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**Ocumension Therapeutics**  
**歐康維視生物**

*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 1477)**

**PLACING OF EXISTING SHARES**  
**TOP-UP SUBSCRIPTION OF NEW SHARES**  
**UNDER GENERAL MANDATE**

**Sole Placing Agent**

**Morgan Stanley**

**THE AGREEMENT**

On 13 January 2021, the Company entered into the Agreement with the Vendor and the Placing Agent.

**Placing**

Pursuant to the Agreement, the Placing Agent has agreed to act as the sole placing agent for the Vendor, on a fully underwritten basis, to procure placees for 28,000,000 existing Shares at the Placing Price of HK\$28.35 per Share.

The placees and their ultimate beneficial owners (i) will be independent of and not acting in concert with any of the Vendor, the Company, their respective subsidiaries, connected persons and associates (as defined in the Listing Rules); and (ii) will not become connected persons of the Company after completion of the Placing. It is expected that: (a) the Placing Shares will be placed to not less than six professional investors; and (b) none of the placees will become a substantial shareholder of the Company upon completion of the Placing. The Vendor has not been and will not be involved in screening or selecting the placees in connection with the Placing.

## **Subscription**

Pursuant to the Agreement, the Vendor has conditionally agreed to subscribe for 28,000,000 new Shares (which shall be equal to the number of Placing Shares) representing approximately 4.74% of the issued share capital of the Company as at the date of the Agreement, and approximately 4.52% of the issued share capital of the Company as enlarged by the Subscription.

The Company has undertaken to the Placing Agent not to issue any Shares for a period of six months after the completion of the Placing, subject to certain exceptions.

### **Conditions of the Subscription**

Completion of the Subscription is conditional upon:

- (i) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Subscription Shares (and such listing and permission not subsequently revoked prior to the delivery of definitive share certificate(s) representing the Subscription Shares);
- (ii) the Executive granting the Vendor a waiver from the obligation to make a general offer under Rule 26 of the Takeovers Code with respect to its acquisition of the Subscription Shares (and such waiver not subsequently revoked prior to the delivery of definitive share certificate(s) representing the Subscription Shares); and
- (iii) completion of the Placing having occurred pursuant to the terms of the Agreement.

None of the conditions of the Subscription set out above can be waived by the Vendor or the Company. If completion of the Subscription does not occur within 14 days after the date of the Agreement, or such later date, subject to the approval of the Stock Exchange, as may be agreed between the Company and the Vendor, the obligations and liabilities of the Vendor and the Company under the Subscription shall be null and void.

The shareholding of the Vendor and parties acting in concert with it in the Company will decrease from approximately 44.15% to approximately 39.42% immediately after completion of the Placing, and will increase to approximately 42.16% immediately after completion of the Subscription, thereby triggering a mandatory general offer obligation under Rule 26 of the Takeovers Code (unless waived by the Executive in accordance with the Takeovers Code). The Company and the Vendor will apply to the Executive for the grant of a waiver to the Vendor from the obligation to make a general offer under Rule 26 of the Takeovers Code with respect to the Vendor's acquisition of the Subscription Shares.

## **USE OF PROCEEDS**

The gross proceeds from the Subscription will be approximately HK\$793.8 million. The net proceeds from the Subscription will be approximately HK\$782.6 million. The net price per Share for the Subscription after deducting related fees and expenses is approximately HK\$27.95 per Share. The funds to be raised under the Subscription are intended to be used for (i) expansion of the Company's commercial team in view of the proposed launch of its new therapies, including OT-401 (YUTIQ) (the Core Product) and OT-601 (Moxifloxacin); (ii) funding of international multicentre clinical trials of the Company's therapies, including but not limited to OT-1001 (Zerviate), OT-301 (NCX-470), OT-702 (Eylea biosimilar), OT-101 (low-concentration atropine) and OT-202 (TKI); (iii) building and development of new manufacturing facilities and equipment of Suzhou Xiaxiang and active pharmaceutical ingredients (API) manufacturing facilities and (iv) other general corporate purposes.

On 13 January 2021, the Company entered into the Agreement with the Vendor and the Placing Agent. The principal terms of the Agreement are set out below:

## **THE AGREEMENT**

### **Date**

13 January 2021 (after trading hours)

### **Parties**

- (i) the Company;
- (ii) the Vendor; and
- (iii) the Placing Agent.

