EVEREST MEDICINES
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Everest Medicines Limited
雲頂新耀有限公司
(incorporated in the Cayman Islands with limited liability)
(Stock Code: 1952)

CONNECTED TRANSACTION PAYMENT OF REFUNDABLE DEPOSIT UNDER A LETTER OF INTENT IN RESPECT OF A POSSIBLE ACQUISITION

The board (the "**Board**") of directors (the "**Directors**") of Everest Medicines Limited (the "**Company**", together with its subsidiaries, the "**Group**") announces that on 17 March 2026, the Company, entered into a letter of intent (the "**Letter of Intent**") with Hasten Biopharmaceuticals (Asia) Limited (the "**Seller**") in relation to the possible acquisition (the "**Possible Acquisition**") of the entire equity interest in Hasten Biopharmaceuticals (SG) Pte. Ltd., a wholly-owned subsidiary of the Seller (the "**Target Company**"). The key terms of the Letter of Intent are set out below.

THE LETTER OF INTENT

Date: 17 March 2026

Parties: (i) the Company

(ii) the Seller

Possible Acquisition

Subject to the satisfaction of the conditions to be described in the Definitive Agreement (as defined below), the Company proposes to acquire from the Seller the entire equity interest in the Target Company.

Deposit

As soon as reasonably practicable after the execution of the Letter of Intent but no later than five business days thereafter or such term otherwise agreed upon by the parties, the Company shall pay to the Seller a refundable deposit of RMB200,000,000 (the "**Refundable Deposit**"). The amount of the Refundable Deposit was determined after arm's length negotiations between the parties after having considered the financial information and the assets of the Target Company, the asset value of the Target Company and the refundable nature of the Refundable Deposit. The Company intends to finance the Refundable Deposit by its internal resources. The Refundable Deposit shall be (i) converted into a part of the consideration the Company shall be obligated to pay under the Possible Acquisition (if it materializes), or (ii) refunded to the Company's designated account, as mutually agreed between the parties.

Due Diligence

From and after the date of the Letter of Intent, the Seller will authorize the Target Company's management to allow the Company and its advisers full access to the Target Company's facilities, records, key employees and advisers for the purpose of completing the Company's due diligence review.

Exclusivity

The Seller agreed that in the six months following the date of the Letter of Intent (the "**Exclusivity Period**"), neither the Seller nor any of its representatives, officers, employees, directors, agents, shareholders, subsidiaries or affiliates (including the Target Company) (collectively, the "**Seller Group**") shall initiate, solicit, entertain, negotiate, accept or discuss, directly or indirectly, any proposal or offer to acquire all or any part of the business and properties, share or share equivalents of the Target Company from any person or group of persons (including members of the Seller Group) other than the Company and its affiliates.

Definitive Agreement

As soon as reasonably practicable after the execution of the Letter of Intent, the parties shall commence to negotiate a definitive transaction agreement including ancillary agreements as applicable (collectively, the "**Definitive Agreement**") relating to the Possible Acquisition. Unless otherwise agreed by the parties, in the event that the Definitive Agreement is not executed by the parties due to the reasons attributed to the Seller on or before the date that is six months following the date of the Letter of Intent (the "**Long Stop Date**"), the Refundable Deposit shall be returned by the Seller to the Company's designated account within five business days following the Long Stop Date, together with interest accrued thereon at the rate of 4.8% per annum (calculated on the basis of a 365-day year from the date of receipt of the Refundable Deposit by the Seller through and including the date of repayment).

REASONS FOR AND BENEFITS OF THE LETTER OF INTENT

The Group, is a biopharmaceutical company focused on developing, manufacturing and commercializing transformative pharmaceutical products and vaccines that address critical unmet medical needs for patients in Asian markets, and has been identifying suitable investment opportunities to acquire Asia-Pacific pharmaceutical business with good prospects and potential for stable returns. The Target Company holds commercial rights for 14 branded chronic disease products across multiple countries and regions in the Asia-Pacific region. The Target Company has built an innovative pan-Asia-Pacific commercialization platform, benefiting tens of millions of chronic disease patients in the region. With a population of approximately 600 million, the Southeast Asia region has significant unmet medical needs and vast market potential in chronic disease management. The Group's product pipeline also focuses on chronic disease therapeutic areas such as CKM (cardiovascular, kidney, and metabolic diseases), demonstrating strong synergies with the Target Company's product portfolio and commercial platform.

