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CSPC PHARMACEUTICAL GROUP LIMITED

石藥集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 1093)

VOLUNTARY ANNOUNCEMENT

EXCLUSIVE LICENSE AGREEMENT WITH JIANGSU ALPHAMAB FOR THE DEVELOPMENT AND COMMERCIALIZATION OF KN026 IN CHINA

The board of directors (the “**Board**”) of CSPC Pharmaceutical Group Limited (the “**Company**”) is pleased to announce that, on 23 August 2021, Shanghai JMT-BIO Technology Co., Ltd (“**JMT-BIO**”), a wholly-owned subsidiary of the Company, has entered into an exclusive license agreement (the “**Agreement**”) with Jiangsu Alphamab Oncology Co., Ltd. (“**Jiangsu Alphamab**”) for the development and commercialization of Jiangsu Alphamab’s drug candidate, KN026 (a HER2-targeted bispecific antibody) (the “**Product**”) in breast cancer and gastric cancer (the “**Field**”).

Under the terms of the Agreement, JMT-BIO will obtain the exclusive rights to 1) develop and commercialize the Product to be used alone and in combination with KN046 for the treatment of breast cancer and gastric cancer in the People’s Republic of China (excluding Hong Kong, Macau and Taiwan) (the “**Territory**”), bear the costs associated with the clinical development and become the marketing authorization holder (MAH); and (ii) co-develop KN026 for other indications, including monotherapy and combination therapy, with Jiangsu Alphamab.

As consideration for the license, JMT-BIO agreed to pay an upfront payment of RMB150,000,000 and development milestone payments of up to RMB450,000,000 subject to the development progress of the Product in the Territory to Jiangsu Alphamab. JMT-BIO also agreed to pay potential sales milestone payments of up to RMB400,000,000 and tiered royalties of double-digit percent based on net sales of the Product for the Field in the Territory to Jiangsu Alphamab.

KN026 is a HER2-targeted bispecific antibody drug developed by Jiangsu Alphamab with proprietary intellectual property rights. Multiple phase I/II clinical trials of KN026 are being conducted in China and the U.S. to evaluate the potential for the treatment of breast cancer with medium/low or positive expression of HER2, advanced HER2-positive gastric cancer and gastroesophageal junction cancer, and other HER2-positive solid tumors.

Jiangsu Alphamab is a subsidiary of Alphamab Oncology, a company listed on the main board of the Hong Kong Stock Exchange (stock code: 9966) and a leading clinical-stage biopharmaceutical company in China with a fully integrated proprietary biologics platform in bispecifics and protein engineering. Its mission is to deliver world-class innovative therapeutic biologics to treat patients globally by applying its unique drug discovery and development capabilities. Its highly differentiated in-house pipeline consists of fifteen oncology drug candidates (mainly bispecific antibodies) and one COVID-19 multifunctional antibody.

By order of the Board
CSPC Pharmaceutical Group Limited
Cai Dongchen
Chairman

Hong Kong, 23 August 2021

As at the date of this announcement, the Board comprises Mr. CAI Dongchen, Mr. ZHANG Cuilong, Mr. WANG Zhenguo, Mr. PAN Weidong, Mr. WANG Huaiyu, Dr. LI Chunlei, Dr. WANG Qingxi, Mr. CHAK Kin Man and Dr. JIANG Hao as executive directors; and Mr. WANG Bo, Mr. CHEN Chuan, Prof. WANG Hongguang, Mr. AU Chun Kwok Alan and Mr. LAW Cheuk Kin Stephen as independent non-executive directors.