NewCo for Knee Osteoarthritis

2025. 08.

Investing Opportunity : Asset for Osteoarthritis

Highlights

- **NewCo for Knee Osteoarthritis(OA)** : currently Phase 3 dosing completed in the US
- **Opportunity to acquire OA Asset from Licensor**
- Start with **US phase Ⅲ OA asset** in the territory of "China, Taiwan, HK & Macau"
- Long-term plan to be **OA global player** after expanding to Korea, Japan, US, SEA via acquisitions

Why through NewCo?

(1) **Vehicle for acquiring the right of "the Greater China" before US approval** : Acquiring the right of the Greater China Region before US approval with tranche-based fund usage plans.

(2) **Investment Opportunities for Global investors** : with higher value and global scale-up structure compared with LO to Chinese major pharmas

(3) **Clear investor exit options via IPO(HKEx, Nasdaq or Kosdaq) or M&A** : HKEx, Nasdaq or Kosdaq or to be acquired by major pharmas or PE funds.

Why NOW?

(1) **Right Timing** : Secure rights before OA Asset valuation surges and competition becomes severe after US commercialization approval

(2) **Original Developer's Financial Strain** : Expected the Original Developer's current financial pressure allows more favorable deal terms

(3) **Arvelle Precedent** : XCOPRI of SK Biopharm was licensed by Arvelle 9 months before US approval, capturing value early.

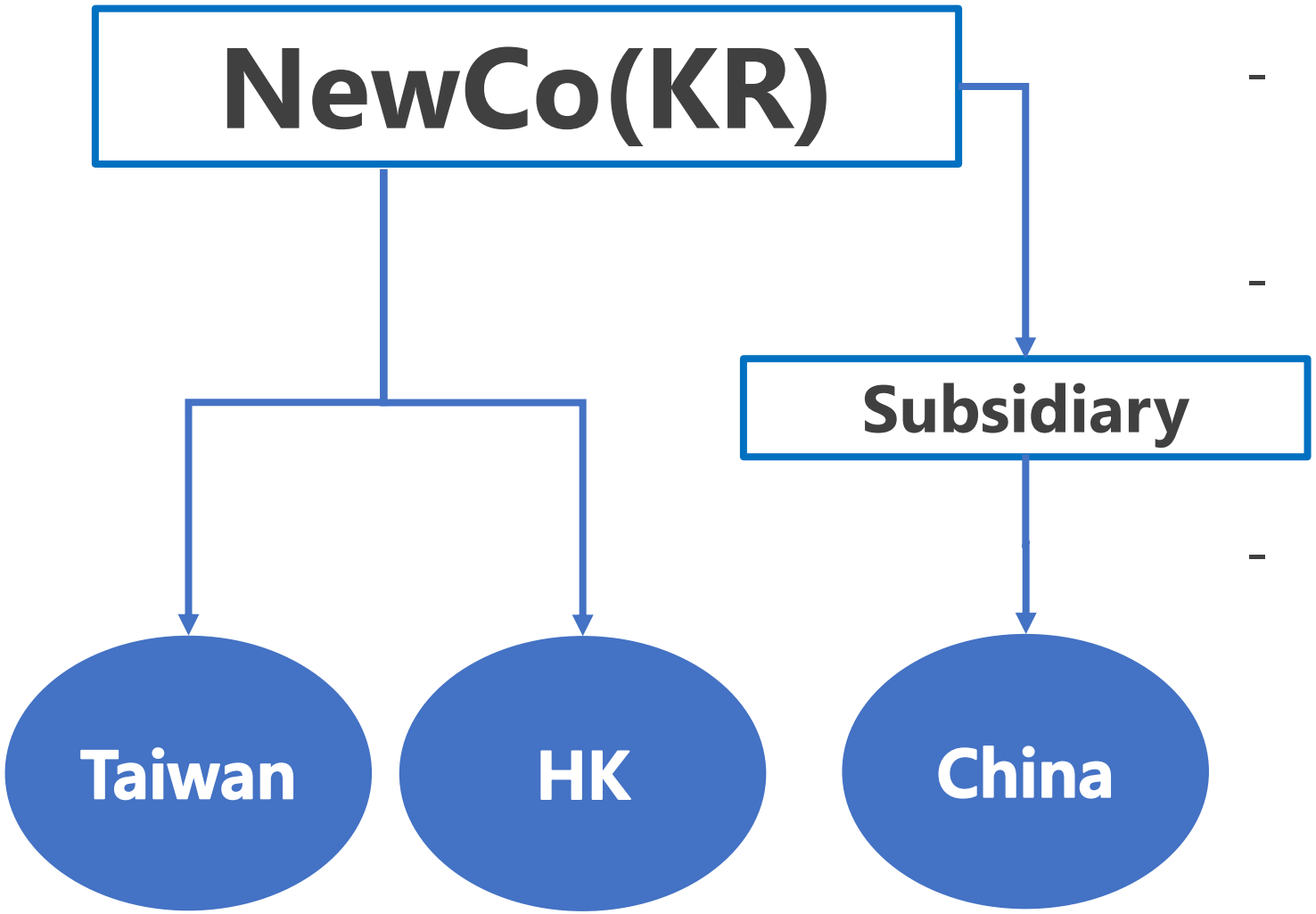
Why in Korea, as place of NewCo?

