**Zhaoke Ophthalmology Limited**
**兆科眼科有限公司**
*(Incorporated in the British Virgin Islands with limited liability and continued in the Cayman Islands)*
**(Stock Code: 6622)**

# ANNOUNCEMENT – LAST PATIENT ENROLLED FOR PHASE II CLINICAL TRIAL OF ZKY001 FOR CORNEAL EPITHELIAL DEFECTS AND TERMINATION OF CONTINUING CONNECTED TRANSACTIONS IN RELATION TO PROCUREMENT OF CRO SERVICES UNDER THE MASTER CRO SERVICE AGREEMENT

Reference is made to the prospectus of Zhaoke Ophthalmology Limited (the "**Company**", together with its subsidiaries, the "**Group**") dated April 16, 2021 (the "**Prospectus**"). Capitalised terms used herein have the same meanings as defined in the Prospectus unless otherwise specified.

## LAST PATIENT ENROLLED FOR PHASE II CLINICAL TRIAL OF ZKY001 FOR CORNEAL EPITHELIAL DEFECTS

This information is announced by the Board of the Company on a voluntary basis. It is pleased to announce that the last patient was enrolled for the Phase II clinical trial of one of the Company's core products, ZKY001, for the indication of corneal epithelial defects ("**CED**") on January 21, 2022. This trial enrolled a total of 105 patients and is a multi-center, randomized, doublemasked, placebo-controlled study to evaluate the safety and efficacy of ZKY001 for the treatment of CED. It also aims to assess the dosage of ZKY001 for future development.

ZKY001 is a seven-amino acid peptide derived from the functional fragment of Thymosin β4 that binds actin, a type of protein that plays a central role in cell structure and movement. In addition to the Company's leading Phase III innovative asset Cyclosporine A Ophthalmic Gel for dry eye, ZKY001 is another in-house developed program by the Company that is currently in clinical stage.

ZKY001 has broad applications in corneal wound healing and can potentially be used in multiple corneal repair indications. In addition to the ongoing Phase II clinical study for corneal epithelium repair after endothelial keratoplasty, the Company is currently exploring three additional indications for ZKY001, including transepithelial photorefractive keratectomy ("**TPRK**", surgical treatment for myopia), pterygium (an outgrowth in the cornea or conjunctiva) and neurotrophic keratitis ("**NK**", a rare degenerative corneal disease).

In October 2021, the Company announced that the first patient was enrolled for the investigator-initiated trial ("**IIT**") of ZKY001 for the indication of NK. The IIT is led by Prof. Wu Huping from the Xiamen Eye Centre of Xiamen University and plans to enroll a total of 40 patients by the second quarter of 2022 . The Company is also expecting the first patient enrolment for both Phase II clinical trials for the indications of TPRK and pterygium in short order.

**Cautionary Statement required by Rule 18A.05 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited: The Company cannot guarantee that it will ultimately develop and market ZKY001 successfully. Shareholders of the Company and potential investors are advised to exercise caution when dealing with the shares of the Company.**

## TERMINATION OF CONTINUING CONNECTED TRANSACTIONS IN RELATION TO PROCUREMENT OF CRO SERVICES UNDER THE MASTER CRO SERVICE AGREEMENT

As at the date of this announcement, Lee's Pharm, through Lee's Pharm International and Lee's Healthcare Industry Fund L.P., was interested in approximately 25.9% of the total issued share capital of the Company, being a substantial shareholder of the Company. Lee's Pharm Hefei is a subsidiary of Lee's Pharm. Thus, Lee's Pharm Hefei is a connected person of the Company under the Listing Rules and the transactions under the Master CRO Service Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. As the continuing connected transactions under the Master CRO Service Agreement will be terminated, the information below is made pursuant to Rule 14A.35 of the Listing Rules.

Pursuant to the Master CRO Service Agreement dated April 1, 2021, the Group agreed to engage Lee's Pharm Hefei as a CRO service provider to provide relevant CRO services for developing its CsA ophthalmic gel, ZKY001 and levobetaxolol HCl. The Master CRO Service Agreement has a term commencing from the date of the agreement and continue to be in force until the completion of the clinical trial projects contemplated thereunder.

The Board wishes to announce that on January 26, 2022, the Group and Lee's Pharm Hefei mutually agreed to early terminate the Master CRO Service Agreement with effect from the date of completion of Phase II clinical trial of ZKY001 for the indication of CED, which is expected to be before the end of the first quarter of 2022. The reason for early termination is because patient enrollment related to the clinical trial of CsA ophthalmic gel and levobetaxolol HCl has been completed in 2021 and there would be further change over the design of ZKY001's ongoing clinical trial with additional indications newly explored. The Company decided to delegate the remaining clinical trial projects to another independent third party service providers after considering its suitability based on these new changes and requirement. Upon such termination, all rights and obligations of the parties to the Master CRO Service Agreement shall cease and no party shall have any claim against each other in connection with the Master CRO Service Agreement.

Dr. Li Xiaoyi, the chairman of the Board, executive Director and CEO of the Company and Ms. Leelalertsuphakun Wanee, the non-executive Director of the Company, hold directorships in Retained Lee's Pharm Group and thus have material interests in the Master CRO Service Agreement and the transactions contemplated thereunder. Dr. Li Xiaoyi and Ms. Leelalertsuphakun Wanee have therefore abstained from voting on Board resolution in relation to the termination of the Master CRO Service Agreement. Save as Dr. Li Xiaoyi and Ms. Leelalertsuphakun Wanee, none of the other Directors have any material interest in the Master CRO Service Agreement and the transactions contemplated thereunder which require any of them to abstain from voting on the Board resolution in relation to the termination of the Master CRO Service Agreement and the transactions contemplated thereunder.

The Directors (including the independent non-executive Directors) consider that the termination of the Master CRO Service Agreement in accordance with the terms thereof is in the ordinary and usual course of business of the Group, fair and reasonable, on normal commercial terms and in the interests of the Group and the Shareholders as a whole.

**GENERAL**

The Company is an ophthalmic pharmaceutical company dedicated to the research, development, manufacturing and commercialization of therapies that address significant unmet medical needs in China and is strategically focused on treatments that cover a wide range of ophthalmic diseases.

Lee's Pharm Hefei is principally engaged in providing CRO service and is currently operating a manufacturing plant located in Hefei, Anhui Province of the PRC, comprising four GMP-compliant workshops for the production of topical gel, lyophilised powder for injection and small volume parenteral solutions.

By order of the Board
**Zhaoke Ophthalmology Limited**
**Dr. Li Xiaoyi**
*Chairman*

Hong Kong, January 26, 2022

*As at the date of this announcement, the Board of Directors of the Company comprises Dr. Li Xiaoyi and Mr. Dai Xiangrong as executive Directors; Ms. Leelalertsuphakun Wanee, Ms. Tiantian Zhang, Ms. Cai Li and Mr. Chen Yu as non-executive Directors; and Mr. Wong Hin Wing, Prof. Lo Yuk Lam and Dr. Tam Lai Fan Gloria as independent non-executive Directors.*