



PRESS RELEASE

Biosplice Licenses Development and Commercialization Rights for Lorecivint, a Novel Phase 3 Osteoarthritis Drug Candidate, to Haisco for the People's Republic of China

SAN DIEGO, CHENGDU – September 15, 2021 - Biosplice Therapeutics, Inc. ("Biosplice"), a clinical-stage biotechnology company pioneering therapeutics based on CLK/DYRK kinase modulation for major diseases, and Haisco Pharmaceutical Group Co., Ltd. ("Haisco"), a pharmaceutical company based in the People's Republic of China ("China"), announced the execution of a licensing agreement that grants Haisco the right to develop and exclusively commercialize lorecivint (SM04690) for the treatment of knee osteoarthritis ("OA") and other musculoskeletal conditions in China.

Lorecivint, in development as a potential disease-modifying osteoarthritis drug with durable and meaningful clinical benefit, has the potential to be the first novel drug therapy for osteoarthritis in nearly 20 years. An investigational CLK/DYRK kinase inhibitor that modulates the Wnt pathway, lorecivint is currently being evaluated in Phase 3 trials for the treatment of knee osteoarthritis in the United States. In Phase 2 studies, lorecivint demonstrated significant and long-term improvements in patient-reported outcomes relating to pain and function. Lorecivint also showed structural benefit, as measured by X-ray analysis of medial joint space width, 52 weeks following a single injection in the target knee. Lorecivint has appeared safe and well-tolerated in studies to date.

Erich Horsley, Chief Financial Officer of Biosplice, commented, "China has become one of the most important pharmaceutical markets in the world, and we are pleased to partner with Haisco, an established leader in pain-management, in this important geography. This marks an important next step in our plan to maximize the global potential of lorecivint by partnering with well-established, regional partners in key markets. We look forward to working with Haisco to bring hope to the millions of osteoarthritis patients in China as we launch lorecivint in the coming years."

"Pain management has always been one of the key disease areas of Haisco. China has the largest population of osteoarthritis patients in the world, but the existing treatments are limited in terms of being effective while at the same time being safe," said General Manager of Haisco R&D Center, Dr. Pangke Yan. "Haisco is pleased to cooperate with a world-leading innovative drug company like Biosplice to develop and commercialize this potential first-in-class osteoarthritis drug in China. This collaboration helps to grow Haisco's portfolio and also brings hope to patients who are waiting for new therapies. Haisco will quickly promote lorecivint to the China market with its expertise in development and commercialization built over the past 20 years."

biosplice

Haisco will lead development, regulatory and commercialization activities for lorecivivint in China. Deal terms include \$140 million in aggregate value plus royalties on future sales, including \$20 million in combined upfront payment and early developmental milestones. Shanghai Yafo Capital Asset Management Co., Ltd. advised Biosplice on the transaction.

About Haisco

Haisco Pharmaceutical Group is a China-based public pharmaceutical company dedicated to providing the best medical products in specialized area to patients and our community. With extensive experience, Haisco is capable of developing, manufacturing and commercializing innovative drug products as well as generic drug products with high technical barrier in our focused areas.

About Lorecivivint

Lorecivivint (SM04690) is a small-molecule CLK/DYRK1A inhibitor that modulates Wnt and inflammatory pathways and is in development as a potential disease-modifying osteoarthritis drug. Vehicle-controlled preclinical data suggest that lorecivivint has a dual mechanism of action with three potential effects on joint health: reduction of inflammation, slowing of cartilage breakdown, and generation of cartilage. Additional information on Biosplice's investigational lorecivivint osteoarthritis program can be found here:

<https://www.biosplice.com/clinical-development/detail.aspx?id=20>.

About Biosplice

Biosplice is pioneering first-in-class, small-molecule therapeutics based on CLK/DYRK kinase modulation. Stemming from foundational discoveries in Wnt pathway modulation, Biosplice has elucidated novel biology linking CLK/DYRK kinases to the therapeutic regulation of alternative pre-mRNA splicing, as well as other biological mechanisms with significant therapeutic potential. Alternative splicing is an essential biological process that regulates the diversification of proteins in a cell, which, in turn, determines cell type and function. Biosplice's target class governs the selection of tissue-specific pre-mRNA splice sites, making these kinases attractive, druggable targets within the cellular "command and control" center. Biosplice's drugs in clinical development include lorecivivint for osteoarthritis (in Phase 3), cirtuvivint for numerous cancers, and a broad pipeline that ranges from Alzheimer's disease to other degenerative conditions. Learn more at <https://www.biosplice.com>.

Biosplice Contact:

Erich Horsley
Biosplice Therapeutics, Inc.
erich.horsley@biosplice.com
858-365-0200

Haisco Contact:

Dr. Feng Zhou
Haisco Pharmaceutical Group. Co., Ltd.
zhouf@haisco.com