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雲頂新耀有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1952)

**UPDATE IN RELATION TO DISCLOSEABLE TRANSACTION
— (1) COLLABORATION AND LICENSE AGREEMENT; AND
(2) SHARE ISSUANCE AGREEMENT IN RESPECT OF THE
MANUFACTURE, DEVELOPMENT AND COMMERCIALIZATION OF
COVID-19 VACCINES AND CERTAIN LICENSED PRODUCTS**

References are made to the announcements of Everest Medicines Limited (the “**Company**”) dated 13 September 2021, 14 September 2021, 30 September 2021 and 15 December 2022 in respect of the collaboration between the Company and Providence in the manufacture, development and commercialization of certain licensed products (collectively, the “**Announcements**”). Unless otherwise defined, capitalized terms used in this announcement shall have the same meanings as those defined in the Announcements. This announcement is made pursuant to Rule 14.36 of the Listing Rules.

The Board announces that on 16 February 2024, the Company and Providence entered into a termination agreement (the “**Termination Agreement**”) whereby the parties agreed to terminate the Collaboration and License Agreement, the COVID-19 Vaccines License Agreement, and the Share Issuance Agreement (collectively, the “**Agreements**”) in entirety, effective as of 16 February 2024 (the “**Effective Date**”), and any and all obligations of one party to the other party are forever waived, satisfied and extinguished and neither party shall have any further obligation, responsibility, liability to each other under the Agreements or any performance of activities thereunder. As at the Effective Date, save for the upfront payments of US\$100 million (approximately RMB719 million) and the issuance of 3,492,365 Shares to Providence at the Third Milestone Closing (details of which are set out in the Announcements), no payments or issuance of Shares have been made by the Company to Providence pursuant to the Agreements.

In addition, pursuant to the Termination Agreement, the Company and Providence agreed to set forth new terms under which each party may exploit any Collaboration Product and the Company may exploit any Additional Product (including COVID-19 vaccines). In particular, the parties agreed that (i) Providence shall grant the Company a worldwide, perpetual and irrevocable, royalty-free (except as set forth below), non-exclusive license, with the right to sublicense in part (but not in whole or substantially in whole), to all intellectual property rights (or embodiments of such rights) provided, transferred, or made available by Providence to the Company as of immediately prior to the Effective Date, to exploit the Collaboration Products and the Additional Products; (ii) each of the Company and Providence shall own any such intellectual property rights developed by it after the Effective Date; and (iii) the Company and Providence shall co-own certain intellectual property rights related to the rabies vaccine program and the shingles vaccine program developed under the Agreements (including the mRNA rabies vaccine candidate for rabies post-exposure prophylactic developed in partnership with Providence as described in the Announcements). Save as disclosed, the Company and Providence shall no longer collaborate on any drug candidate discovery or development programs and neither party will have any rights to the other party's platform or products.

Pursuant to the Termination Agreement and as consideration for the termination of the Agreements and the licenses and rights granted by Providence to the Company under the Termination Agreement, the Company shall pay Providence (i) a one-time, upfront payment of US\$4.0 million (approximately RMB28.8 million) payable within 30 days of the Effective Date, but in any event no later than 23 February 2024; and (ii) potential regulatory milestone payments of up to US\$17.5 million (approximately RMB125.8 million) should the Company decide to develop the Collaboration Products. In addition, the Company shall pay Providence royalties from the sale of Collaboration Products in the Providence Territory, and Providence shall pay the Company royalties from the sale of Collaboration Products in the Everest Territory, each at a rate of a low-single-digit percentage of the aggregate net sales of the Collaboration Product(s) during the applicable royalty payment term.

The Board considers that (i) the Termination Agreement will not have any material adverse impact on the business operation and financial position of the Company; and (ii) the termination of the Agreements, and the licenses and rights granted under the Termination Agreement, will provide the Company with additional flexibility going forward to develop products using the mRNA platform that the Company licensed from Providence, if and as appropriate based on the Company's corporate strategy and goals.

As the highest applicable ratio in respect of the transactions contemplated under the Termination Agreement is less than 5%, such transactions do not constitute a disclosable transaction of the Company and are fully exempt from the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

Cautionary Statement: The Company cannot guarantee that it will be able to develop, or ultimately market, any Collaboration Product or Additional Product 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, the following expressions shall have the following meanings unless the context requires otherwise.

- “Additional Product”** any product that (a) comprises a mRNA active pharmaceutical or biological ingredient or (b) is a mRNA (including in a LNP mRNA formulation) vaccine, therapeutic, or diagnostic, in each case (a) or (b), for all uses in humans, that is developed by the Company and that is not a Collaboration Product or improvement of a Collaboration Product
- “Collaboration Product”** product generated within or derived from the rabies vaccine program or the shingles vaccine program under the parties’ collaboration pursuant to the Agreements
- “Everest Territory”** means China, Taiwan, the Hong Kong Special Administrative Region of the People’s Republic of China, the Macau Special Administrative Region of the People’s Republic of China, and the Republic of Singapore
- “Providence Territory”** shall include all territory and jurisdictions in the world that are not in the Everest Territory

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

Hong Kong, 19 February 2024

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. William Ki Chul Cho and Mr. Honggang Feng 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 RMB7.19. Such exchange rate is for the purpose of illustration only and do 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.