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**JW (Cayman) Therapeutics Co. Ltd**

**藥明巨諾（開曼）有限公司\***

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

**(Stock Code: 2126)**

**MAJOR TRANSACTION IN RELATION TO  
COLLABORATION AGREEMENT**

The Board of the Company is pleased to announce that the Company has entered into the collaboration agreement dated October 27, 2022 with 2seventy bio, pursuant to which the Company and 2seventy bio have conditionally agreed to establish a strategic alliance for the development and commercialization in Greater China of a cell therapy product directed to MAGE-A4 (including any mutations, fragments, modifications or derivatives of the engineered TCR binding MAGE-A4) for oncology indications, with the possibility of expanding the collaboration to include additional programs and additional products.

Pursuant to the Collaboration Agreement:

- (1) 2seventy bio has conditionally granted the Company and its affiliates certain rights and licenses in patents and know-how controlled by 2seventy bio for the Company and its affiliates to develop, manufacture and commercialize the Product in Greater China;
- (2) the Company has conditionally agreed to pay an upfront payment, and certain milestone and royalty payments to 2seventy bio; and
- (3) the Company will be solely responsible for, and will bear all the costs and expenses of, manufacturing and supplying the Product for development and commercialization in Greater China.

The terms of the Collaboration Agreement are described in greater detail below.

## **IMPLICATIONS UNDER THE LISTING RULES**

As the highest applicable percentage ratio (as defined in the Listing Rules) in respect of the transactions contemplated under the Collaboration Agreement is more than 25% but is less than 100%, the transactions contemplated under the Collaboration Agreement constitutes a major transaction of the Company and is therefore subject to reporting, announcement and Shareholder's approval requirements under Chapter 14 of the Listing Rules.

### **EGM**

An EGM will be convened and held for the Shareholders to consider and, if thought fit, to approve the Collaboration Agreement and the transactions contemplated thereunder. A circular containing, among others, further details of (i) the Collaboration Agreement and the transactions contemplated thereunder; and (ii) a notice convening the EGM, will be despatched to the Shareholders on or before November 17, 2022.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder is required to abstain from voting at the EGM in respect of the resolutions approving the Collaboration Agreement and the transactions contemplated thereunder.

### **WARNING**

**Completion is conditional upon obtaining the approval of the Collaboration Agreement and the transactions contemplated thereunder by the Shareholders at the EGM. Accordingly, the transactions contemplated by the Collaboration Agreement may or may not proceed. Shareholders and investors are therefore advised to exercise caution when dealing in the Shares.**

## **THE COLLABORATION AGREEMENT**

The key terms of the Collaboration Agreement are set out as follows:

### **Date**

October 27, 2022 (before trading hours)

### **Parties**

(i) the Company; and

(ii) 2seventy bio

To the best of the knowledge, information and belief of the Directors and having made all reasonable enquiries, as of the date of this announcement, 2seventy bio and its ultimate beneficial owners are independent of and not connected with the Company or any of its connected persons (as defined in the Listing Rules).

## **Subject Matter**

### ***Collaboration Programs***

During the period commencing upon the Effective Date and continuing until the completion of all development activities to be performed under a development plan, the Company and 2seventy bio will collaborate with respect to the program for the Product, which collaboration may be expanded to include additional programs for additional products from time-to-time as agreed by the Company and 2seventy bio.

### ***Grants of Licenses***

Pursuant to the terms and conditions set forth in the Collaboration Agreement, 2seventy bio has conditionally granted to the Company:

- a non-exclusive license under certain patents and know-how controlled by 2seventy bio for the Company and its affiliates to perform the Company's activities assigned under and in accordance with the development plan of the Product in Greater China; and
- an exclusive license under certain patents and know-how controlled by 2seventy bio for the Company to develop, manufacture, commercialize the Product and any additional products as may be agreed by the Company and 2seventy bio in Greater China. This license is sublicensable to a limited extent as provided in the Collaboration Agreement.

