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**Press release**

# QuiaPEG signs option deal with Chengdu Shengnuo Biopharm Co

**QuiaPEG Pharmaceuticals Holding AB (publ) ("QuiaPEG"), which develops improved versions of clinically validated or already approved drugs, today announced it signed an agreement with the Chinese pharmaceutical company Chengdu Shengnuo Biopharm Co., Ltd (”SNBio”), which pays $200,000 (approx. 2 MSEK) in exchange for being able to evaluate for a limited time a proprietary drug together with one of QuiaPEG's releasable activated PEGs from the technology platform Uni-Qleaver®.**

The business settlement consists of two parts. The first part is an option agreement through which SNBio obtains a research license to evaluate a specific releasable activated PEG in pre-clinical trials for a limited period. The agreement relates to one of SNBio's proprietary pharmaceutical substances.

After the option period, SNBio has the opportunity to enter into negotiations regarding an exclusive commercial license for China for the use of QuiaPEG's technology platform Uni-Qleaver® together with the specific drug substance. The option agreement stipulates that such commercial license should contain customary terms such as upfront payment, milestone payments and royalties.

The second part of the agreement means that in the autumn of 2020, QuiaPEG will buy a larger quantity of liraglutide manufactured by SNBio in accordance with current Good Manufacturing Practice (cGMP) for its own pharmaceutical project QPG-1029. The purchase will be made at a very advantageous price, and the amount will be sufficient to complete the remaining pre-clinical trials and to conduct the first clinical trial, i e as far as QuiaPEG intends to pursue QPG-1029 before the project is outlicensed. The negotiated price represents a significant cost saving for QuiaPEG.

“*It is gratifying that QuiaPEG has now signed an option agreement for the Chinese market, which confirms the interest in the technology platform Uni-Qleaver® and the commercial potential. That we also managed to negotiate favorable conditions for the purchase of cGMP-produced liraglutide is just the icing on the cake,*” said Marcus Bosson, CEO of QuiaPEG.

*"We are looking forward to evaluating a releasable activated PEG from the Uni-Qleaver® library together with our proprietary drug, given the positive results from QuiaPEG´s earlier Proof-of-Concept study"*, says Dr. Yongjun Wen, President and founder of SNBio.

For QuiaPEG, the development program with QPG-1029 continues. Following the positive outcome of the Proof-of-Concept study earlier this year, further pharmacokinetic studies have been initiated. Toxicology and safety studies are planned to be completed before the clinical program can begin. In parallel, development of production process and formulation and stability studies continue.

Liraglutide is an approved drug with annual sales of approximately $4 billion, and the basic patent expires in 2022. Liraglutide was developed by Novo Nordisk and is sold under the Victoza and Saxenda brands within type 2 diabetes and obesity.

More than half a billion individuals globally are affected by diabetes, most of whom have type 2 diabetes. The market for diabetes drugs was estimated at $31 billion in 2015 (GlobalData), and the annual growth is estimated to be around 6.5 percent by 2025.

**For more information, please contact:**
Marcus Bosson, CEO of QuiaPEG
Tel: +46-70-693 1253
Email: marcus.bosson@quiapeg.com

*This information is such that QuiaPEG Pharmaceuticals Holding AB (publ) is required to publish under the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, on May 18, 2020.*

**About QuiaPEG**
QuiaPEG Pharmaceuticals Holding AB (publ) is a drug development company based on a patented drug delivery platform, Uni-Qleaver®. The company develops improved and patentable forms of drugs under development or which have already been approved by pharmaceutical authorities. These refined and better forms of pharmaceuticals are based on the company's unique and patented technology platform. The company is listed on Spotlight (ticker: QUIA). For more information, please visit www.quiapeg.com.

**About Chengdu Shengnuo Biopharm Co., Ltd**
The company was founded in Chengdu, China, in 2001 with the goal of producing peptides for research and clinical studies for the domestic market. Shengnuo has a dominant position in the Chinese peptide drug market. The company has more than 300 employees and established in 2013 the subsidiary Shengnuo Peptide USA, Inc. which offers contract manufacturing of peptides for the global pharmaceutical market. www.snbiopharm.com.