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Genscript Biotech Corporation

金斯瑞生物科技股份有限公司 *

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1548)

DISCLOSEABLE TRANSACTIONS

**(1) BINDING TERM SHEET IN RELATION TO THE PROPOSED
FINANCING OF PROBIO CAYMAN AND THE DEEMED DISPOSAL
OF EQUITY INTEREST IN PROBIO CAYMAN IN RELATION
TO THE SERIES A FINANCING**

**(2) THE PURCHASE OF SHARES AND DEEMED DISPOSAL OF
EQUITY INTEREST IN LEGEND BIOTECH IN RELATION
TO THE PURCHASE**

AND

(3) RESUMPTION OF TRADING

PROPOSED FINANCING OF PROBIO CAYMAN

The Board is pleased to announce that on 14 May 2021 (before trading hours, Hong Kong time), the Company and the Investor entered into the binding Term Sheet in relation a proposed Series A Financing of Probio Cayman, an indirect wholly-owned subsidiary of the Company, pursuant to which, prior to the Probio Closing, the Company will through its subsidiary, Probio BVI, subscribe for convertible bonds in the amount of US\$70 million, which shall be convertible into the Probio Shares.

The Investor will subscribe for Series A Preferred of Probio Cayman of an aggregate investment amount of the Series A Financing, being US\$150 million.

The Company will issue a Probio Warrant to the Investor exercisable (i) within 24 months of the Probio Closing or (ii) prior to the last practical date required by applicable law or regulation, or any requirement of any stock exchange or regulatory authority in an initial public offering (or if no such date is required, immediately prior to the completion of the initial public offering), whichever is earlier, to purchase the Probio Warrant Shares at a price per share equal to 1.32 times the Original Purchase Price for up to an aggregate amount of US\$125 million.

THE PURCHASE

The Board is pleased to announce that on 13 May 2021 (New York time) (before trading hours on 14 May 2021, Hong Kong time), Legend Biotech entered into the Subscription Agreement, whereby Legend Biotech agreed to: (i) issue and sell, and the Purchaser agreed to purchase an aggregate of 20,809,850 Legend Shares at an aggregate consideration of US\$300.0 million, and (ii) issue to the Purchaser the Legend Warrant to subscribe for and purchase from Legend Biotech up to an aggregate of 10,000,000 Legend Shares at an aggregate exercise price of US\$200.0 million.

LISTING RULES IMPLICATION

As at the date of this announcement, Probio Cayman is indirectly wholly-owned by the Company through its wholly-owned subsidiary Probio BVI. Upon the Probio Closing, the equity interest of Probio BVI in Probio Cayman will be diluted to 82.95%, assuming the Convertible Bonds are not converted into Probio Shares. Therefore, the Series A Financing as contemplated under the Term Sheet constitutes a deemed disposal of the Company's equity interest in Probio Cayman under Rule 14.29 of the Listing Rules.

As at the date of this announcement, Legend Biotech is non-wholly owned subsidiary of the Company. Upon the Legend Closing, the equity interest of the Company in Legend Biotech will be diluted to 58.31%. Therefore, the Purchase as contemplated under the Subscription Agreement constitutes a deemed disposal of the Company's equity interest in Legend Biotech under Rule 14.29 of the Listing Rules.

According to Rule 14.22 of the Listing Rules, the Stock Exchange will aggregate a series of transactions and treat them as if they were one transaction if they are all completed within a 12-month period or are otherwise related. As each of the Aggregated Transactions involves a reduction of the percentage shareholding of the Company in Legend Biotech and constitutes a deemed disposal on the part of the Company, the Aggregated Transactions will be required to be aggregated pursuant to Rule 14.22 of the Listing Rules.

As the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the deemed disposal arising from the Aggregated Transactions, in aggregate, exceeds 5% but is less than 25%, the Aggregated Transactions constitute a discloseable transaction for the Company and are subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

RESUMPTION OF TRADING

At the request of the Company, trading of shares of the Company was halted with effect from 9:00 a.m. on Friday, 14 May 2021. Application has been made by the Company to the Stock Exchange for the resumption of trading of the shares of the Company with effect from 13:30 p.m. on Friday, 14 May 2021.

