Keymed Biosciences Inc.
康諾亞生物醫藥科技有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2162)

VOLUNTARY ANNOUNCEMENT IN RELATION TO THE LICENSE AGREEMENT FOR CM313

INTRODUCTION

The board of directors (the "**Board**") of Keymed Biosciences Inc. (the "**Company**", together with its subsidiaries, the "**Group**") is pleased to announce that on January 9, 2025, Keymed Biosciences (Chengdu) Co., Ltd. (a wholly-owned subsidiary of the Group, "**Chengdu Keymed**") and Timberlyne Therapeutics, Inc. (the "**Target Company**") have entered into an exclusive out-license agreement (the "**License Agreement**"). The License Agreement grants the Target Company the exclusive right to develop, manufacture and commercialize CM313 globally excluding Mainland China, Hong Kong, Macau and Taiwan (the "**Licensed Region**"). CM313 is an in-house developed humanized monoclonal antibody that targets CD38.

PRINCIPAL TERMS OF THE LICENSE AGREEMENT

Subject to terms and conditions of the License Agreement, the Target Company is granted an exclusive license for the development, manufacturing and commercialization of CM313 in the Licensed Region. In return, the Group shall receive an upfront and near-term payment of US$30 million and equity interest of the Target Company, being the largest shareholder of this company. The Group may also receive additional payments up to US$337.5 million subject to achievement of certain sales and development milestones. The Group is also entitled to receive tiered royalties on net sales from the Target Company.

The Group is obliged to provide assistance to facilitate technology and knowledge transfer. Except as otherwise agreed, the Target Company will be responsible for bearing all costs for activities associated with the development on ongoing trials in relation to CM313 in the Licensed Region. In connection with the License Agreement, the Target Company and the Group will enter into clinical supply agreements under which the Target Company will source clinical supply of CM313 drug product from the Group.

ABOUT THE TARGET COMPANY

The Target Company is a corporation incorporated in June 2024 in Delaware, the United States. Concurrent with the License Agreement, the Target Company has entered into a financing agreement of US$180 million under which an equity financing will be completed in accordance with the terms and conditions.

After completion of the foregoing transactions, the Target Company will be owned as to 25.79% by the Group, being the largest shareholder. The Target Company's other substantial shareholders are Bain Capital and Venrock Healthcare Capital, each of whom is an institutional investor and a third party independent of the Company and its connected persons. It has been agreed that the Group will be entitled to appoint one representative to the board of directors of the Target Company.

To the best knowledge and belief of the Company, the Target Company and its shareholders are independent of and not connected with 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 none of the applicable percentages under Rule 14.07 of the Listing Rules in relation to the transactions under License Agreement is 5% or more, the transactions under the License Agreement are not subject to any of the reporting, announcement or shareholders' approval requirements under Chapter 14 of the Listing Rules.

ABOUT CM313

CM313 is a humanized monoclonal antibody that targets CD38. It can induce target cell apoptosis through antibody-dependent cell-mediated cytotoxicity (ADCC), complement-dependent cytotoxicity (CDC), and antibody-dependent cell-mediated phagocytosis (ADCP), as well as under Fc cross-linking conditions. CM313 has been tested across numerous diseases, including Immune Thrombocytopenia, Systemic Lupus Erythematosus, and relapsed/refractory Multiple Myeloma. Across these clinical trials, CM313 has demonstrated best-in-class characteristics, with transformative potential in autoimmune diseases.

REASONS FOR AND BENEFITS OF THE LICENSE AGREEMENT

The Board believes that entering into the License Agreement is in the best interests of the Company and its shareholders as a whole. The Company will also leverage on this opportunity to further strengthen its global cooperation network through its innovative collaboration model and maximize the scientific and commercial value of the Company's technology platforms.

This announcement is made by the Company on a voluntary basis to provide information to shareholders and potential investors of the Company. There is no assurance that the Company will ultimately develop, launch and/or commercialize CM313 successfully. 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
Keymed Biosciences Inc.
Dr. Bo CHEN
Chairman

Hong Kong, January 10, 2025

As at the date of this announcement, the Board of Directors of the Company comprises Dr. Bo CHEN, Dr. Changyu WANG and Dr. Gang XU as executive Directors; Mr. Qi CHEN, Dr. Min Chuan WANG and Mr. Yilun LIU as non-executive Directors; Prof. Xiao-Fan WANG, Prof. Yang KE, and Mr. Cheuk Kin Stephen LAW as independent non-executive Directors.