### ***Upfront, Milestone and Royalty Payments***

Within 10 business days from the Effective Date, the Company will make an upfront payment of US\$3 million to 2seventy bio, which is refundable if 2seventy bio exercises its termination right in the event that a territory development plan is not agreed within 30 days following the Effective Date.

The Company will further make various milestone payments to 2seventy bio:

- (i) upon the first occurrence of any of several development milestone events, including initiation of various phases of clinical trial relating to the Product in Greater China and approval of various indications for the Product by a regulatory agency in Greater China; and

- (ii) upon the first occurrence of any of several sales milestone events in a year, in amounts that vary according to the level of annual net sales of the Product.

The amount of sales milestone payments and development milestone payments payable by the Company to 2seventy bio with respect to the development and commercialization of the Product will not in any event exceed US\$70 million in aggregate.

In addition, subject to certain royalty reduction events as described below, the Company will make tiered royalty payments to 2seventy bio on annual net sales of the Product in Greater China, in each case on a quarterly basis, during the royalty term, which is described in greater detail below. The amount of such royalty payments will not in any event exceed 17% of aggregate annual net sales of the Product.

The amount of royalty payments payable by the Company to 2seventy bio may be reduced if (i) the Product is not covered by a valid claim of the patent licensed by 2seventy bio; (ii) on a product-by-product basis, at least one biological product claimed to be biosimilar or interchangeable to the Product is commercially available with respect to a product in Greater China; (iii) if the Company, its affiliates or their respective sublicensees is required to pay any amounts to any third party to acquire rights that is necessary for the Company to develop, manufacture, commercialize or otherwise exploit the Product; and/or (iv) 2seventy bio breaches the Collaboration Agreement and the Company has the right to terminate the Collaboration Agreement in its entirety or with respect to one or more product(s) but nevertheless exercises its rights not to terminate.

### ***Manufacture and Supply of the Product***

The Company will be responsible for, and will bear all the costs and expenses of, manufacturing and supplying the Product and any additional products as may be agreed by the Company and 2seventy bio for development and commercialization in Greater China.

### **Term**

In the event that a territory development plan is not agreed by the Company and 2seventy bio within 30 days following the Effective Date, 2seventy bio may terminate the Collaboration Agreement immediately upon written notice by 2seventy bio to the Company. Otherwise, the Collaboration Agreement will continue in effect until expiration of the last royalty term for the last product in Greater China, after which the license(s) granted by 2seventy bio shall become fully paid-up, perpetual and irrevocable. If 2seventy bio has not received the upfront payment as stipulated in the Collaboration Agreement, the Collaboration Agreement will be deemed to be terminated and null and void in its entirety immediately upon written notice by 2seventy bio to the Company. The Collaboration Agreement may be terminated by the Company in its entirety, or on a product-by-product basis, by serving a termination notice to 2seventy bio at least 90 days in advance, or by either party upon the other party's uncured material breach, insolvency or bankruptcy.

## **Conditions precedent**

The Collaboration Agreement shall become effective upon the Company having obtained the Shareholders' approval at the EGM in relation to the Collaboration Agreement and the transactions contemplated thereunder.

If the Shareholders' approval has not been obtained by December 31, 2022, 2seventy bio shall have the right to terminate the Collaboration Agreement immediately upon written notice to the Company.

## **Royalty term**

The royalty term will begin on the first commercial sale of the Product or any additional products as may be agreed by the Company and 2seventy bio (if applicable) in Greater China and ending upon the last to occur of:

- (a) the expiration of the last-to-expire valid claim of the patents licensed to the Company for the development, manufacturing and commercialization of such product;
- (b) the expiration of the period (i) when the Company or any of its affiliates have been granted the exclusive legal right by a regulatory authority in Greater China to market and sell such product or the active ingredient in such product; or (ii) when the data and information submitted by the Company, its affiliates or their respective sublicensees to the relevant regulatory authority in Greater China for purposes of obtaining regulatory approval for such product may not be disclosed, referenced or relied upon in any way by any person to support a regulatory approval or marketing of such product by a third party in Greater China other than the Company, its affiliates or their respective sublicensees; or
- (c) 12 years after the first commercial sale of such product in Greater China.

