Everest Medicines Limited
雲頂新耀有限公司
(incorporated in the Cayman Islands with limited liability)
(Stock Code: 1952)

VOLUNTARY ANNOUNCEMENT COLLABORATION AND LICENSE AGREEMENT WITH KEZAR TO DEVELOP AND COMMERCIALIZE ZETOMIPZOMIB IN GREATER CHINA AND OTHER ASIAN MARKETS

This announcement is made by Everest Medicines Limited (the "**Company**") on a voluntary basis.

The board (the "**Board**") of directors (the "**Directors**") of the Company is pleased to announce that on 21 September 2023, the Company entered into a collaboration and license agreement (the "**License Agreement**") with Kezar Life Sciences, Inc. ("**Kezar**"), a company listed on the NASDAQ with stock code KZR, pursuant to which Kezar granted the Company an exclusive license to develop, manufacture and commercialize Kezar's lead drug candidate zetomipzomib, a novel first-in-class, selective immunoproteasome inhibitor for a range of autoimmune diseases, including lupus nephritis, in Greater China, South Korea and certain Southeast Asian countries.

Under the License Agreement, the license fee comprises: (i) an upfront payment of US$7 million (equivalent to approximately RMB51.0 million); and (ii) potential clinical and commercial milestone payments of up to US$125.5 million (equivalent to approximately RMB914.7 million).

The Company will join Kezar on PALIZADE, a global, placebo-controlled Phase 2b clinical trial evaluating the efficacy and safety of two dose-levels of zetomipzomib in patients with active lupus nephritis. PALIZADE was initiated in mid-2023 and targets to enroll 279 patients. Data generated from prior clinical trials provide evidence that zetomipzomib exhibits a favorable safety and tolerability profile and lupus nephritis patients showed a clinically meaningful overall renal response after 6 months of treatment with zetomipzomib. In addition to lupus nephritis, the Company and Kezar have the opportunity to collaborate on future clinical trials and indications for the continued development of zetomipzomib.

The Directors are of the view that the strategic collaboration between the Company and Kezar would complement the Company's existing renal pipeline, and help solidify the Company's leading position in renal and autoimmune diseases in Asia, which are the key therapeutic areas for the Company.

The Directors confirm, to the best of their knowledge, information and belief having made all reasonable enquiries, that Kezar and its ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined in the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "**Listing Rules**")). As the highest applicable ratio in respect of the transaction contemplated under the License Agreement is less than 5%, such transaction does not constitute a disclosable transaction of the Company and is fully exempt from the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

INFORMATION ABOUT THE ZETOMIPZOMIB

Zetomipzomib (KZR-616) is a novel, first-in-class, selective immunoproteasome inhibitor with broad therapeutic potential across multiple autoimmune diseases. Preclinical research demonstrates that selective immunoproteasome inhibition results in a broad anti-inflammatory response in animal models of several autoimmune diseases, while avoiding immunosuppression. Data generated from Phase 1 and Phase 2 clinical trials provide evidence that zetomipzomib exhibits a favorable safety and tolerability profile for development in severe, chronic autoimmune diseases.

INFORMATION ABOUT THE PALIZADE STUDY

PALIZADE is a global, placebo-controlled, randomized, double-blind Phase 2b clinical trial evaluating the efficacy and safety of two dose-levels of zetomipzomib in patients with active lupus nephritis. Target enrollment is 279 patients, randomly assigned (1:1:1) to receive 30 mg of zetomipzomib, 60 mg of zetomipzomib or placebo subcutaneously once weekly for 52 weeks, in addition to standard background therapy. Background therapy can, but will not be mandated to, include standard induction therapy. Over the initial 16 weeks, there will be a mandatory corticosteroid taper to 5 mg per day or less. End-of-treatment assessments will occur at Week 53. The primary efficacy endpoint is the proportion of patients who achieve a complete renal response at Week 37, including a urine protein-to-creatine ratio of 0.5 or less without receiving rescue or prohibited medications.

INFORMATION ABOUT KEZAR

Kezar is a clinical-stage biopharmaceutical company discovering and developing novel treatments for immune-mediated and oncologic disorders. Kezar is pioneering first-in-class, small-molecule therapies that harness master regulators of cellular function to inhibit multiple drivers of disease via single, powerful targets. Zetomipzomib, its lead development asset, is a selective immunoproteasome inhibitor that has completed a Phase 2 clinical trial in lupus nephritis. This product candidate also has the potential to address multiple chronic immune-mediated diseases.

Cautionary Statement: The Company cannot guarantee that it will be able to develop, or ultimately market, the above drug candidate successfully. Shareholders and potential investors of the Company are advised to exercise due care when dealing in the shares of the Company.

By order of the Board
Everest Medicines Limited
Wei Fu
Chairman and Executive Director

Hong Kong, 21 September 2023

As at the date of this announcement, the Board comprises Mr. Wei Fu as Chairman and Executive Director, Mr. Yongqing Luo and Mr. Ian Ying Woo as Executive Directors, Mr. Yubo Gong and Ms. Lan Kang as Non-executive Directors, and Ms. Hoi Yam Chui, Mr. Yifan Li and Mr. Shidong Jiang as Independent Non-executive Directors.

For the purpose of this announcement, conversion of US$ into RMB is based on the exchange rate of US$1 to RMB7.2886. Such exchange rate is for the purpose of illustration only and does not constitute a representation that any amounts in US$ or RMB have been, could have been or may be converted at such or any other rate or at all.