### **Placing Shares**

The Placing Agent has agreed to act as the sole placing agent for the Vendor, on a fully underwritten basis, to procure places for the Placing Shares at the Placing Price.

### **Placing Price**

The Placing Price of HK\$28.35 per Share represents:

- (i) a discount of approximately 4.87% to the closing price of HK\$29.80 per Share as quoted on the Stock Exchange on 12 January 2021 (being the last full trading day prior to the signing of the Agreement);
- (ii) a discount of approximately 3.18% to the average closing price of approximately HK\$29.28 per Share as quoted on the Stock Exchange for the last 5 trading days prior to and including the last full trading day prior to the signing of the Agreement; and

- (iii) a discount of approximately 0.18% to the average closing price of approximately HK\$28.40 per Share as quoted on the Stock Exchange for the last 10 trading days prior to and including the last full trading day prior to the signing of the Agreement.

The Placing Price was determined after arm's length negotiation between the Company and the Placing Agent with reference to the market price of the Shares.

The Directors (including the independent non-executive Directors) consider that the Placing Price, and the terms and conditions of the Agreement, are fair and reasonable under the current market conditions, on normal commercial terms and in the interest of the Company and the Shareholders as a whole.

### **Right and Ranking of the Placing Shares**

The Placing Shares will be sold free from all encumbrances, and have all rights attaching thereto at the date of the Agreement, including the right to receive all dividends and other distributions declared, made or paid on the Placing Shares at any time after the date of the Agreement.

The Placing Shares rank *pari passu* in all respects with the Shares in issue as at the date of the Agreement.

### **Independence of the Placees and the Placing Agent**

The placees and their ultimate beneficial owners (i) will be independent of and not acting in concert with any of the Vendor, the Company, their respective subsidiaries, connected persons and associates (as defined in the Listing Rules); and (ii) will not become connected persons of the Company after the completion of the Placing.

It is expected that: (a) the Placing Shares will be placed to not less than six professional investors; and (b) none of the placees will become a substantial shareholder of the Company upon completion of the Placing. The Vendor has not been and will not be involved in screening or selecting the placees in connection with the Placing.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, neither the Placing Agent nor its ultimate beneficial owners is a connected person of the Company.

### **Conditions/Termination of the Placing**

The Placing is unconditional and is subject to customary termination events.

## **Completion of the Placing**

Subject to the Agreement not having been terminated pursuant to the terms of the Agreement, the parties expect that the Placing will be completed on 20 January 2021 (or such other date as the Vendor and Placing Agent may agree in writing).

## **Subscription Shares**

28,000,000 new Shares (which is equal to the number of Placing Shares) to be subscribed by the Vendor, representing approximately 4.74% of the issued share capital of the Company as at the date of the Agreement and approximately 4.52% of the issued share capital of the Company as enlarged by the Subscription. The Subscription Shares have a market value of approximately HK\$834.4 million based on the closing price of HK\$29.80 per Share as at 12 January 2021 and an aggregate nominal value of US\$280.

The Directors (including the independent non-executive Directors) consider that the terms of the Subscription are fair and reasonable under the current market conditions, on normal commercial terms and in the interest of the Company and the Shareholders as a whole.

## **Subscription Price**

The Subscription Price per new Share is the same as the Placing Price of HK\$28.35 per Share.

## **Ranking of the Subscription Shares**

The Subscription Shares, when fully paid, will rank pari passu in all respects with the other Shares in issue as at the completion date of the Subscription including the rights to all dividends and other distributions so long as the date of allotment of the Subscription Shares is on or before the record day for such dividends or other distributions (or the last Business Day immediately preceding the commencement of closure of transfer books or register of members in respect of the Shares in connection with the record day for such dividends or other distributions, where applicable).

## **Conditions of the Subscription**

Completion of the Subscription is conditional upon:

- (i) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Subscription Shares (and such listing and permission not subsequently revoked prior to the delivery of definitive share certificate(s) representing the Subscription Shares);
- (ii) the Executive granting the Vendor a waiver from the obligation to make a general offer under Rule 26 of the Takeovers Code with respect to its acquisition of the Subscription Shares (and such waiver not subsequently revoked prior to the delivery of definitive share certificate(s) representing the Subscription Shares); and
- (iii) completion of the Placing having occurred pursuant to the terms of the Agreement.