## **Non-compete**

Pursuant to the Collaboration Agreement, each of the Company and 2seventy bio shall not, directly or indirectly, conduct any activity develop, manufacture or commercialize any competing products against the Product in Greater China.

## **Basis of Consideration**

The amount of the upfront payment, the amount of the milestone payments and the percentage amounts of the royalty payments due from the Company to 2seventy bio were negotiated on an arm's length basis between all parties and have taken into account various factors, including but not limited to the future prospects for the development and

commercialization of the Product in Greater China based on addressable patient population, unmet medical needs, expected demand for the Product and other reasons for and benefits of the transaction as set out in the paragraph headed “Reasons for entering into the Collaboration Agreement”.

## **INFORMATION ABOUT THE PARTIES**

### **The Company**

The Company is an independent and innovative biotechnology company focusing on the developing, manufacturing and commercializing cell immunotherapy products. Founded in 2016, the Company is committed to becoming an innovation leader in cell immunotherapy. The Company has built a top world-class platform for technology and product development in cell immunotherapy, as well as a promising product pipeline covering both hematologic malignancies and solid tumors, to bring hope of cure for Chinese and global patients, and to lead the healthy and standardized development of China’s cell immunotherapy industry. For more information, please visit [www.jwtherapeutics.com](http://www.jwtherapeutics.com).

### **2seventy bio**

2seventy bio is a cell and gene therapy company which is engaged in the research, development, and commercialization of transformative treatments for cancer, with a goal to truly disrupt the cancer treatment landscape. Its approach combines its expertise in T cell engineering technology and lentiviral vector gene delivery approaches, experience in research, development, and manufacturing of cell therapies and a suite of technologies that can be selectively deployed to develop highly innovative, next generation targeted cellular therapies for patients with cancer. 2seventy bio’s lead product, ABECMA, is the first CAR T cell therapy approved by the U.S. Food and Drug Administration for the treatment of multiple myeloma.

To the best of the knowledge, information and belief of the Directors and having made all reasonable enquiries, as of the date of this announcement, 2seventy bio and its ultimate beneficial owners are independent of and not connected with the Company or any of its connected persons (as defined in the Listing Rules).

## **REASONS FOR ENTERING INTO THE COLLABORATION AGREEMENT**

The Directors are of the view that the Collaboration Agreement between the Company and 2seventy bio will further leverage the Company’s world-class integrated capabilities including translational research and clinical development and its extensive understanding of the unmet clinical needs of the population and accelerate the development of more cell immunotherapy products with breakthrough therapeutic value to serve more patients with

cancer in China and potentially worldwide. By obtaining licenses under 2seventy bio's interest in, or 2seventy bio's license rights to, certain patent rights and know-how, the Company can leverage its knowledge and expertise in process development, analytical development, clinical development and commercialization in conjunction with 2seventy bio's technologies to develop novel TCR-T cell therapy products targeting MAGE-A4 with enhanced T cell function and improved efficacy.

For the Company to continue to execute on its business strategy to leverage from its trusted, reputable partners, it is critical that the Company be able to take advantage of opportunities to collaborate with market participants that have an established track record in the cell therapy industry, such as 2seventy bio.

The Board is of the view that the transactions contemplated under the Collaboration Agreement are conducted in the ordinary and usual course of business of the Company and on normal commercial terms, and the terms of the Collaboration Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **IMPLICATIONS UNDER THE LISTING RULES**

As the highest applicable percentage ratio (as defined in the Listing Rules) in respect of the transactions contemplated under the Collaboration Agreement is more than 25% but is less than 100%, the transactions contemplated under the Collaboration Agreement constitutes a major transaction of the Company and is therefore subject to reporting, announcement and Shareholder's approval requirements under Chapter 14 of the Listing Rules.

