

27 January 2021

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

China licencing agreement with Citrine Medicine for Alkindi®

Diurnal partners with China-based rare disease therapeutics company

Total up-front payment and future milestones of up to \$13.25 million, with double-digit royalties on sales

Diurnal Group plc (AIM: DNL), the specialty pharmaceutical company targeting patient needs in chronic endocrine (hormonal) diseases, announces that it has entered into an exclusive licence agreement for its product, Alkindi® (hydrocortisone granules in capsules for opening), with the specialty pharmaceutical company, Citrine Medicine, Inc. ("Citrine") covering China, Hong Kong, Taiwan and Macau.

Under the terms of the licence agreement, Diurnal will receive a non-refundable upfront payment of \$0.5 million and will receive \$12.75m in additional cash payments upon achievement of certain regulatory milestones and sales milestones based on annual sales thresholds. Diurnal will receive tiered royalties on sales ranging from low to mid double-digits.

Citrine is a therapeutics platform company focused on the Greater China market that was co-founded by Vivo Capital, F-Prime Capital and Eight Roads Ventures. Citrine is focused on creating a therapeutic platform to deliver rare disease drugs to the Chinese market and to develop the first ever rare disease ecosystem in the country.

Citrine will be responsible for obtaining registration for Alkindi® as a treatment for paediatric patients in China and for all commercialisation activities, including pricing and reimbursement. Citrine will initially utilise product from Diurnal's European supply chain, with an option to establish its own supply chain in China in the future. It is estimated that congenital adrenal hyperplasia (CAH) occurs in 1 in 6,084 births in China¹. CAH is a group of genetic conditions that limit hormone production in the adrenal glands and was identified as a rare disease by the Chinese health authorities in May 2018.

Martin Whitaker, CEO of Diurnal, commented:

"With the increased focus from the Chinese health authorities on rare diseases in the past few years, we are delighted to have identified Citrine as a partner for Alkindi® in China. We have been impressed by Citrine's vision for the creation of a rare disease platform in China and the local development, regulatory and commercialisation expertise they are able to bring to the programme. We believe they are well positioned to maximise the value of Alkindi® in this key market. If approved, Alkindi® will provide a major breakthrough in China as the only licensed treatment specifically designed for use in children with CAH, where there is a significant unmet patient need."

Melissa Bradford-Klug, Chief Business Officer of Citrine, commented:

"There are currently no drugs approved in China to treat pediatric patients with CAH, a disease of high unmet need. We are very excited about this partnership as it opens a path for us to bring an important new medicine to patients who need it and demonstrates the strong potential for cross-border collaborations to benefit patients with rare diseases worldwide. We look forward to continuing to work with biopharma companies across the US and Europe to bring additional rare disease medicines to China."

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) 596/2014 (MAR).

¹ Zhong, K. et al. (2016) 'The status of neonatal screening in China, 2013', Journal of Medical Screening, 23(2), pp. 59–61. doi: 10.1177/0969141315597715.



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Notes to Editors

About Alkindi® (hydrocortisone granules in capsules for opening)

Alkindi® is the first preparation of hydrocortisone specifically designed for use in children suffering from paediatric adrenal insufficiency (AI), including congenital adrenal hyperplasia (CAH). Alkindi® is a patented, oral, immediate-release paediatric formulation of hydrocortisone granules in capsules for opening that allows for accurate age-appropriate dosing in children. This therapeutic approach has the potential to help young patients less than eighteen years of age suffering from diseases due to cortisol deficiency including paediatric AI and CAH. AI requires life-long treatment and Diurnal's novel approach to product development has the potential to significantly improve these young patients' lives. The European Commission has granted a paediatric use marketing authorisation (PUMA) for Alkindi® as replacement therapy of AI in infants, children and adolescents (from birth to <18 years old) in Europe. Alkindi® is approved and known as Alkindi® Sprinkle in the US where it is licensed and marketed by Eton Pharmaceuticals. Alkindi® is also approved in Israel and Australia.

About Congenital Adrenal Hyperplasia in Children

Congenital adrenal hyperplasia (CAH) is an orphan condition caused by deficiency of adrenal enzymes, most commonly 21-hydroxylase. This enzyme is required to produce the adrenal steroid hormone, cortisol. The block in the cortisol production pathway causes the over-production of male steroid hormones (androgens), which are precursors to cortisol. The condition is congenital (inherited at birth) and affects both sexes. In children, the cortisol deficiency and over-production of male sex hormones can lead to increased mortality, issues during sexual development including ambiguous genitalia, premature (precocious) sexual development and short stature. Sufferers, even if treated, remain at risk of death through an adrenal crisis if they do not have adequate cortisol replacement.

About Diurnal Group plc

Founded in 2004, Diurnal is a UK-headquartered, European specialty pharma company developing hormone therapeutics for the global market for the life-long treatment of chronic endocrine conditions, including congenital adrenal hyperplasia, adrenal insufficiency and hypogonadism. Its expertise and innovative research activities focus on circadian-based endocrinology to yield novel product candidates in the rare and chronic endocrine disease arena.

For further information about Diurnal, please visit www.diurnal.co.uk

About Citrine Medicine

Citrine Medicine is dedicated to improving the lives of patients with rare and intractable diseases by making diagnosis and essential treatments available and accessible to those who need them in China. Their mission is to build the first rare disease ecosystem in China and in doing so, enable people with rare diseases to live more normal lives. In addition to developing and marketing rare disease drugs, Citrine aims to establish a patient-centric platform which educates people on rare diseases, trains doctors on diagnosis and treatment, and helps doctors develop a full disease management protocol. Citrine is headquartered in Shanghai and has offices in Beijing, China and Cambridge, Mass, US.



For further information about Citrine Medicine, please visit www.citrinemed.com

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