None of the conditions of the Subscription set out above can be waived by the Vendor or the Company. If completion of the Subscription does not occur within 14 days after the date of the Agreement, or such later date, subject to the approval of the Stock Exchange, as may be agreed between the Company and the Vendor, the obligations and liabilities of the Vendor and the Company under the Subscription shall be null and void.

The shareholding of the Vendor and parties acting in concert with it in the Company will decrease from approximately 44.15% to approximately 39.42% immediately after completion of the Placing, and will increase to approximately 42.16% immediately after completion of the Subscription, thereby triggering a mandatory general offer obligation under Rule 26 of the Takeovers Code (unless waived by the Executive in accordance with the Takeovers Code). The Company and the Vendor will apply to the Executive for the grant of a waiver to the Vendor from the obligation to make a general offer under Rule 26 of the Takeovers Code with respect to the Vendor's acquisition of the Subscription Shares.

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

### **Completion of the Subscription**

Completion of the Subscription shall take place on the second Business Day after the date upon which the last of the conditions of the Subscription shall have been satisfied, provided that it shall take place on a date no later than a date falling 14 days after the date of the Agreement (or such other time and/or date as the Vendor and the Company may agree in writing, subject to the approval of the Stock Exchange).

### **Lock-up Undertakings**

The Company has undertaken to the Placing Agent that for a period beginning on the date of the Agreement and ending on the date which is 6 months after the date of the completion of the Placing, the Company will not, except for the Subscription Shares and save pursuant to (1) the terms of any employee share option scheme or restricted share unit scheme of the Company or (2) bonus or scrip dividend or similar arrangements which provide for the allotment of Shares in lieu of the whole or part of a dividend on Shares of the Company in accordance with its articles of association:

- (i) allot or issue or offer to allot or issue or grant any option, right or warrant to subscribe for (either conditionally or unconditionally, or directly or indirectly, or otherwise) any Share(s) or any interests in Shares or any securities convertible into or exercisable or exchangeable for or substantially similar to Shares or interest in Shares;
- (ii) agree (conditionally or unconditionally) to enter into or effect any such transaction with the same economic effect as any of the transactions described in (i) above;
- (iii) enter into any swap or similar agreement that transfers, in whole or in part, the economic risk of ownership of Shares; or
- (iv) announce any intention to enter into or effect any such transaction described in (i) or (ii) above.

## Changes to the shareholdings as a result of the Placing and the Subscription

The indicative shareholding structure of the Company (i) as at the date of the Agreement; (ii) immediately after the completion of the Placing but before the completion of the Subscription; and (iii) immediately after completion of the Subscription are as follows:

Shareholder	(i) Existing shareholding structure of the Company as at the date of the Agreement		(ii) Immediately after the completion of the Placing but before the completion of the Subscription (assuming number of Sale Shares being 28,000,000)		(ii) Immediately after the completion of the Subscription (assuming number of Sale Shares being 28,000,000)	
	No. of Shares	Approximate % of total issued Shares	No. of Shares	Approximate % of total issued Shares	No. of Shares	Approximate % of total issued Shares
Vendor <sup>(Note 1)</sup>	123,975,000	20.97	95,975,000	16.24	123,975,000	20.02
6 Dimensions Affiliates <sup>(Note 1)</sup>	6,525,000	1.10	6,525,000	1.10	6,525,000	1.05
Suzhou Frontline II <sup>(Note 1)</sup>	91,350,000	15.45	91,350,000	15.45	91,350,000	14.75
Suzhou 6 Dimensions <sup>(Note 1)</sup>	39,150,000	6.62	39,150,000	6.62	39,150,000	6.32
<b>Vendor and parties acting in concert with Vendor</b>	<b>261,000,000</b>	<b>44.15</b>	<b>233,000,000</b>	<b>39.42</b>	<b>261,000,000</b>	<b>42.16</b>
Mr. Ye LIU	5,836,730	0.99	5,836,730	0.99	5,836,730	0.94
<b>Vendor, parties acting in concert with the Vendor and directors of the Company</b>	<b>266,836,730</b>	<b>45.14</b>	<b>238,836,730</b>	<b>40.40</b>	<b>266,836,730</b>	<b>43.10</b>
<b>Public</b>						
Placees	0	0	28,000,000	4.74	28,000,000	4.52
Other Shareholders	324,303,390	54.86	324,303,390	54.86	324,303,390	52.38
<b>Total</b>	<b>591,140,120</b>	<b>100</b>	<b>591,140,120</b>	<b>100</b>	<b>619,140,120</b>	<b>100</b>

