Agreement, and therefore, no other Shareholder is required to abstain from voting at the EGM in respect of the resolutions approving the Vector Supply Agreement and the transactions contemplated thereunder.

As the transactions contemplated under the Vector Supply Agreement are subject to the terms and conditions thereunder, such transaction may or may not proceed. Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

An Independent Board Committee comprising the existing independent non-executive Directors of the Company have been established to advise the Independent Shareholders on Vector Supply Agreement and the transactions contemplated thereunder. The Company has also appointed an Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders on this matter.

EGM

An EGM will be convened and held on June 12, 2023 for the Independent Shareholders to consider and, if thought fit, to approve Vector Supply Agreement and the transactions contemplated thereunder. A circular containing, among others, (i) further details of the Vector Supply Agreement and the transactions contemplated thereunder; (ii) a letter from the Board containing its opinion and recommendations to the Shareholders in respect of, among other things, the Vector Supply Agreement and the transactions contemplated thereunder; (iii) a letter from the Independent Board Committee containing its opinion and recommendations to the Independent Shareholders in respect of, among other things, the Vector Supply Agreement and the transactions contemplated thereunder; (iv) a letter from the Independent Financial Adviser containing its opinion and recommendations to the Independent Board Committee and the Independent Shareholders in respect of, among other things, the Vector Supply Agreement and the transactions contemplated thereunder; (v) other general information required to be disclosed under the Listing Rules; and (vi) a notice convening the EGM, will be despatched to the Shareholders on or before May 26, 2023.

The register of members of the Company will be closed from June 7, 2023 to June 12, 2023, both days inclusive, in order to determine the identity of the Shareholders who are entitled to attend the EGM, during which period no share transfers will be registered. To be eligible to attend the EGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on June 6, 2023.

Cautionary Statement required by Rule 18A.05 of the Listing Rules: The Company cannot guarantee that it will be able to develop, or ultimately market relma-cel successfully. Shareholders and potential investors of the Company are advised to exercise due care when dealing in the shares of the Company.

DEFINITIONS

In this announcement, unless otherwise defined, the following expressions have the meanings set out below:

"ALL"	acute lymphoblastic lymphoma
"associates"	has the meaning ascribed thereto under the Listing Rules
"Board"	the board of Directors
"BMS"	Bristol Myers Squibb Company, a company incorporated in Delaware, the U.S. on August 11, 1933 and whose shares are listed on the New York Stock Exchange (NYSE: BMY), and parent company of Celgene and Juno
"CAR"	chimeric antigen receptor
"CAR-T"	CAR T-cell
"Carteyva®"	an anti-CD19 autologous CAR-T immunotherapy product (relma-cel)
"Celgene"	Celgene Corporation, a company incorporated in Delaware, the U.S. on April 17, 1986, a wholly-owned subsidiary of BMS and parent company of Juno
"China" or "PRC"	the People's Republic of China, which for purposes of the Vector Supply Agreement consists of mainland China, Hong Kong and Macau but excludes Taiwan
"Company"	JW (Cayman) Therapeutics Co. Ltd (藥明巨諾(開曼)有限公司*), an exempted company with limited liability incorporated under the laws of the Cayman Islands on September 6, 2017
"connected person"	has the meaning ascribed thereto under the Listing Rules
"Director(s)"	the director(s) of the Company
"Effective Date"	the date when the Company obtains the requisite approval from the Shareholders in respect of the transactions contemplated under the Vector Supply Agreement pursuant to the Listing Rules

"EGM"	the extraordinary general meeting of the Company to be convened and held for the purpose of considering the transactions contemplated under the Vector Supply Agreement
"Existing Vector Supply Agreement"	the Vector Supply Agreement dated June 29, 2020 entered into between the Company and Juno in relation to, among other things, the Company's purchases of Vector from Juno in connection with the clinical development and commercialization of Carteyva®
"FL"	follicular lymphoma
"Group"	the Company, its subsidiaries and the consolidated affiliated entities from time to time
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"IND"	investigational new drug
"Independent Board Committee"	the independent board committee, comprising Mr. Yiu Leung Andy Cheung, Mr. Kin Cheong Kelvin Ho and Dr. Debra Yu, being all the independent non-executive Directors, established to advise the Independent Shareholders in relation to the Vector Supply Agreement and the transactions contemplated thereunder
"Independent Financial Adviser" or "Somerley"	Somerley Capital Limited, a corporation licensed under the SFO to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities and being the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in respect of the Vector Supply Agreement and the transactions contemplated thereunder
"Independent Shareholders"	Shareholders other than Juno and its associates
"Juno"	Juno Therapeutics, Inc., a company incorporated in Delaware, the U.S. on August 5, 2013 under its former name, FC Therapeutics, Inc., a wholly-owned subsidiary of Celgene which is in turn wholly-owned by BMS, and one of the Substantial Shareholders

"Latest Practicable Date"	May 18, 2023, being the latest practicable date prior to the printing of this announcement for the purpose of ascertaining certain information contained in this announcement
"LBCL"	large B-cell lymphoma
"License and Strategic Alliance Agreement"	the license and collaboration agreement dated December 13, 2017 entered into between the Company and Juno in relation to, among other things, licensing of a proprietary CAR construct controlled by Juno to the Company, which is used by the Company to develop Carteyva®
"Listing"	the Company's listing on the Stock Exchange in November 2020
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended or supplemented from time to time
"MCL"	mantle cell lymphoma
"NDA"	new drug application
"NMPA"	National Medical Products Authority of China
"Prospectus"	prospectus dated October 22, 2020 relating to the Listing
"relma-cel"	relmacabtagene autoleucel
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Share(s)"	ordinary share(s) in the capital of the Company with nominal value of US$0.00001 each
"Shareholder(s)"	the holder(s) of the Share(s)
"SLE"	systemic lupus erythematosus
"sNDA"	supplemental NDA
"Stock Exchange"	The Stock Exchange of Hong Kong Limited

"Substantial Shareholders"	has the meaning ascribed thereto under the Listing Rules
"U.S."	the United States of America
"US$"	United States dollar, the lawful currency of the U.S.
"Vector"	a cell-culture derived virus recombinant anti-CD-19 viral agent intended to deliver a nucleotide sequence for Carteyva®
"Vector Supply Agreement"	the Vector Supply Agreement dated May 19, 2023 entered into between the Company and Juno in relation to, among other things, the Company's purchases of Vector from Juno in connection with the ongoing commercialization and further clinical development of Carteyva®
"%"	per cent

By order of the Board
JW (Cayman) Therapeutics Co. Ltd
藥明巨諾（開曼）有限公司*
Yiping James Li
Chairman

Shanghai, PRC, May 21, 2023

As at the date of this announcement, the Board of Directors of the Company comprises Dr. Yiping James Li as Chairman and executive Director, Dr. Krishnan Viswanadhan, Ms. Xing Gao, Dr. Ann Li Lee, Mr. Jinyin Wang, Dr. Cheng Liu as non-executive Directors, and Mr. Yiu Leung Andy Cheung, Mr. Kin Cheong Kelvin Ho and Dr. Debra Yu as independent non-executive Directors.

* *For identification purpose only*