



## China Grand Pharmaceutical and Healthcare Holdings Limited

## 遠大醫藥健康控股有限公司\*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00512)

### GP(HK) Enters into A Few Agreements in the Field of Cancer Diagnostics and Treatment Introduce Multiple RDC and Strengthen Strategic Planning and Innovation in Anti-tumor Field

(November 01, 2020, Hong Kong) China Grand Pharmaceutical and Healthcare Holdings Limited (“**GP (HK)**” or the “**Company**”, together with its subsidiaries, the “**Group**”, stock code: 00512) is pleased to announce that the Group has entered into several agreements with Telix Pharmaceuticals Limited (ASX:TLX) (“**Telix**”, together with its wholly owned subsidiaries, the “**Telix Group**”), Jiangsu Institute of Nuclear Medicine, and Beijing Puer Weiye Biotechnology Co., Ltd. (“**Puer Weiye**”) in the field of radionuclide-drug conjugates (“**RDC**”), focusing on highly innovative and high-barrier radiological diagnostic and therapeutic drugs.

The Group has entered into a share Subscription Agreement with Telix Group, pursuant to which the Group will invest US\$25 million to subscribe approximately 7.6% equity interests of Telix after fulfilling the relevant conditions stipulated in the Subscription Agreement. Furthermore, the Group has entered into a Licensing Agreement with Telix Group, with upfront prepayment and milestones payments of up to US\$225 million in aggregate, and a royalty fee for each licensed product as a percentage of annual net sales amount in the licensed region, pursuant to which the Group will obtain the exclusive development, manufacturing and commercialization rights in Mainland China, Hong Kong SAR, Macau SAR and Taiwan (the “**Greater China Region**”) for Telix Group’s innovative RDC TLX591, TLX250 and TLX101 that have the potential to become First in Class therapy for prostate cancer, clear cell renal cell carcinoma (“**ccRCC**”) and glioblastoma. Lastly, the Group has entered into a Partnership Agreement with Telix Group, pursuant to which the Group will obtain the exclusive commercialization rights in the Greater China Region for Telix Group’s innovative RDC TLX591-CDx, TLX250-CDx and TLX599-CDx (“**Licensed Products**”) that have the potential to become First in Class diagnostic method for cancer detection, and the Group will purchase related products from Telix Group pursuant to the Partnership Agreement. In addition, within a certain future period, the Group will have the first right of negotiating exclusive development, manufacturing and commercialization rights in the Greater China Region for future pipeline products of Telix Group.

Headquartered in Melbourne, Australia, Telix is a biopharmaceutical company focused on the development of innovative cancer diagnostic and therapeutic RDC, using Molecularly Targeted Radiation (MTR) and conjugation technology platform to carry out the development and application of RDC. Telix Group’s pipeline covers a variety of cancer types with high morbidity and mortality. At present, Telix Group is conducting over ten clinical trials globally. Three of its pipeline products (TLX101, TLX101-CDx and TLX102) have been granted orphan drug designation, and one product (TLX250-CDx) has been granted breakthrough therapy designation by the United States Food and Drug Administration (“**FDA**”).

In terms of project status, Telix Group has completed phase II clinical trial for TLX591 and is currently planning to start phase III clinical trial in Australia and the United States, and it has submitted New Drug Application (“NDA”) to the FDA for TLX591-CDx in September of this year. Telix Group is preparing to commence two phase II clinical trials to assess the efficacy of TLX250 in combination with current immuno-oncology therapies for ccRCC. TLX250-CDx has been granted breakthrough therapy designation and is currently being studied in a phase III clinical trial. The combination of TLX101 and external beam radiation is currently being studied in a phase I/II clinical trial at several hospital locations across Europe and Australia.