### Notes:

- Each of the investment committees of the Vendor, 6 Dimensions Affiliates, Suzhou Frontline II and Suzhou 6 Dimensions consist of the same members and the investment decisions of the 6 Dimension Entities are under the ultimate control of these members.
- Percentages presented may not add up precisely to the total percentages provided due to rounding.

## REASONS FOR THE PLACING AND THE SUBSCRIPTION

The Placing and Subscription is being undertaken to strengthen the Group's financial position and for the long term funding of its expansion and growth plan. Moreover, the Directors consider that it is in the interests of the Company to broaden the shareholder base and the capital base of the Company.

The Directors (including the independent non-executive Directors) consider the terms of the Agreement to be fair and reasonable under the current market conditions, on normal commercial terms and are in the interests of the Company and the Shareholders as a whole.

## FUND RAISING ACTIVITIES DURING THE PAST 12 MONTHS BEFORE THE DATE OF THIS ANNOUNCEMENT

The Company was listed on the Main Board of the Stock Exchange on 10 July 2020. The total net proceeds raised from the issue of new Shares by the Company in its listing and the full exercise of over-allotment option amounted to approximately HK\$1,646.41 million. The intended use of the net proceeds and the change in the intended use of the net proceeds were set out in the Prospectus and the September 2020 Announcement respectively.

The table below sets out the planned application of the net proceeds from the Global Offering and the actual usage up to 12 January 2021:

Use of proceeds		Planned allocation of net proceeds (HK\$ million) (Note 1)	Utilised amount (as of 12 January 2021) (HK\$ million) (Note 1)
OT-401 (the Core Product)	30%	493.92	57.15
Other drug candidates of the Company	50%	823.21	149.10
Acquisition of 100% equity interest in Suzhou Xiaxiang and the payment for construction of the manufacturing facilities and equipment and pre-operating costs of Suzhou Xiaxiang	10%	164.64	98.00
Working capital and other general corporate purposes	10%	164.64	74.03
<b>Total</b>	<b>100%</b>	<b>1,646.41</b>	<b>378.28</b>

Notes:

- The sum of the data may not add up to the total due to rounding.

The net proceeds from the Global Offering which have not yet been utilised are held by our Company in short-term deposits with licensed banks or authorised financial institutions in Hong Kong, and will be used in accordance with the intended purposes as disclosed in the Prospectus and the September 2020 Announcement.

Save as disclosed above, the Company has not conducted any fundraising activities in the 12 months preceding the date of this announcement.



## USE OF PROCEEDS

The gross proceeds from the Subscription will be approximately HK\$793.8 million. The net proceeds from the Subscription will be approximately HK\$782.6 million. The net price per Share for the Subscription after deducting related fees and expenses is approximately HK\$27.95 per Share. The funds to be raised under the Subscription are intended to be used for (i) expansion of the Company's commercial team in view of the proposed launch of its new therapies, including OT-401 (YUTIQ) (the Core Product) and OT-601 (Moxifloxacin); (ii) funding of international multicentre clinical trials of the Company's therapies, including but not limited to OT-1001 (Zerviate), OT-301 (NCX-470), OT-702 (Eylea biosimilar), OT-101 (low-concentration atropine) and OT-202 (TKI); (iii) building and development of new manufacturing facilities and equipment of Suzhou Xiayang and active pharmaceutical ingredients (API) manufacturing facilities; and (iv) other general corporate purposes.

## GENERAL MANDATE TO ISSUE THE SUBSCRIPTION SHARES

The Subscription Shares will be issued under the General Mandate, under which the Directors have been authorised by the Shareholders to allot and issue up to 115,050,124 Shares. The Directors have not exercised the power to allot and issue any new Shares pursuant to such mandate prior to the date of this announcement. As such, the issue of Subscription Shares is not subject to further approval of Shareholders.