Over the past three years, through sustained efforts, the Group has established a leading innovative drug commercialization platform for chronic diseases in China, as evidenced by the robust sales of NEFECON®. The Group also aspires to become a leading innovative drug commercialization platform in the Asia-Pacific region and ultimately a global biopharmaceutical company. Beyond Mainland China, the Group's commercialized products, including NEFECON®, VELSIPITY® and XERAVA®, are receiving new drugs application (NDA) approvals in authorized Asian regions followed by inclusion into the local reimbursement regimes. Through the potential acquisition of the Target Company (if materialized), the Group would not only accelerate the commercialization of existing products in Asian markets, thereby driving rapid growth in overseas sales revenue, but also a significant step forward in its global strategic expansion by extending its commercial footprint across Asia.

Accordingly, the Directors are of the view that the Possible Acquisition will supplement the Group's existing pipelines and further expand its scale of business across the Asia-Pacific region, thereby enhancing returns to the shareholders of the Company. The Directors consider that the Letter of Intent and the payment of the Refundable Deposit will secure the exclusive negotiation rights in relation to the Possible Acquisition during the Exclusivity Period. In view of the above, the Directors (including the independent non-executive Directors) consider that the terms of the Letter of Intent and the transactions contemplated thereunder are fair and reasonable, on normal commercial terms or better, in the ordinary and usual course of business of the Group, and in the interests of the Company and its Shareholders as a whole.

INFORMATION ABOUT THE PARTIES

The Company

The Company is a biopharmaceutical company focused on developing, manufacturing and commercializing transformative pharmaceutical products and vaccines that address critical unmet medical needs for patients in Asian markets. The management team of the Company has deep expertise and an extensive track record from both leading global pharmaceutical companies and local Chinese pharmaceutical companies in high-quality discovery, clinical development, regulatory affairs, CMC, business development, and operations. The Company has built a portfolio of potentially global first-in-class or best-in class molecules in the Company's core therapeutic areas of renal diseases, infectious diseases, autoimmune disorders, ophthalmic diseases and oncology.

The Seller and the Target Company

The Seller is a company incorporated in the Cayman Islands with limited liability and is principally engaged in investment holding.

The Target Company is a company incorporated in Singapore with limited liability and principally engaged in commercialization of prescription pharmaceutical products with strategic focus on chronic diseases and acute/critical care areas, in particular in the cardiovascular and metabolism segments. The Target Company holds the asset rights, including Marketing Authorization Holder (MAH) rights, trademark and broad commercial rights for 14 branded chronic disease products across multiple countries and regions in the Asia-Pacific region.

IMPLICATIONS UNDER THE LISTING RULES

As at the date of this announcement, Mr. Fu Wei and the CBC Group were substantial shareholders of the Company. C-Bridge Healthcare Fund V, L.P. (being a fund with a wide investor base of more than 140 investors as at the date of this announcement) indirectly held a 54.07% interest in the Seller, while C-Bridge Healthcare Fund V, L.P.'s general partner is indirectly controlled by Mr. Fu Wei, and thus the Seller is an associate of Mr. Fu Wei and CBC Group. Accordingly, the Seller is a connected person of the Company and the transactions contemplated under the Letter of Intent constitutes a connected transaction of the Company under Chapter 14A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

As the highest applicable percentage ratio under the Listing Rules in respect of the Letter of Intent exceeds 0.1% but is less than 5%, the Letter of Intent is therefore subject to the reporting and announcement requirements but is exempt from the circular and independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

Mr. Wei Fu, a non-executive Director who has a material interest in the Letter of Intent, abstained from voting on the resolutions of the Board relating to the Letter of Intent. Save as disclosed above, no other Directors have a material interest in the Letter of Intent or were required to abstain from voting on the resolutions of the Board approving the transactions thereunder.

The shareholders and potential investors of the Company should note that neither the Company nor any of its subsidiaries has entered into any definitive agreement or agreed with the Seller on any terms relating to the Possible Acquisition. As the Possible Acquisition may or may not proceed, shareholders and potential investors of the Company are reminded to exercise caution when dealing in the securities of the Company.

If the Possible Acquisition materializes, it will be a connected transaction under Chapter 14A of the Listing Rules and may also constitute a notifiable transaction under Chapter 14 of the Listing Rules. The Company will comply with the relevant requirements under the Listing Rules as and when it requires.

By order of the Board
Everest Medicines Limited
Yifang Wu
Chairman and Executive Director

Hong Kong, 17 March 2026

As at the date of this announcement, the Board comprises Mr. Yifang Wu as Chairman and Executive Director, Mr. Yongqing Luo and Mr. Ian Ying Woo as Executive Directors, Mr. Wei Fu, Mr. William Ki Chul Cho and Mr. Xin Sun as Non-executive Directors, and Ms. Hoi Yam Chui, Mr. Yifan Li and Mr. Shidong Jiang as Independent Non-executive Directors.