

THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

ACTION REQUEST

Subject: Research Agreement between the University of Michigan and Ascentage Pharma Group Corporation, Ltd.

Action Requested: Authorization to amend an Agreement

Preamble:

A statutory conflict of interest situation was identified by the Office of Research and Sponsored Projects while reviewing the Proposal Approval Form which then triggered a review by the Medical School Conflict of Interest Board. A plan for management of the possible risks associated with the conflict of interest was then developed and approved by the Board and agreed to by the parties involved.

This proposed research agreement (“Agreement”) falls under the State of Michigan Conflict of Interest Statute because Professor Shaomeng Wang is an employee of the University of Michigan (“University”), and a partial owner of Ascentage Pharma Group Corporation, Ltd. (“Ascentage”). The law permits such an Agreement provided it is disclosed to the Board of Regents (“Regents”) of the University of Michigan and approved in advance by a 2/3 vote.

Background:

Shaomeng Wang, PhD, a Professor in the Department of Internal Medicine – Hematology/Oncology, is a partial owner of a for-profit company called Ascentage (the “Company”). The Company wishes to amend a research agreement previously approved by the Regents on December 7, 2017 to include the project entitled, “Design and development of new anticancer drugs” (ORSP #21-PAF01974) in the Department of Internal Medicine – Hematology/Oncology under the direction of Dr. Haibin Zhou. The purpose of this amendment is to add funds to continue supporting further optimization and testing of potent small molecule inhibitors for several targets to select one or more compounds suitable for clinical development and identification and validation of potential biomarkers for clinical trials.

Agreement Terms:

The terms of the Amendment conform to University policy. The period of performance for the project is extended to September 17, 2023. The amount of funding support will be increased by \$3,518,439 and will not exceed \$6,936,766 total. Since research projects are often amended, this agreement includes a provision for changes in time and scope. University procedures for approval of these changes will be followed and additional conflict of interest review will be done as appropriate.

Impact of the Agreement:

The amended Agreement will provide continued support of an effort by Dr. Zhou to use his expertise and University laboratory, as well as other University resources, to design, synthesize, and evaluate novel small-molecules inhibitors as new anticancer agents.

Recommendations:

This matter has been reviewed and approved by the Medical School Conflict of Interest Board. In light of this disclosure and our finding that the Agreement was negotiated in conformance with standard University practices, I recommend that the Board of Regents approve the University's amending this Agreement with Ascentage Pharma Group Corporation, Ltd.

Respectfully submitted,



Rebecca Cunningham  
Vice President for Research

December 2020