Shandong Boan Biotechnology Co., Ltd.
山东博安生物技术股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 6955)

VOLUNTARY ANNOUNCEMENT

APPROVAL OBTAINED FOR INITIATING CLINICAL TRIAL FOR THE NOVEL ADC CANDIDATE BA1302 IN CHINA

The board of directors (the "**Board**") of Shandong Boan Biotechnology Co., Ltd. (the "**Company**") announces that BA1302 for injection ("**BA1302**"), a novel antibody-drug conjugate ("**ADC**") candidate developed by the Company, has been approved to initiate clinical trials for treating multiple types of advanced solid tumors by the Centre for Drug Evaluation of the National Medical Products Administration in the People's Republic of China ("**China**"). This is the first CD228-targeted novel ADC drug candidate approved for clinical trials in China.

Initially identified in melanoma, CD228 is a GPI-anchored glycoprotein that plays a role in tumor cell proliferation and migration. It is highly expressed in a variety of solid tumors such as non-small cell lung cancer, breast cancer, melanoma, mesothelioma, colon cancer, and pancreatic cancer, but has a low expression in normal tissues. Therefore, CD228 is highly specific in terms of its expression in tumors.

BA1302 is a novel ADC drug targeting CD228. The antibody part of BA1302 is an innovative human anti-CD228 monoclonal antibody derived from BA-huMab®, the Company's proprietary human antibody transgenic mice. It binds with the membrane-bound form of CD228 only, not with sMF12, which is the soluble form of CD228. This highly binding specificity reduces the non-specific binding, to ensure higher efficacy and safety. The chemical part of BA1302 is BNLD11, an innovative linker-payload, which has remarkable *in vitro* and *in vivo* stability. Structurally, approximately four BNLD11 molecules are conjugated to each antibody molecule on average. This design enhances the drug's cell killing efficiency while minimizing the toxicity associated with payload release, thus striking a balance between therapeutic effects and toxic side effects.

Preclinical studies have shown that BA1302 is very potent in terms of internalization activity and bystander killing effect. It has the potential to treat a broad spectrum of solid tumors as evidenced by its significant cytotoxicity against three types of cancers (i.e. lung cancer, gastric cancer, and melanoma) with CD228 expression ranging from low to high, as well as robust tumor suppression in patient-derived xenograft (PDX) models for multiple types of solid tumors. BA1302 has shown a prolonged half-life, favorable pharmacokinetics, and a good safety and tolerability profile in cynomolgus monkeys, indicating great promise for clinical use.

The clinical trial for BA1302 is a multicenter, open-label, multiple ascending dose and dose-expansion Phase I clinical study. It aims to evaluate the safety, tolerability, pharmacokinetics, immunogenicity, and preliminary efficacy of BA1302 for injection in patients with advanced solid tumors.

To date, no other ADCs with the same target has entered the clinical trial stage in China. BA1302 will also be the only CD228-directed ADC at the clinical stage in the world. At the same time, the product has the potential to provide a more effective treatment option for patients with tumors in which CD228 is widely expressed.

By Order of the Board
Shandong Boan Biotechnology Co., Ltd.
Jiang Hua
Chairlady, Chief Executive Officer and Executive Director

Yantai, the People's Republic of China, 25 July 2024

As at the date of this announcement, the executive directors of the Company are Ms. Jiang Hua and Dr. Dou Changlin; the non-executive directors of the Company are Mr. Liu Yuanchong and Ms. Li Li; and the independent non-executive directors of the Company are Professor Shi Luwen, Mr. Dai Jixiong and Dr. Yu Jialin.