The Series A Financing and the Purchase may or may not proceed and that the Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

PROPOSED FINANCING OF PROBIO CAYMAN

This announcement is made by Genscript Biotech Corporation (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Board is pleased to announce that on 14 May 2021 (before trading hours, Hong Kong time), the Company and the Investor entered into the binding Term Sheet in relation the possible Series A Financing of Probio Cayman, an indirect wholly-owned subsidiary of the Company. The terms and conditions of the Series A Financing are subject to further negotiations between the Company and the Investor.

Major Terms of the Term Sheet

1. Date

14 May 2021 (before trading hours, Hong Kong time)

2. Parties:

The Company and the Investor (collectively, the “**Parties**”)

To the best of the Directors’ knowledge, information and belief, and having made all reasonable enquiries, the Investor, and their respective ultimate beneficial owners/investment managers/general partners is an Independent Third Party.

3. Convertible Bonds

Prior to the Probio Closing, the Company will through its subsidiary, Probio BVI, subscribe for convertible bonds in the amount of US\$70 million, which shall be convertible into the Probio Shares (the “**Convertible Bonds**”).

At any time (i) within 24 months of the Probio Closing or (ii) prior to the last practical date required by applicable law or regulation, or any requirement of any stock exchange or regulatory authority in an initial public offering (or if no such date is required, immediately prior to the completion of the initial public offering), whichever is earlier, the Convertible Bonds shall be convertible at the option of the holder thereof into such number of Probio Shares as are equal to the quotient of (i) US\$70 million, divided by (ii) a price per Probio Share equal to 1.32 times of the Original Purchase Price.

4. Series A Financing

Probio Cayman agreed to issue, and the Investor agreed to subscribe for Series A Preferred of Probio Cayman, being the rank of shares of Probio Cayman having the most senior rights, preferences and privileges, of an aggregate investment amount of the Series A Financing, being US\$150 million.

5. Valuation

The price per share of the Series A Preferred of Probio Cayman (the “**Original Purchase Price**”) shall be the price determined on the basis of a pre-money valuation of Probio Cayman of US\$730 million (which shall not include any employee incentive scheme to be adopted immediately after the Probio Closing).

6. Probio Warrant

The Company will issue to the Investors a Probio Warrant, exercisable at any time (i) within 24 months of the Probio Closing or (ii) prior to the last practical date required by applicable law or regulation, or any requirement of any stock exchange or regulatory authority in an initial public offering (or if no such date is required, immediately prior to the completion of the initial public offering), whichever is earlier, to purchase the Probio Warrant Shares at a price per share equal to 1.32 times the Original Purchase Price for up to an aggregate amount of US\$125 million.

7. Series A Preferred Rights

The holders of the Series A Preferred shall be entitled to certain rights, including dividends in preference to other class of shares of Probio Cayman, liquidation preference, right to convert to Probio share, redemption right, as converted voting rights, and other customary anti-dilution, preemptive right, right of first refusal, registration rights and information rights. The detailed terms of such rights are to be set out in the definitive transaction agreements between the Parties.

8. Termination of Rights

The rights of the Investors under this term sheet, other than the registration rights, shall automatically terminate upon the earlier of (i) immediately prior to the consummation of an initial public offering, and (ii) the consummation of a deemed liquidation event such a merger, disposition of all or substantially all of the assets or licensing of material intellectual properties of Probio Cayman.

9. Binding Effect

The Term Sheet shall be binding on the Parties and is intended to be replaced by definitive transaction agreements to be executed and delivered by the Parties.

THE PURCHASE

The Board is pleased to announce that on 13 May 2021 (New York time) (before trading hours on 14 May 2021, Hong Kong time), Legend Biotech entered into the Subscription Agreement, whereby Legend Biotech agreed to: (i) issue and sell, and the Purchaser agreed to purchase an aggregate of 20,809,850 Legend Shares (the “**Purchased Shares**”) at an aggregate consideration of US\$300.0 million, and (ii) issue to the Purchaser a warrant (the “**Legend Warrant**”) to subscribe for and purchase from Legend Biotech up to an aggregate of 10,000,000 Legend Shares (the “**Legend Warrant Shares**”) at an aggregate exercise price of US\$200.0 million.

Purchase Agreement

Date: 13 May 2021 (New York time) (before trading hours on 14 May 2021, Hong Kong time)

Parties:

- (1) Legend Biotech, as the issuer; and
- (2) LGN Holdings Limited, as the “**Purchaser**”.