The Group and Jiangsu Institute of Nuclear Medicine have entered into a memorandum of strategic cooperation to reach an agreement on the development, manufacturing, testing and standard formulation, preclinical research and intellectual property of RDC; the Group and Puer Weiye has entered into a share purchase agreement, pursuant to which the Group will acquire 100% equity interest in Puer Weiye for a consideration of not more than RMB10 million subject to conditions precedent. Upon the completion of this acquisition, the Group will obtain the "Radioactive Pharmaceutical Production License", "Radioactive Pharmaceutical Trading License" and “Permit for Radiation Safety”. After the acquisition of Puer Weiye, the Group will become the second Hong Kong listed company permitted to engage in the production, commercialization and development of radioactive pharmaceuticals.

According to data released by Statista, the size of the global nuclear medicine/radiopharmaceuticals market was around US\$3.98 billion in 2018 and is expected to reach US\$5.06 billion by 2023. Frost & Sullivan's forecast predicted that the CAGR of China's radiopharmaceuticals market is about 18.6%, and the total domestic market size is expected to reach RMB9 billion by 2021. Telix Group's innovative radionuclide conjugation technologies enable molecular targeted drug or antibody to carry radiation, and enhance the imaging diagnostics and treatment for multiple cancer types. By leveraging the radionuclide conjugation technologies of Telix Group, the Group will be able to provide Chinese patients with integrated diagnostic and treatment solutions for multiple cancer types.

**The Board of China Grand Pharmaceutical and Healthcare Holdings Limited**, commented: “The Group is insightful in the growth opportunities and future development of the radiopharmaceutical industry. Entering into the agreements with well-known companies and institutes to obtain the commercial rights of related products in the Greater China Region and the qualification licenses for trading radioactive pharmaceuticals in China, is another important strategic step for the Group in the expansion of radiopharmaceutical planning. Upon entering the agreements mentioned above, the Group will initiate the clinical trials application of the six licensed products in the Greater China Region. And together with the SIR-Spheres® Y-90 resin microsphere that was approved to file NDA in August of this year, in the field of anti-tumor RDC, the Group has owned a total of seven products for the diagnostics and treatment of colorectal liver metastases, prostate cancer, ccRCC and glioblastoma. The Group will continue to increase the investment in RDC and to introduce world-class innovative products, so as to build an integrated supply chain including R&D, production, sales and supervision, and to establish a world-leading RDC platform.”

“The Group has been dedicated to the research and development of anti-tumor therapy for many years. It has 11 innovative products globally, of which 10 products are in clinical trials across different locations in the globe, covering 8 major solid tumors (including hepatocellular carcinoma, colorectal cancer, ccRCC, prostate cancer, glioblastoma, metastatic melanoma, triple negative breast cancer and squamous cell carcinoma). The variety and quantity of the Group's product pipeline are at the leading level in this industry.”

“The Group adopts the strategy of ‘global expansion and dual-cycle operation’ and will continue to optimize product structure and enrich the pipeline in anti-tumor field by introducing international advanced products and technologies, in order to provide cancer patients with more treatment options and solutions, forming a new pattern of domestic and international cycles that synergize with each other. In the future, the Group will continue to focus on the R&D of innovative products and be actively involved in activities such as global in-licensing, investment and acquisition of high-quality products and assets in core therapeutic areas, in order to enrich product lines and innovative products pool and to bring better returns for the shareholders of the Company.”

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**About China Grand Pharmaceutical and Healthcare Holdings Limited (00512):**

China Grand Pharmaceutical and Healthcare Holdings Limited is a diversified global pharmaceutical enterprise, principally engaged in the R&D, manufacturing and sales of pharmaceutical products, advanced medical devices, specialized pharmaceutical ingredients, bio-technology products, and nutritional products. Its core product portfolio covers several major therapeutic areas including cerebro-cardiovascular emergency, respiratory and Ear, Nose & Throat (the “ENT”) as well as ophthalmic treatments and selective internal radiation therapy for tumor treatment. The Group is committed to becoming one of the world's largest comprehensive pharmaceutical companies through organic growth and mergers and acquisitions of international quality projects.

For further information, please refer to GP (HK)’s website at <http://www.chinagrandpharm.com>

This press release is issued by **Financial PR (HK) Limited** on behalf of **China Grand Pharmaceutical and Healthcare Holdings Limited**.

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*\*For identification purpose only*

