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**HUA MEDICINE**

**華領醫藥**

*(Incorporated in the Cayman Islands with limited liability)*

**(stock code: 2552)**

## **VOLUNTARY ANNOUNCEMENT – UPDATE REGARDING RECENT BUSINESS DEVELOPMENTS**

### **HUA MEDICINE ANNOUNCES POSITIVE RESULTS OF THE COMBINATION STUDY OF DORZAGLIATIN WITH EMPAGLIFLOZIN (A SGLT-2 INHIBITOR)**

This announcement is made by Hua Medicine (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis to inform the shareholders of the Company and potential investors about the latest business updates of the Group.

Hua Medicine today announces the positive results of the clinical study HMM0112. HMM0112 is a Phase I trial conducted in the United States in Type 2 Diabetes (T2D) patients with insufficiently controlled blood glucose levels while on metformin, DPP-4 inhibitors or SGLT-2 inhibitors, alone or in combination treatment. The principal purpose of HMM0112 is to investigate the pharmacokinetic (PK) and pharmacodynamic (PD) characteristics of dorzagliatin and empagliflozin (a SGLT-2 inhibitor) as either monotherapy or combination therapy. The PK results demonstrated no impact of dorzagliatin (75 mg BID) and empagliflozin (25 mg QD) on their respective PK properties under co-administration, supporting their combination use in the clinical setting, while the PD results demonstrated a clear synergistic effect in efficacy under combination therapy. Following OGTT, the combination treatment achieved significantly enhanced glucose lowering effect (AUEC: 279 h•mg/dL) over empagliflozin (AUEC: 452 h•mg/dL, P<0.01) or dorzagliatin (AUEC: 364 h•mg/dL, P<0.05) monotherapy. Moreover, significantly increased C-peptide secretion was also observed for the combination treatment over empagliflozin monotherapy. These results support the development of a combination therapy of dorzagliatin with empagliflozin, which will provide improved benefits and better solutions to T2D patients.

“SGLT-2 inhibitors are a relatively newer class of oral medications for the treatment of T2D patients, in addition to the blood sugar control, they were found to have the effect to lower blood pressure and reduce body weight. Their global sales in 2019 were approximately 6 billion US dollars,” said Dr. Li Chen, Chief Executive Officer of Hua Medicine, “The positive results of HMM0112 indicate that dorzagliatin add-on to SGLT-2 inhibitors enhanced the blood sugar control for T2D patients thereby expanding the applicable patient population, and also suggest a synergistic effect of recovering pancreatic islet function. This successful outcome advances our mission to offer dorzagliatin as either monotherapy or in combination with the currently approved top-selling oral anti-diabetic drugs. Currently, we have demonstrated similar positive results of dorzagliatin in combination with sitagliptin (a DPP-4 inhibitor and top-selling oral anti-diabetic drug in the world) and metformin (the global first-line oral anti-diabetic drug). In this fashion, we are aiming to provide a brand new treatment for T2D patients to prevent or delay occurrence of the diabetes and its complications through dorzagliatin monotherapy or in combination with currently available diabetes therapies.”

In November 2019, Hua Medicine announced that the Phase III monotherapy trial (HMM0301) of dorzagliatin in drug naïve T2D patients achieved its 24-week primary efficacy endpoint. The Company plans to announce the top-line 52-week key results for the monotherapy trial by no later than the third quarter of 2020. The 24-week patient visit for HMM0302, another Phase III combination trial of dorzagliatin add-on to metformin, was also completed. The Company plans to announce the top-line 24-week key results for the combination with metformin trial (HMM0302) by no later than the third quarter of 2020, and top-line 52-week key results by year-end 2020. In January 2020, the Company also announced the desirable results of dorzagliatin combination with sitagliptin Phase I trial (HMM0111), confirming the clinical advantages and potential synergies of dorzagliatin in combination with sitagliptin (a DPP-4 inhibitor). Meanwhile, the positive results of another Phase I trial (HMM0110) revealed the potential to use dorzagliatin in T2D patients with late stage chronic kidney disease.

### **About Dorzagliatin**

Dorzagliatin is a first-in-class, dual-acting glucokinase activator, designed to control the progressive degenerative nature of diabetes by restoring glucose homeostasis in patients with Type 2 Diabetes. By addressing the defect of the glucose sensor function of glucokinase, dorzagliatin has the potential to restore the impaired glucose homeostasis state of patients with Type 2 Diabetes and serve as a first-line standard-of-care therapy for the treatment of the disease, or as a cornerstone therapy when taken in combination with currently approved anti-diabetes drugs.

### **About Hua Medicine**

Hua is a leading, clinical-stage innovative drug development company in China focused on developing novel therapies for the treatment of diabetes. Founded by an experienced group of entrepreneurs and international investment firms, Hua advanced a first-in-class oral drug for the treatment of Type 2 Diabetes into NDA-enabling stage and is currently evaluating the therapy in adults with diabetes in two Phase III trials in China and various earlier stage clinical trials in China and the United States. Dorzagliatin has achieved its first primary endpoint in a Phase III monotherapy trial. The Company has initiated product life-cycle management studies of this novel diabetes therapy and advanced its use in personalized diabetes care. Hua Medicine is working closely with disease experts and regulatory agencies in China and across the world to advance diabetes care solutions for patients worldwide.

**Cautionary Statement required by Rule 18A.08(3) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited:** The Company cannot guarantee that the Company will be able to develop, or ultimately market, dorzagliatin successfully. Shareholders and potential investors of the Company are advised to exercise due care when dealing in the shares of the Company.

By Order of the Board  
**Dr. Li Chen**  
*Chief Executive Officer and  
Executive Director*

Hong Kong, April 27, 2020

*As of the date of this announcement, the Board of Directors comprises Dr. Li Chen and Mr. George Chien Cheng Lin as executive Directors; Mr. Robert Taylor Nelsen and Dr. Lian Yong Chen as non-executive Directors; and Mr. Walter Teh-ming Kwauk, Mr. William Robert Keller, Mr. Junling Liu and Mr. Yiu Wa Alec Tsui as independent non-executive Directors.*