To the best of the Directors’ knowledge, information and belief, and having made all reasonable enquiries, the Purchaser, and its ultimate beneficial owners/investment managers/general partners is an Independent Third Party.

The principal terms of the Subscription Agreement is summarized as follows:

Consideration

According to the Subscription Agreement, the aggregate purchase price for the Purchased Shares is approximately US\$300.0 million and the aggregate exercise price for the Legend Warrant Shares is US\$200.0 million.

Legend Biotech agreed to: (i) issue and sell to the Purchaser, and the Purchaser agreed to purchase the Purchased Shares, at a purchase price of US\$14.41625 per Purchased Share (the “**Purchased Shares Purchase Price**”), and (ii) issue to the Purchaser the Legend Warrant to subscribe for and purchase from Legend Biotech the Legend Warrant Shares (together with the Purchased Shares, the “**Purchased Securities**”), par value US\$0.0001 each, at an exercise price of US\$20.00 per Legend Warrant Share (the “**Legend Warrant Shares Exercise Price**”).

The Purchased Shares Purchase Price of US\$14.41625 for each Purchased Share and the Legend Warrant Shares Exercise Price of US\$20.00 for each Legend Warrant Share were determined based on negotiations between the Purchaser and Legend Biotech in light of the market price of Legend Biotech’s ADSs. On 13 May, 2021, the last reported sale price of Legend Biotech’s ADSs on the Nasdaq was US\$31.02 (equivalent to approximately HK\$240.96).

Legend Closing

The Legend Closing of the Purchase shall take place remotely via the exchange of documents and signatures on a date as soon as practicable but in no event later than the fifth (5th) Business Day following the fulfilment or waiver of the conditions precedent (other than those conditions precedent by their nature are to be satisfied at Legend Closing, but subject to the fulfilment or waiver (as the case may be) of the relevant conditions precedent), or such other date as may be mutually agreed in writing by Legend Biotech and the Purchaser. Payment of the Purchased Shares Purchase Price shall be made at the Legend Closing by electronic bank transfer of immediately available funds to a bank account designated by Legend Biotech.

The Legend Closing shall be subject to the satisfaction or waiver (as the case may be) of, among others, the following conditions precedent:

- (i) The representations and warranties of Legend Biotech and the Purchaser remain true and accurate in all material respects as of the Legend Closing;
- (ii) Legend Biotech and the Purchaser have performed, satisfied and complied with the covenants and agreements required by the Subscription Agreement that are required to be performed, satisfied or complied by them on or before the Legend Closing; and
- (iii) Trading in the ADSs has not been, or been threatened to be, suspended by the SEC or Nasdaq as of the Legend Closing.

At the Legend Closing, the following shall take place:

- (i) The Purchaser shall, among others, commence payment of the Purchased Shares Purchase Price, and deliver to Legend Biotech a copy of the duly executed Legend Warrant; and
- (ii) Legend Biotech shall deliver to the Purchaser, among others, a share certificate representing the applicable Purchased Shares duly executed by Legend Biotech, and a copy of the Legend Warrant.

The shareholding structure of Legend Biotech after each of the Legend Closing and the full exercise of the Legend Warrant is set out below:

Name of the Shareholders	Legend Shares	ADSs ⁽¹⁾	Shareholding percentage immediately after the Legend Closing	Shareholding Percentage immediately after the Legend Closing on a fully-diluted basis ⁽²⁾	Shareholding percentage immediately after fully exercising the Legend Warrant	Shareholding Percentage immediately after fully exercising the Legend Warrant on a fully-diluted basis ⁽²⁾
Company	169,997,556	84,998,778	58.31%	54.30%	56.38%	52.62%
LGN Holdings Limited	20,809,509	10,404,925	7.14%	6.65%	10.22%	9.54%
Other Shareholders	100,732,038	50,366,019	34.55%	32.18%	33.41%	31.18%
Legend ESOP ⁽³⁾	21,504,101	10,752,050	—	6.87%	—	6.66%
Total	291,539,444	145,769,722	100%	100%	100%	100%

Notes:

- (1) Each ADS represents two Legend Shares.
- (2) The shareholding percentages are calculated on a fully-diluted basis assuming all the ESOP Shares are allotted and issued.
- (3) The employee stock ownership plan of Legend (the “**Legend ESOP**”) includes (i) the share option scheme of Legend Biotech adopted and approved by the shareholder of the Legend Biotech on 21 December 2017, pursuant to which a maximum of 20,000,000 Legend Shares may be issued upon exercise of the options granted thereunder; and (ii) a share incentive plan of Legend Biotech adopted and approved by the shareholder of Legend Biotech on 26 May 2020, pursuant to which a maximum of 11,000,000 Legend Shares may be issued pursuant to the vesting of the restricted stock units granted thereunder. The exercise of the options granted or to be granted, and the vesting of the restricted stock units to be granted under the ESOP shall be subject to a vesting schedule as specified in the relevant scheme documents.

The Legend Warrant

Exercise of the Legend Warrant

According to the Subscription Agreement and the Legend Warrant, the Purchaser has the right to purchase up to 10,000,000 Legend Shares at the Legend Warrant Shares Exercise Price. The Legend Warrant shall be exercisable, in whole or in part, after the date of the Legend Closing and prior to the two-year anniversary of the date of the Legend Closing. The Legend Warrant shall be exercised at the election of the Purchaser, in whole or in part, by (i) the tender to Legend Biotech of a notice of exercise, together with the surrender of the Legend Warrant, and (ii) the payment to Legend Biotech of an amount equal to (x) the Legend Warrant Shares Exercise Price multiplied by (y) the number of the Legend Shares being purchased, by wire transfer or certified, cashier’s or other check acceptable to Legend Biotech and payable to the order of Legend Biotech.

GENERAL INFORMATION

Information on the Investor

Hillhouse Capital Management, Ltd.

Hillhouse Capital Management, Ltd. is an exempted limited partnership organized under the laws of the Cayman Islands.

Founded in 2005, Hillhouse Capital is a global firm of investment professionals and operating executives who are focused on building and investing in high quality business franchises that achieve sustainable growth. Independent proprietary research and industry expertise, in conjunction with world-class operating and management capabilities, are key to Hillhouse Capital's investment approach. Hillhouse Capital partners with exceptional entrepreneurs and management teams to create value, often with a focus on enacting innovation and technological transformation. Hillhouse Capital invests in the healthcare, consumer, TMT, advanced manufacturing, financial and business services sectors in companies across all equity stages. Hillhouse Capital and its group members manage assets on behalf of global institutional clients.

Information on Probio Group

Probio Cayman is a indirectly wholly owned subsidiary of the Company incorporated on 7 May 2021 in the Cayman Islands as an exempted company with limited liability. Probio Group provides comprehensive services in five key categories, namely, antibody drug discovery, antibody drug pre-clinical development, antibody drug clinical development, plasmid & virus pre-clinical development, and plasmid & virus clinical development. These services and associated products help biopharmaceutical and biotech companies accelerate the development of therapeutic antibodies and plasmid and viral vectors for gene or cell therapy products with an integrated platform from the very beginning of drug discovery stage to pre-clinical and clinical development stage.

Information on the Group

The Company was incorporated on 21 May 2015 in the Cayman Islands as an exempted company with limited liability. Originally founded in New Jersey, United States in 2002, the Group has grown into a well-recognised life sciences research and application service and product provider that applies its proprietary technology to various fields from basic life sciences research to translational biomedical development, industrial synthetic products, and cell therapeutic solutions.

Information on the Purchaser

LGN Holdings Limited

LGN Holdings Limited is an exempted company incorporated with limited liability under the laws of the Cayman Islands, and its sole investment manager is Hillhouse Capital Management, Ltd..

Founded in 2005, Hillhouse Capital is a global firm of investment professionals and operating executives who are focused on building and investing in high quality business franchises that achieve sustainable growth. Independent proprietary research and industry expertise, in conjunction with world-class operating and management capabilities, are key to Hillhouse Capital's investment approach. Hillhouse Capital partners with exceptional entrepreneurs and management teams to create value, often with a focus on enacting innovation and technological transformation. Hillhouse Capital invests in the healthcare, consumer, TMT, advanced manufacturing, financial and business services sectors in companies across all equity stages. Hillhouse Capital and its group members manage assets on behalf of global institutional clients.