## GENERAL INFORMATION

The Company and its subsidiaries (collectively, the “**Group**”) are principally engaged in ophthalmic pharmaceutical businesses and are specialised in the identification, research and development, manufacturing and commercialisation of ophthalmic therapies.

**Cautionary Statement required by Rule 18A.05 of the Listing Rules:** The Company cannot guarantee that it will be able to develop, or ultimately market, any of the products in its pipeline successfully. Shareholders and potential investors should exercise due care when dealing in the securities of the Company.

## DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“6 Dimensions Affiliates”	6 Dimensions Affiliates Fund, L.P., a limited partnership established under the laws of the Cayman Islands and one of the controlling shareholders of the Company;
“6 Dimensions Entities”	the Vendor, 6 Dimensions Affiliates, Suzhou Frontline II and Suzhou 6 Dimensions;
“acting in concert”	has the meaning ascribed to it under the Takeovers Code;
“associates”	has the meaning ascribed to it under the Listing Rules;

“Agreement”	the placing and subscription agreement dated 12 January 2021 entered into between the Company, the Vendor and the Placing Agent in respect of the Placing and Subscription;
“Board”	board of Directors;
“Business Day”	any day on which the Stock Exchange is open for securities dealings;
“Company”	Ocumension Therapeutics (歐康維視生物), a company incorporated in the Cayman Islands with limited liability and listed on the Main Board of the Stock Exchange (stock code: 1477);
“connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“Core Product”	has the meaning ascribed to it under Chapter 18A of the Listing Rules. For the purposes of this announcement, our Core Product is OT-401 (YUTIQ);
“Directors”	directors of the Company;
“Executive”	the Executive Director of the Corporate Finance Division of the Securities and Futures Commission or any delegate of the Executive Director;
“General Mandate”	the general mandate to allot, issue and deal with Shares granted to the Director by resolution of the Shareholders passed at the extraordinary general meeting of the Company held on 23 June 2020;
“Global Offering”	the Hong Kong public offering and the international offering as described in the Prospectus;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of the Hong Kong;
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;

“Placing”	the placing of the Placing Shares pursuant to the Agreement;
“Placing Agent”	Morgan Stanley & Co. International plc;
“Placing Price”	HK\$28.35 per Share;
“Placing Shares”	the 28,000,000 existing Shares to be placed by the Vendor pursuant to the Agreement;
“PRC”	the People’s Republic of China (which, for the purposes of this announcement, excludes Hong Kong, Macau Special Administrative Region and Taiwan);
“Prospectus”	the prospectus issued by the Company dated 29 June 2020 in respect of its listing on the Main Board of the Stock Exchange;
“September 2020 Announcement”	the announcement of the Company dated 11 September 2020 in respect of, amongst others, change in the use of proceeds from the Company’s listing;
“Shares”	shares of US\$0.00001 each in the share capital of the Company;
“Shareholders”	holder(s) of the Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscription”	the subscription by the Vendor for the Subscription Shares pursuant to the Agreement;
“Subscription Price”	HK\$28.35 per Share;
“Subscription Shares”	28,000,000 new Shares to be subscribed by the Vendor pursuant to the Agreement;
“Suzhou 6 Dimensions”	Suzhou 6Dimensions Venture Capital Partnership L.P. (蘇州通和毓承投資合夥企業(有限合夥)), a limited partnership established under the laws of the PRC and one of the controlling shareholders of the Company;
“Suzhou Frontline II”	Suzhou Frontline BioVentures Venture Capital Fund II L.P. (蘇州通和二期創業投資合夥企業(有限合夥)), a limited partnership established under the laws of the PRC and one of the controlling shareholders of the Company;

“Suzhou Xiaxiang”	Suzhou Xiaxiang Biomedicine Co. Ltd. (蘇州夏翔生物醫藥有限公司), a company incorporated under the laws of the PRC and an indirect wholly-owned subsidiary of the Company;
“Takeovers Code”	The Code on Takeovers and Mergers and Share Buy-backs of Hong Kong; and
“Vendor”	6 Dimensions Capital, L.P., a limited partnership established under the laws of Cayman Islands, and one of the controlling shareholders of the Company.

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

Hong Kong, 13 January 2021

*As of the date of this announcement, the Board comprises of 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.*

*The Board jointly and severally accepts full responsibility for the accuracy of the information contained in this announcement, and confirms, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*