

1 July 2022

ReNeuron Group plc
("ReNeuron" or the "Company")

Update on the Technology Transfer and Supply Agreement with Fosun Pharma

ReNeuron has negotiated a Supplemental Terms Agreement with potential to generate revenue of up to £6m

ReNeuron Group plc (AIM: RENE), a UK-based leader in Stem Cell and Exosomes Technologies, is pleased to announce that it has negotiated and signed a Supplemental Terms Agreement with **Shanghai Fosun Pharmaceutical (Group) Co., Ltd. ("Fosun Pharma"; stock code: 600196. SH, 02196. HK)** which has the potential to generate revenues of up to £6m for the Company.

ReNeuron out-licensed its stroke disability programme to Fosun Pharma in April 2019 and following this, in January 2022 announced it had signed an additional technology transfer and supply agreement contingent upon supplemental terms being negotiated.

The signing of this Supplemental Terms Agreement underscores Fosun Pharma's continued commitment to the CTX stroke disability programme. As a result the Company expects to receive approximately £1m over the next 24 months (including the £320k upfront payment already received in January 2022) in relation to the initial supply of CTX cell bank vials and services provided to undertake the technology transfer, with up to a further £5m receivable by the Company over the medium to longer term for the continued provision of CTX cell bank vials to enable manufacture by Fosun Pharma.

Fosun Pharma is expanding its cell therapy portfolio to stem cell platforms and ReNeuron CTX is one of the starting programmes. A dedicated Fosun Pharma team is being established for the technology transfer into China and the construction of a 20,000 square foot GMP facility in the Pudong District of Shanghai to manufacture CTX is underway, with the aim of completing construction by Q1 2023.

Ningshu Liu, co-CSO of Fosun Pharma, commented: *"We are excited about the technical transfer and supply agreement with ReNeuron, which will not only enable later stage clinical and commercial use of CTX in Greater China, but also facilitate further exploration of additional clinical utilities of CTX to address some of the greatest gaps in neurological disease treatments using our translational framework."*

Catherine Isted, Chief Financial Officer of ReNeuron, commented: *"The extent of the resources Fosun Pharma are putting behind this project highlights their commitment to progressing the CTX stroke disability programme in Greater China. We are delighted to have secured this agreement and look forward to working together with Fosun Pharma to take this programme forward over the longer term."*

Iain Ross, Chairman of ReNeuron, added: *"This is an important milestone for ReNeuron as we not only look to build our Exosome and iPSC technology platforms, but also, by negotiating agreements such as this, the team has demonstrated that we can monetise the assets and expert capabilities built up over a number of years."*

ENDS

This announcement contains inside information. The person responsible for arranging for the release of this announcement on behalf of the Company is Catherine Isted, Chief Financial Officer.

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About ReNeuron

ReNeuron is a UK based Proprietary Stem Cell based Exosome Technologies company, harnessing its unique stem cell technologies to develop 'off the shelf' treatments for diseases with significant unmet needs.

ReNeuron's stem cell derived proprietary Exosome Technology platform offers a delivery mechanism for a variety of payloads such as siRNA, mRNA, proteins, small molecules and genes. The Company has a growing number of partner collaborations with Global Pharma, Biotech and academic partners in this fast-expanding area of scientific and commercial interest. ReNeuron also has the ability, through its conditionally immortalised induced pluripotent stem cell (iPSC) platform, to make allogeneic tissue cells of choice and has the potential to produce exosomes with tissue specific targeting ability.

The Company has out-licenced its CTX Programme for stroke disability and hRPC programme in retinitis pigmentosa to Fosun Pharma in China and is looking to out-licence both these programmes in other territories.

ReNeuron's shares are traded on the London AIM market under the symbol RENE.L. For further information visit www.reneuron.com

About Fosun Pharma

Founded in 1994, Shanghai Fosun Pharmaceutical (Group) Co., Ltd. ("Fosun Pharma"; stock code: 600196. SH, 02196. HK) is a global innovation-driven pharmaceutical and healthcare industry group deep-rooted in China. Fosun Pharma directly operates businesses including pharmaceutical manufacturing, medical devices, medical diagnosis, and healthcare services. As a shareholder of Sinopharm Co., Ltd., Fosun Pharma expands its areas in the pharmaceutical distribution and retail business.

Fosun Pharma is patient-centred and clinical needs-oriented. The company enriches its innovative product pipeline through diversified and multi-level cooperation models such as independent research and development, cooperative development, license-in, and in-depth incubation. Fosun Pharma has formed technological platforms for innovative small molecule drugs, antibody drugs, and cell therapy with a focus on key disease areas including oncology and immunomodulation, metabolism and the digestive system, and the central nervous system. Fosun Pharma also vigorously explores cutting-edge technologies, such as RNA, oncolytic viruses, gene therapy and PROTAC, to enhance its innovation capabilities.

Guided by the 4IN strategy (Innovation, Internationalization, Integration, and Intelligentization), Fosun Pharma will uphold the development model of "innovation transformation, integrated operation, and steady growth", with the

mission of creating shareholder value as well as promoting the global networks through strengthening its innovative R&D and in-licensing ability and enriching its product pipelines. Fosun Pharma will actively promote the digital and physical business layout in the pharmaceutical and healthcare industry and is committed to becoming a first-class enterprise in the global mainstream medical and health market.

For more information, please visit our official website: www.fosunpharma.com

About ReNeuron's CTX cell therapy candidate for stroke disability

ReNeuron's CTX stem cell therapy candidate for stroke disability consists of neural stem cells which have been generated using the Company's proprietary cell expansion and cell selection technologies and then scaled up and manufactured under Good Manufacturing Practice (GMP) conditions. As such, CTX is a cryopreserved, clinical and commercial-grade cell therapy product capable of being provided at the time of use to patients at geographically diverse trial sites.

CTX has been shown to be safe and well-tolerated in an initial UK clinical trial (PISCES I) in eleven disabled stroke patients who were followed up for at least two years post-treatment. The data from this study were published in *The Lancet*¹. A subsequent single arm UK Phase II study (PISCES II) showed clinically relevant improvements on key measures of disability and dependency out to 12 months post-treatment against a stable baseline level of disability in the 23 patients treated.

A larger, randomised, placebo controlled clinical trial (PISCES III) commenced in the US but was put on hold due to COVID-19 and then subsequently closed to enrolment. PISCES III was designed to show a significant difference in the proportion of patients with at least a one-point improvement on mRS in a group receiving CTX stem cells compared to a group receiving a sham-surgery procedure.

If ultimately shown to be safe and effective in larger, controlled clinical studies, CTX would therefore offer a ground-breaking new treatment option for stroke survivors. The therapy offers the potential for a degree of recovery of function in disabled stroke patients, resulting in greater independence and quality of life for these patients and reduced reliance on health and social care systems.

¹D.Kalladka, J.D.Sinden, K.Pollock, C.Haig, J.McLean, W.Smith, A.McConnachie, C.Santosh, P.M.Bath, L.Dunn, K.W.Muir. 2016. Human neural stem cells in patients with chronic ischaemic stroke (PISCES): a phase 1, first-in-man study. *Lancet*. 2016 Aug 20;388(10046):787-96