REASONS FOR AND BENEFITS OF THE SERIES A FINANCING AND THE PURCHASE

The proceeds from the Series A Financing are intended to be used to satisfy the general working capital needs in the operation of the main business of Probio Cayman. The Company believes that the Series A Financing would provide an additional source of funding for the general working capital of Probio Cayman to develop its existing business.

The Directors, including the independent non-executive Directors, are of the view that the Term Sheet are fair and reasonable and in the interests of the Shareholders as a whole.

The Board believes that the Purchase will be beneficial to both the Company and Legend Biotech as the raising of additional capital by Legend Biotech to finance its potential future growth and expansion opportunities and its working capital requirements will benefit the Company as the major shareholder of Legend Biotech.

The Directors, including the independent non-executive Directors, are of the view that the terms of the Purchase are fair and reasonable and in the interests of the Shareholders as a whole.

FINANCIAL INFORMATION OF LEGEND BIOTECH AND PROBIO CAYMAN

Information on Legend Biotech

Legend Biotech is an exempted company incorporated under the laws of the Cayman Islands with limited liability. Legend Biotech principally engages in the development of CAR-T cell therapies. As of the date of this announcement, it is directly held as to 58.31% by the Company on a fully diluted basis (without taking into account shares to be issued under the employee share option schemes).

Set out below is certain financial information in relation to the Legend Biotech Group for the two years ended 31 December 2020 as disclosed in the Form-20:

	For the year ended 31 December 2019	For the year ended 31 December 2020
	<i>Audited (US\$ in thousands)</i>	
Revenue	57,264	75,676
Loss before tax	130,370	307,622
Net loss attributable to ordinary shareholders	132,972	303,477

As at 31 December 2020, the audited total liability value of Legend Biotech was approximately US\$440.8 million.

Shareholders should note that the figures above are extracted from the public filing of the Form-20 of Legend Biotech and the audited consolidated financial statements therein contained have been prepared in accordance with International Financial Reporting Standards as issued by the IASB, which comprise all standards and interpretations approved by the IASB.

Information on Probio Cayman

There is no unaudited consolidated financial information of Probio Cayman and its subsidiaries for the two years ended 31 December 2019 and 31 December 2020.

As at 31 December 2019 and 2020, the unaudited net asset value of Probio Cayman and its subsidiaries is nil.

USE OF PROCEEDS FROM THE SERIES A FINANCING AND THE PURCHASE

Probio Cayman intends to utilize the net proceeds from the Series A Financing for working capital purposes, primarily for use in the expansion of manufacturing facilities, enhancement of research and development platform, as well as general corporate expenses.

Legend Biotech intends to utilize the net proceeds from the Purchase for working capital purposes, primarily for use in the research and development and commercialization of its pipeline programs and expansion of manufacturing facilities, enhancement of research and development platform, as well as general corporate expenses.

THE FINANCIAL IMPACT OF THE SERIES A FINANCING AND THE PURCHASE

Immediately prior to the Series A Closing, Probio Cayman was owned as to 100% by the Probio BVI. After the Series A Closing, Probio Cayman is held as to 82.95% by the Probio BVI assuming the Convertible Bonds are not converted into Probio Shares. Probio Cayman will be an indirect non-wholly owned subsidiary of the Company. The results of operations and financial position of Probio Cayman will continue to be recorded in the Group's consolidated financial statements. As the effect of the Series A Financing and Series A Deemed Disposal will not cause a loss of the Group's control over Legend Biotech, the Series A Deemed Disposal due to the Series A Financing will be accounted for as an equity transaction that will not result in the recognition of any gain or loss in profit or loss.

Immediately prior to the Purchase Closing, Legend Biotech was owned as to 64.31% by the Company on a fully diluted basis (without taking into account shares to be issued under the employee share option schemes). After the Purchase Closing, Legend Biotech is held as to 58.31% by the Company. Legend Biotech will continue to be a direct non-wholly owned subsidiary of the Company on a fully diluted basis (without taking into account shares to be issued under the employee share option schemes). The results of operations and financial position of Legend Biotech will continue to be recorded in the Group's consolidated financial statements. As the effect of the Purchase and Purchase Deemed Disposal will not cause a loss of the Group's control over Legend Biotech, the Purchase Deemed Disposal due to the Purchase will be accounted for as an equity transaction that will not result in the recognition of any gain or loss in profit or loss.