(1) **Neutral place for acquisition of potential US right and other regions** : Less resistance to securing US right & other regions compared to NewCo in China

(2) **Friendly capital flow and cross-border investment for global investors** : friendly cross-border fundraising from Global investors and friendly capital flow when Exit compared to NewCo in China

(3) **Better place for hiring current Key research & clinical professionals and global integrated control** : Continuous research & clinical personnel and integrated control of global manufacturing & commercial strategies

Structure of NewCo



- **Early market entry : HK & TW**
- **Faster regulatory approval with overseas data acceptance.**
- **Accelerates revenue, builds clinical track record, and de-risks China strategy.**
- **Early revenues in HK/Taiwan strengthen credibility and support China regulatory and commercial strategy**

Risks of NewCo

(1) **Reliance on US FDA approval and Regulatory uncertainty in China, Taiwan, HK** : US failure or delay undermines the entire regional strategy and unexpected bridging trial demands or new requirements.

(2) **Further funding risk before final commercialization and manufacturing and operational risk** : large capital needed before commercial validation in China and manufacturing and operational risk in China

(3) **Commercial success risk** : pricing for Chinese patients, reimbursement, and market access even after final approval in China

De-Risking Strategies

(1) **Reliance on US FDA Approval and Regulatory uncertainty in China, Taiwan, HK** : Structuring milestone-based In-Licensing tied to US approval when In-Licensing from Licensor and tranche-based expenditure

(2) **Further funding risk before final commercialization and manufacturing and operational risk** : Earlier revenue streams in Taiwan & HK and securing further funding from other global investors after US approval

(3) **Commercial success risk** : Validating early market feasibility through strong partnership with local partners including China

De-Risking Strategies – Worst-case Scenario

(4) Independent China Regulatory Pathway : Proceeding with independent clinical development and regulatory approval for this OA Asset in China, with available data

Product Name	Developer (Country)	Indication	China	US	Korea	Notes
Gendicine (p53 gene therapy)	Shenzhen SiBiono (CN)	Head and neck cancer (gene therapy)	O	X	X	World's first gene therapy (ATMP), approved only in China
Conbercept (Lumitin)	Chengdu Kanghong (CN)	Wet AMD (nAMD)	O	X	X	VEGF inhibitor, priced lower than Eylea in China
Rivoceranib	HLB(KR)	1st-line HCC (combo w/ camrelizumab)	O	X	X	First-line HCC combo approved in China, developed by Korean company

* Several cases of China standalone approval : Approvals in China based on domestic trials with several precedents supported by global data

Business Plans for NewCo

- **1st Stage : Securing In-Licensing Agreement before US Approval**
- Completing In-Licensing agreement with the Original Developer with minimal upfront
- Initiating RA/Clinical procedures in China
- Recruiting the original experts in Research/RA/Manufacturing in Korea & China

- **2nd Stage : After US Approval**
- Regulatory Approval and revenue generation in HK & Taiwan
- Completion of Clinical trial and RA approval in China
- Potential Manufacturing facility preparation in Korea(by acquisition with further funding) & China(Setting up after site selection)

Thank You!