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**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)**

## **DISCLOSEABLE TRANSACTION SUBSCRIPTION OF WEALTH MANAGEMENT PRODUCT**

### **INTRODUCTION**

The Board announced that, on July 5, 2022, in order to make efficient use of idle funds, the Company, through its wholly-owned subsidiary iBridge HK, entered into the JP Morgan Subscription Agreement with J.P. Morgan Securities plc, pursuant to which iBridge HK agreed to subscribe for the Notes in the principal amount of USD25.0 million (approximately HK\$196.2 million) issued by JPMCFC. The subscription will be funded by the Group's internal resources.

### **JP MORGAN SUBSCRIPTION AGREEMENT**

The principal terms of the JP Morgan Subscription Agreement are set out as follows:

<b>Parties</b>	(i) iBridge HK  (ii) J.P. Morgan Securities plc  To the best of their knowledge, information and belief and having made all reasonable enquiries, the Directors confirm that J.P. Morgan Securities plc and its ultimate beneficial owner are third parties independent of the Group and its connected persons.
<b>Date of the JP Morgan Subscription Agreement</b>	July 5, 2022
<b>Principal amount</b>	USD25.0 million (approximately HK\$196.2 million)
<b>Issuer</b>	JPMCFC
<b>Type of investment</b>	Principal-guaranteed at maturity with index-linked floating return
<b>Linked Index</b>	J.P. Morgan Custom 392E Index

<b>Issue date of the Notes</b>	July 19, 2022 (or such other date as might be agreed amongst the parties)
<b>Principal redemption date of the Notes</b>	Being the date falling one year from the issue date (currently expected to be July 19, 2023), upon which 100% of the principal amount will be returned to iBridge HK
<b>Expected rate of return</b>	<p>There is no guaranteed return on the Notes. Any returns generated from the Notes will be paid to iBridge HK one year after the principal redemption date of the Notes. J.P. Morgan Securities plc has not provided an expected rate of return for the Notes.</p> <p>While historical performances does not indicate future performance and there are no guaranteed return, based solely on the average back-testing results of 20 years historical performance of J.P. Morgan Custom 392E Index, the Company has noted that the Notes may generate a rate of return of approximately 10.7%.</p>
<b>Right of early redemption</b>	iBridge HK may redeem the Notes prior to the principal redemption date by giving prior notice to J.P. Morgan Securities plc. The amount redeemed shall depend on the performance of the linked index and the interest rates environment at the time of redemption and may be lower than the principal amount. The principal is not guaranteed if the Notes are redeemed prior to the principal redemption date.
<b>Other information</b>	The Notes are guaranteed by JPMorgan Chase & Co..

## **INFORMATION ON THE PARTIES**

iBridge HK is a limited company incorporated in Hong Kong, wholly owned by the Company. Its principal business is investment holding. The Company is a biotechnology company focused on the in-house discovery and development of innovative biological therapies in the autoimmune and oncology therapeutic areas. The Company has multiple clinical-stage assets, each of them being a leading contender within its respective competitive landscape.

Both JPMCFC and J.P. Morgan Securities plc are wholly owned subsidiaries of JPMorgan Chase & Co., a global financial services firm providing investment banking, financial services for consumers and small business, commercial banking, financial transactions processing and asset management services. JPMorgan Chase & Co. is a limited company incorporated in Delaware, the United States, with its shares listed on The New York Stock Exchange (stock ticker: JPM).

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, J.P. Morgan Securities plc, JPMCFC and JPMorgan Chase & Co. and their ultimate substantial beneficial owners as publicly disclosed by JPMorgan Chase & Co. are third parties independent from the Company and its connected persons.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE JP MORGAN SUBSCRIPTION AGREEMENT**

The reasonable and efficient use of idle funds will enhance the overall capital gain of the Group, which is consistent with the core objectives of the Group to ensure capital safety and liquidity. The subscription of the Notes under the JP Morgan Subscription Agreement is principal-guaranteed at maturity, while the Company could potentially obtain a higher rate of return as compared with fixed term deposits with commercial banks. The subscription and the lock up on the idle fund for a year is not expected to have any adverse impact on the operation of the Group.

The Directors consider that the JP Morgan Subscription Agreement was entered into on normal commercial terms or better in the ordinary course of business of the Group, which is fair and reasonable, and the JP Morgan Subscription Agreement and the transactions contemplated thereunder are in the interests of the Company and its Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As the highest applicable ratio of the subscription of the Notes under the JP Morgan Subscription Agreement exceeds 5% but is less than 25%, such transaction constitutes discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements but exempts from the Shareholders' approval requirement.

## **DEFINITIONS**

Unless the context otherwise requires, the following terms used herein have the following meanings:

“Board”	the board of Directors
“Company”	Keymed Biosciences Inc. (康諾亞生物醫藥科技有限公司), a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 2162)
“connected person(s)”	has the meaning ascribed to it in the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the People's Republic of China
“HK\$”	Hong Kong dollars, a lawful currency of Hong Kong
“iBridge HK”	iBridge HK Holdings Limited, a limited company incorporated in Hong Kong and wholly owned by the Company

“JPMCFC”	JPMorgan Chase Financial Company LLC
“JP Morgan Subscription Agreement”	the subscription agreement entered into between iBridge HK and J.P. Morgan Securities plc dated July 5, 2022 in relation to the subscription of the Notes in the principal amount of USD25.0 million
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Notes”	the index-linked notes subscribed by iBridge HK under the JP Morgan Subscription Agreement
“Shareholder(s)”	holder(s) of the shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“USD”	United States dollars, the lawful currency of the United States of America
“%”	percent

By order of the Board  
**Keymed Biosciences Inc.**  
**Dr. Bo CHEN**  
*Chairman*

Hong Kong, July 5, 2022

*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, Mr. Cheuk Kin Stephen LAW and Prof. Linqing LIU as independent non-executive Directors.*