LISTING RULES IMPLICATIONS

Each of the Series A Financing and the Purchase will result in a reduction of the percentage shareholding of the Company in Probio Cayman and Legend Biotech, respectively, and constitute a deemed disposal on the part of the Company under Rule 14.29 of the Listing Rules.

As at the date of this announcement, Legend Biotech is non-wholly owned subsidiary of the Company. Upon the Legend Closing, the equity interest of the Company in Legend Biotech will be diluted to 58.31%. Therefore, the Purchase as contemplated under the Subscription Agreement constitutes a deemed disposal of the Company's equity interest in Legend Biotech under Rule 14.29 of the Listing Rules.

As at the date of this announcement, Probio Cayman is indirectly wholly-owned by the Company through its wholly-owned subsidiary Probio BVI. Upon the Probio Closing, the equity interest of Probio BVI in Probio Cayman will be diluted to 82.95%, assuming the Convertible Bonds are not converted into Probio Shares. Therefore, the Series A Financing as contemplated under the Term Sheet constitutes a deemed disposal of the Company's equity interest in Probio Cayman under Rule 14.29 of the Listing Rules.

According to Rule 14.22 of the Listing Rules, the Stock Exchange will aggregate a series of transactions and treat them as if they were one transaction if they are all completed within a 12-month period or are otherwise related. As each of the Aggregated Transactions involves a reduction of the percentage shareholding of the Company in Legend Biotech and constitutes a deemed disposal on the part of the Company, the Aggregated Transactions will be required to be aggregated pursuant to Rule 14.22 of the Listing Rules.

As the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the deemed disposal arising from the Aggregated Transactions, in aggregate, exceeds 5% but is less than 25%, the Aggregated Transactions constitute a discloseable transaction for the Company and are subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

None of the Directors has any material interest in the Transaction Agreements and the transactions contemplated thereunder. The Directors (including independent non-executive Directors) are of the view and have confirmed that the terms of the Transaction Agreements and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable and in the interest of the Company and the Shareholders as a whole.

RESUMPTION OF TRADING

At the request of the Company, trading of shares of the Company was halted with effect from 9:00 a.m. on Friday, 14 May 2021. Application has been made by the Company to the Stock Exchange for the resumption of trading of the shares of the Company with effect from 13:30 p.m. on Friday, 14 May 2021.

The Series A Financing and the Purchase may or may not proceed and that the Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“Aggregated Transactions”	collectively, the (i) deemed disposal of the Company’s equity interest in Legend Biotech pursuant to the spin-off and separate listing of Legend Biotech on Nasdaq (see announcements and circular of the Company dated 10 March 2020, 16 March 2020, 14 May 2020, 26 May 2020, 29 May 2020, 5 June 2020, and 7 June 2020 for details), (ii) deemed disposal of the Company’s equity interest in Legend Biotech pursuant to the Series A Financing and (iii) deemed disposal of the Company’s equity interest in Legend Biotech pursuant to the Purchase;
“Board”	the board of Directors;
“CDMO”	contract development and manufacturing organization;

“Company”	Genscript Biotech Corporation 金斯瑞生物科技股份有限公司 * (Stock Code: 1548), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange;
“connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“Convertible Bonds”	the convertible bonds convertible into Probio Shares in accordance with the Term Sheet;
“Deemed Liquidation Event”	shall include, (i) any consolidation or merger of the Probio Cayman with or into any other person in which the shareholders of the Probio Cayman immediately prior to such consolidation or merger own less than fifty percent (50%) of Probio Cayman’s voting power in the aggregate immediately after such consolidation and merger; (ii) a sale, lease, transfer, exclusive license or other disposition of all or substantially all of the assets of Probio Cayman and its subsidiaries, taken as a whole; or (iii) the exclusive and irrevocable licensing of all material intellectual properties of Probio Cayman and its subsidiaries, taken as a whole, to any third party.
“Director(s)”	the director(s) of the Company;
“ESOP Shares”	an aggregate of 31,000,000 Legend Shares that have been reserved for (i) the share option scheme of Legend Biotech adopted and approved by the Company on 21 December 2017, pursuant to which a maximum of 20,000,000 Legend Shares may be issued upon exercise of the options granted thereunder; and (ii) a share incentive plan of Legend Biotech adopted and approved by the shareholder of Legend Biotech on 26 May 2020, pursuant to which a maximum of 11,000,000 Legend Share may be issued pursuant to the vesting of the restricted stock units granted thereunder;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“IASB”	International Accounting Standards Board;
“Independent Third Party(ies)”	the independent third party who is, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, independent of and not connected with the Company and the connected person(s) (as defined in the Listing Rules) of the Company;

