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Ascletis Pharma Inc.

歌禮製藥有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1672)

INSIDE INFORMATION

UPDATE ON LEGAL PROCEEDINGS INVOLVING ASC41 AND ASC43F

This announcement is made by Ascletis Pharma Inc. (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the Company’s announcement dated January 2, 2023 in relation to the legal proceedings involving the Group brought by Viking Therapeutics, Inc. (“**Viking**”), a pharmaceutical company in the United States (the “**Announcement**”). On December 29, 2022, Viking filed a complaint (the “**Complaint**”) with the United States International Trade Commission, Washington D.C. (the “**ITC**”), requesting the ITC to ban importation of the Company’s drug candidates ASC41 and ASC43F, made outside the United States (e.g. in China), for clinical development and commercialization in the United States.

On October 4, 2024, the Company received an initial determination from the ITC on the Complaint (the “**Initial Determination**”). The Initial Determination, made by an Administrative Law Judge of the ITC, found a violation of Section 337 of the Tariff Act of 1930 (as amended) in the importation of the Company’s drug candidates ASC41 and ASC43F into the United States. The judge who issued the Initial Determination also recommended to the ITC that it order exclusion of ASC41 and ASC43F, made outside the United States (e.g. in China), to be imported into the United States for seven years (i.e. until 2031), and Viking shall be subject to a reporting requirement for the development activities of its drug candidate VK2809, which means that the importation ban on ASC41 and ASC43F into the United States will be lifted sooner than seven years if Viking ceases to develop VK2809.

As Viking’s Complaint made with the ITC does not include any pecuniary compensation, the Company believes that the Complaint will not have any material adverse effect on the Group. The Company’s current business and operations remain on track.

The Company disagrees with the judge’s Initial Determination and is in the process of reviewing the Initial Determination and discussing with its legal advisors to assess its possible options, including but not limited to petitioning the ITC to review and reverse the Initial Determination.

As of the date of this announcement, the above recommendations made by the judge is under the review of the ITC with a final determination expected to be in approximately four months.

ASC41 is an independently developed oral tablet using the Company's own technologies and targeting thyroid hormone receptor beta (THR β) for the treatment of non-alcoholic steatohepatitis (NASH). ASC43F is an independently developed fixed-dose combination (FDC) oral tablet using the Company's own technologies and with dual targets of THR β and farnesoid X receptor (FXR) for the treatment of NASH. The past importation of ASC41 and ASC43F, made in China, into the United States for the purposes of conducting clinical trials did not pose any threat or effect of injury to Viking since Viking's VK2809 is only a drug candidate at clinical stage and the commercialization of VK2809 is faced with many clinical and regulatory hurdles as well as competition from other NASH drugs such as GLP-1 based drugs.

The Company will make further announcement(s) to update the shareholders of the Company and potential investors on material developments regarding the Complaint as and when appropriate in compliance with the Listing Rules.

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

By order of the Board
Ascletois Pharma Inc.
歌禮製藥有限公司
Jinzi Jason WU
Chairman

Hangzhou, the People's Republic of China
October 7, 2024

As at the date of this announcement, the board of directors of the Company comprises Dr. Jinzi Jason WU and Mrs. Judy Hejingdao WU, as executive Directors; and Dr. Yizhen WEI, Mr. Jiong GU and Ms. Lin HUA, as independent non-executive Directors.