## **EGM AND CLOSURE OF THE REGISTER OF MEMBERS**

An EGM will be convened and held on December 2, 2022 for the Shareholders to consider and, if thought fit, to approve the Collaboration Agreement and the transactions contemplated thereunder. A notice convening the EGM is expected to be published and dispatched to the Shareholders in due course in accordance with the requirements of the Listing Rules.

The register of members of the Company will be closed from November 29, 2022 to December 2, 2022, both days inclusive, in order to determine the identity of the Shareholders who are entitled to attend the EGM, during which period no share transfers will be registered. To be eligible to attend the EGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on November 28, 2022.



To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder is required to abstain from voting at the EGM in respect of the resolutions approving the Collaboration Agreement and the transactions contemplated thereunder.

A circular containing, among others, further details of (i) the Collaboration Agreement and the transactions contemplated thereunder; and (ii) a notice convening the EGM, will be despatched to the Shareholders on or before November 17, 2022.

**Cautionary Statement required by Rule 18A.05 of the Listing Rules:** The Company cannot guarantee that it will be able to develop, or ultimately market the Product successfully. Shareholders and potential investors of the Company are advised to exercise due care when dealing in the shares of the Company.

## DEFINITIONS

In this announcement, unless otherwise defined, the following expressions have the meanings set out below:

“2seventy bio”	2seventy bio, Inc., a biotechnology company incorporated in Delaware, the U.S. on April 26, 2021 and whose shares are listed on the National Association of Securities Dealers Automated Quotations capital market (NASDAQ: TSVT)
“Board”	the board of Directors of the Company
“Collaboration Agreement”	the collaboration agreement dated October 27, 2022 entered into between the Company and 2seventy bio in relation to, among other things, the research, development, manufacture and commercialization of the Product and any additional products as may be agreed by the Company and 2seventy bio from time-to-time
“Company”	JW (Cayman) Therapeutics Co. Ltd, an exempted company with limited liability incorporated in the Cayman Islands on September 6, 2017
“Director(s)”	the directors of the Company



“Effective Date”	the date when the Company obtains the requisite approval from the Shareholders in respect of the transactions contemplated under the Collaboration Agreement pursuant to the Listing Rules
“EGM”	the extraordinary general meeting of the Company to be convened and held for the purpose of considering the transactions contemplated under the Collaboration Agreement
“Greater China”	the People’s Republic of China, which for purposes of the Collaboration Agreement consists of mainland China, Hong Kong and Macau but excludes Taiwan
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Macau”	the Macau Special Administrative Region of the People’s Republic of China
“Product”	the specific cell therapy product directed to MAGE-A4 (including any mutations, fragments, modifications or derivatives of the engineered TCR binding MAGE-A4) developed using the intellectual properties of 2seventy bio licensed to the Company under the Collaboration Agreement
“Shareholder(s)”	holder(s) of the Shares
“Shares”	ordinary share(s) in the share capital of the Company with a par value of US\$0.0001 each
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“TCR”	T-cell receptor
“U.S.”	the United States of America
“US\$”	United States dollar, the lawful currency of the United States of America

By order of the Board  
**JW (Cayman) Therapeutics Co. Ltd**  
藥明巨諾（開曼）有限公司\*  
**Yiping James Li**  
*Chairman*

Shanghai, PRC, October 27, 2022

*As at the date of this announcement, the Board of Directors of the Company comprises Dr. Yiping James Li as Chairman and executive Director, Dr. Krishnan Viswanadhan, Ms. Xing Gao, Dr. Ann Li Lee, Mr. Jinyin Wang, Dr. Cheng Liu as non-executive Directors, and Mr. Chi Shing Li, Mr. Yiu Leung Andy Cheung, Mr. Kin Cheong Kelvin Ho as independent non-executive Directors.*

\* *For identification purpose only*