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Ocumention Therapeutics
歐康維視生物

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1477)

ANNOUNCEMENT

**ACQUISITION OF 100% EQUITY INTEREST IN SUZHOU XIAXIANG
AND
CHANGE IN USE OF PROCEEDS FROM THE LISTING**

Reference is made to the prospectus issued by Ocumention Therapeutics (the “**Company**”) dated June 29, 2020 (the “**Prospectus**”) in relation to the listing of shares of the Company (the “**Listing**”) on the Main Board of the Stock Exchange. Unless otherwise defined, capitalized terms used in this announcement shall have the same meanings as those defined in the Prospectus.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company hereby announces that, on September 11, 2020, the Board resolved and approved, among others: (i) the acquisition of 100% equity interest in Suzhou Xiaxiang; and (ii) the change in use of proceeds from the Listing.

ACQUISITION OF 100% EQUITY INTEREST IN SUZHOU XIAXIANG

Information of the Acquisition

The Board is pleased to announce that Ocumention Suzhou Biotech Co., Ltd. (蘇州歐康維視生物科技有限公司) (“**Ocumention Suzhou**”), an indirect wholly-owned subsidiary of the Company, entered into an equity transfer agreement on September 11, 2020 (the “**Equity Transfer Agreement**”) with Suzhou Wuzhong Asset Management Co., Ltd. (蘇州市吳中資產經營管理有限公司) (the “**Vendor**”), whereby Ocumention Suzhou agreed to acquire 100% equity interest in Suzhou Xiaxiang Biomedicine Co., Ltd. (蘇州夏翔生物醫藥有限公司) (“**Suzhou Xiaxiang**”) from the Vendor for a total consideration of approximately RMB36 million (the “**Acquisition**”). Upon completion of the Acquisition, Suzhou Xiaxiang will become an indirect wholly owned subsidiary of the Company.

As previously disclosed in the Prospectus, pursuant to a cooperation agreement between the Group and Suzhou Wuzhong Economic and Technological Development Zone Management Committee (蘇州吳中經濟技術開發區管理委員會), Suzhou Xiaxiang will construct manufacturing facilities for the Group in Suzhou according to the Group’s instructions to meet the Group’s future needs, while Ocumention Suzhou is obligated to acquire 100% equity interest in Suzhou Xiaxiang on the condition that, among others, relevant completion procedures of construction have been completed and the property ownership certificates for the manufacturing facilities to be constructed by Suzhou Xiaxiang have been obtained.

As of the date of this announcement, Suzhou Xiaxiang has obtained the land use right and the construction permit for constructing the manufacturing facilities. As a result of the Equity Transfer Agreement, the acquisition of 100% equity interest in Suzhou Xiaxiang will be conducted ahead of the schedule as previously agreed between the parties, in particular, before the construction of manufacturing facilities is completed and the property ownership certificates of the facilities are obtained. The Company believes the earlier completion of acquiring Suzhou Xiaxiang will allow the Company to (i) better monitor and speed up the construction process; (ii) have greater control over construction costs and reduce financial costs for acquiring Suzhou Xiaxiang; and (iii) reduce or eliminate uncertainties in relation to the future acquisition of Suzhou Xiaxiang.

Information of Suzhou Xiaxiang and the Vendor

Suzhou Xiaxiang was established on October 18, 2019 by the Vendor, a wholly owned subsidiary of the Suzhou Wuzhong Economic and Technological Development Zone Management Committee, for the purpose of constructing the manufacturing facilities for the Group in Suzhou to meet the Group's future needs.

To the best of the Company's knowledge, information and belief, and having made all reasonable enquires, Suzhou Xiaxiang and its ultimate beneficial owners are all third parties independent of the Company and its connected persons (as defined under the Listing Rules).

Implication under the Listing Rules

As all applicable percentage ratios as set out in the Listing Rules in respect of the Acquisition are less than 5%, the Acquisition does not constitute a discloseable transaction under Chapter 14 of the Listing Rules.

CHANGE IN USE OF PROCEEDS

Use of Proceeds

The Company received net proceeds (after deduction of underwriting commissions and related costs and expenses) from the IPO and the exercise of over-allotment option of approximately HK\$1,646.41 million (the "**IPO Proceeds**").

It was disclosed under the section headed "Future Plans and Use of Proceeds" in the Prospectus that the Company intended to use the IPO Proceeds (adjusted on a pro-rata basis according to the net proceeds) for the following purposes:

- (i) Approximately 30% of the net proceeds will be used for OT-401, the Core Product;
- (ii) Approximately 50% of the net proceeds will be used for the other drug candidates;
- (iii) Approximately 10% of the net proceeds will be used for the acquisition of the manufacturing facility in Suzhou pursuant to the cooperation agreement with the local government; and
- (iv) Approximately 10% of the net proceeds will be used for its working capital and other general corporate purposes.

Change in Use of Proceeds

As the acquisition of 100% equity interest in Suzhou Xiaxiang will be conducted ahead of the schedule as previously agreed between the parties, in particular, prior to the completion of the manufacturing facilities, the consideration for acquiring Suzhou Xiaxiang will be reduced. Therefore, the Board has resolved to change the use of the IPO Proceeds of HK\$164.64 million (representing 10% of the IPO Proceeds), which were originally intended for the acquisition of the manufacturing facility in Suzhou, to (i) the acquisition of 100% equity interest in Suzhou Xiaxiang; and (ii) the payment for construction of the manufacturing facilities and equipment and pre-operating cost of Suzhou Xiaxiang.

Save for the aforesaid change, there is no other proposed change in the use of IPO Proceeds. The Board confirms that there is no material change in the business nature of the Group as set out in the Prospectus and considered that the change in the use of the IPO Proceeds will not result in any material adverse impact on the operations of the Group and is in the best interests of the Company and its shareholders as a whole.

By order of the Board
Ocumension Therapeutics
Dr. Lian Yong CHEN
Chairman and Executive Director

Shanghai, September 11, 2020

As of the date of this announcement, the Board comprises Dr. Lian Yong CHEN, Mr. Ye LIU, Dr. Zhaopeng HU and Dr. Wei LI as executive Directors, Mr. Yanling CAO and Mr. Lefei SUN as non-executive Directors, and Mr. Ting Yuk Anthony WU, Mr. Lianming HE, and Mr. Yiran HUANG as independent non-executive Directors.