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CANbridge Pharmaceuticals Inc.
北海康成製藥有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1228)

VOLUNTARY ANNOUNCEMENT
UPDATE ON THE GROUP'S BUSINESS OPERATIONS IN THE UNITED STATES

This announcement is made by CANbridge Pharmaceuticals Inc. (the “**Company**”, together with its subsidiaries and consolidated affiliated entities, the “**Group**”) on a voluntary basis to update the shareholders and potential investors of the Company on the Group’s business operations in the United States.

As disclosed in the interim report of the Company for the six months ended June 30, 2024 (the “**2024 Interim Report**”), the management of the Company has been exploring the possibility of downsizing the Group’s operations in the United States. Since the publication of the 2024 Interim Report, the Group’s business operations in the United States has had the following updates:

- a) the Company served a notice to terminate its exclusive license agreement with The University of Massachusetts (the “**UMass License Agreement**”), the termination of which shall take effect within 60 days from the date of the notice. As disclosed in the announcement of the Company dated January 4, 2023, the Company had entered into the UMass License Agreement to secure the global rights to develop, manufacture and commercialize a novel second-generation gene therapy to treat spinal muscular atrophy. The termination of the UMass License Agreement is not expected to adversely impact the Group’s operations, financial performance and R&D capacities as a whole as the development of the product is in early-stage but will instead help alleviate the liquidity pressure of the Company from having to pay substantial milestone payments in the future;
- b) the Company is in active discussions with the landlord for the Group’s office and laboratory in Boston, U.S. (the “**Leased Property**”) to terminate the relevant lease. The termination of the said lease is consistent with the Downsizing Plan (as defined and further disclosed in the 2024 Interim Report) and the Group’s needs for office and laboratory space given that the Group has downsized its team to four full-time employees in the United States. The termination of the lease is not expected to adversely impact the Group’s operations, financial performance and R&D capacities as a whole as the commercialized pipelines and major late stage R&D programs of the Group are mainly conducted in the PRC and the minimal US operations will be maintained through shared

lab services. As at the date of this announcement, the termination of the said lease has not taken effect and the Company is currently negotiating the terms of the termination with the landlord. The Company will publish an announcement to update the shareholders of the Company in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) as and when required.

Despite the above updates which will partly ease the Company’s short-term liquidity pressure, the Company’s ability to continue as a going concern remains uncertain and will depend on the successful implementation of all the measures disclosed in the 2024 Interim Report (including but not limited to obtaining new sources of financing and obtaining new credit facilities). The Company is in active discussions with such financiers and financial institutions but no formal arrangements to secure additional financing have been finalised as at the date of this announcement. The Company will continue to take all practicable steps to improve the Group’s liquidity position and financial performance and will publish announcement(s) to update the shareholders of the Company in accordance with the Listing Rules as and when required.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
CANbridge Pharmaceuticals Inc.
北海康成製藥有限公司
Dr. James Qun Xue
Chairman

Hong Kong, October 25, 2024

As of the date of this announcement, the Board comprises Dr. James Qun Xue as executive Director, Dr. Fangxin Li as non-executive Director, and Dr. Richard James Gregory, Mr. James Arthur Geraghty, Mr. Peng Kuan Chan and Dr. Lan Hu as independent non-executive Directors.