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HUA MEDICINE

華領醫藥

(Incorporated in the Cayman Islands with limited liability)

(stock code: 2552)

VOLUNTARY ANNOUNCEMENT

This is a voluntary announcement made by Hua Medicine (the "**Company**", together with its subsidiaries, the "**Group**") to provide its shareholders and potential investors with information in relation to the latest business update of the Company.

The board (the "**Board**") of directors (the "**Directors**") of the Company is pleased to announce that the first patient has been successfully dosed in the U.S.-based multiple-ascending dose ("**MAD**") Phase Ib trial of our second generation glucokinase activator ("**GKA**") (HMS1005) (formerly known as HM-002-1005). This is a randomized, double-blinded, placebo-controlled study to investigate the safety, tolerability, pharmacokinetic profile and pharmacodynamic effects of multiple ascending doses of HMS1005 in participants with Type 2 diabetes mellitus (T2D) in the United States. In this study, the mechanism and effects of HMS1005 will also be further explored by evaluating PD biomarkers, including glucose, insulin, C-peptide, GLP-1 and glucagon etc. under the fasting and fed conditions and monitoring glucose fluctuation via continuous glucose monitor (CGM).

HMS1005 is a new molecular entity with improved physical-chemical properties. It was designed as an extended-release formulation to allow for once daily administration for added convenience for patients, as well as increasing the duration of the drug in the intestinal organs leading to the enhanced repair of deficient GLP-1 secretion in patients. Previously, the Company successfully completed and announced the results of the single-ascending dose study of HMS1005 in the United States, in which we validated the feasibility of our once-daily oral therapy for T2D patients with obesity.

Upon successful completion of the MAD Phase Ib study, the Company intends to seek partners to develop HMS1005 for the global markets.

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 it will be able to develop, or ultimately market, 2nd Gen GKA successfully. Shareholders and potential investors of the Company are advised to exercise due care when dealing in the shares of the Company.thereby.