Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

HUA MEDICINE
華領醫藥

(Incorporated in the Cayman Islands with limited liability)

(stock code: 2552)

BUSINESS UPDATE IN RELATION TO HUATANGNING (华堂宁®) INSIDE INFORMATION

This announcement is made by Hua Medicine (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The board of directors of the Company (the "**Board**") announces that on November 21, 2024, its wholly-owned subsidiary, Hua Medicine (Shanghai) Ltd ("**Hua Shanghai**"), notified Bayer Healthcare Company Limited ("**Bayer**") in writing of its intention to transition to the Company responsibility for commercializing in China HuaTangNing (华堂宁®) (dorzagliatin tablets), a first-in-class glucokinase activator developed by the Company for Type 2 diabetes treatment, effective January 1, 2025.

On August 17, 2020, the relevant parties formed a collaboration in connection with HuaTangNing's (华堂宁®) commercialization in China and entered into the related exclusive promotion services agreement (the "**Agreement").** Under the Agreement, Bayer was granted exclusive China-related commercialisation rights to HuaTangNing (华堂宁®). Since entering into the Bayer collaboration, several HuaTangNing (华堂宁®)-related milestones have been achieved. These milestones include: HuaTangNing's (华堂宁®) approval for sale in China by China's National Medical Products Administration in October 2022; its admission to China's National Reimbursement Drug List (NRDL) effective January 1, 2024; its entry into over 2,000 hospitals in China as of the date of this announcement; and its recent inclusion in the Chinese Diabetes Society's "Guideline for the prevention and treatment of diabetes mellitus in China (2024 edition)".

To effect the transition, the Company has the right to and intends to terminate the Agreement with effect from January 1, 2025. From the date of this announcement until the termination effective date, both Bayer and the Company will continue to fulfil their obligations under the Agreement and have committed to initiating an amicable, patient-focused transition plan. To support continuous commercial sales of HuaTangNing (华堂宁®) in China, the Company may reach out to other potential collaboration partners to commercialize HuaTangNing (华堂宁®) in China.

The Company will publish further announcement(s) to update its shareholders on any material development in relation to HuaTangNing (华堂宁®) in accordance with the Listing Rules and applicable laws.

By Order of the Board
Dr. Li Chen
Chief Executive Officer and Executive Director

Hong Kong, November 22, 2024

As at the date of this announcement, the Board comprises Dr. Li Chen, Mr. George Chien Cheng Lin and Dr. Yi Zhang as executive directors; Mr. Robert Taylor Nelsen and Dr. Fangxin Li as non-executive directors; and Mr. William Robert Keller, Mr. Yiu Wa Alec Tsui and Mr. Yiu Leung Andy Cheung as independent non-executive directors.