“Investor”	Hillhouse Capital Management, Ltd., an exempted company incorporated in Cayman Islands or one or more of its affiliates;
“Legend Biotech”	Legend Biotech Corporation, an exempted company incorporated under the laws of the Cayman Islands with limited liability, which is owned as to 64.31% by the Company prior to the Series A Financing and the Purchase on a fully diluted basis (without taking into account shares to be issued under the employee share option schemes);
“Legend Biotech Group”	Legend Biotech and its subsidiaries;
“Legend Closing”	consummation of the Purchase;
“Legend Shares”	the ordinary shares of Legend Biotech, par value US\$0.0001 per share;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Nasdaq”	the Nasdaq Stock Market LLC;
“PRC”	the People’s Republic of China, excluding, for the purpose of this announcement, Hong Kong, the Macau Special Administrative Region of China and Taiwan;
“Probio BVI”	Probio Technology I Limited, a limited liability company incorporated in the British Virgin Islands, which is a direct wholly-owned subsidiary of the Company;
“Probio Cayman”	Probio Technology Limited, an exempted company incorporated in the Cayman Islands with limited liability, which is 100% owned by Probio BVI and an indirectly wholly owned subsidiary of the Company prior to the Series A Financing;
“Probio Closing”	the consummation of the Series A Financing;
“Probio Group”	Probio Cayman and its subsidiaries
“Probio Shares”	the ordinary shares of Probio Cayman, par value US\$0.01 per share;
“Probio Warrant”	the warrant to purchase Probio Shares;
“Probio Warrant Shares”	the Probio Shares issuable under the Warrant; and

“Purchase”	the purchase of 20,809,850 Legend Shares and the Warrant to subscribe for and purchase from Legend Biotech up to 10,000,000 Legend Shares pursuant to the Subscription Agreement;
“Purchase Closing”	the consummation of the Purchase;
“Purchase Deemed Disposal”	the deemed disposal of equity interest in Legend Biotech in relation to the Purchase;
“Qualified Public Offering”	an initial public offering by Probio Cayman of the Probio Shares (or securities of the Company representing Probio Shares) in a firm commitment underwritten public offering on the Stock Exchange, Nasdaq, New York Stock Exchange or another internationally recognized stock exchange approved by the Investors, with an offering price per Probio Share of at least two times the Original Purchase Price.
“SEC”	the U.S. Securities and Exchange Commission;
“Series A Closing”	the consummation of the Series A Financing;
“Series A Deemed Disposal”	the deemed disposal of equity interest in Probio Cayman in relation to the Series A Financing;
“Series A Financing”	the possible financing of Probio Cayman pursuant to the Term Sheet;
“Series A Preferred”	Series A Preferred Stock, being the rank of shares of Probio Cayman having the most senior rights, preferences and privileges. All special rights attached to Series A Preferred shall be terminated upon the Qualified Public Offering;
“Shareholders”	the holders of shares of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscription Agreement”	the Subscription Agreement entered into among the Legend Biotech and the Purchaser on 13 May 2021 (New York time) (before trading hours on 14 May 2021, Hong Kong time), as amended from time to time;

“Term Sheet”	the binding term sheet dated 14 May 2021 and entered into between the Company and the Investor in relation to the Series A Financing;
“Transaction Agreements”	the Term Sheet, the Subscription Agreement and the Legend Warrant;
“U.S.”	The United States of America;
“US\$”	United States Dollar, the lawful currency of the United States of America; and
“%”	per cent.

By order of the Board
Genscript Biotech Corporation
Meng Jiange
Chairman and Executive Director

Hong Kong, 14 May 2021

As at the date of this announcement, the executive Directors are Mr. Meng Jiange, Ms. Wang Ye and Dr. Zhu Li; the non-executive Directors are Dr. Wang Luquan, Mr. Pan Yuexin and Ms. Wang Jiafen; and the independent non-executive Directors are Mr. Guo Hongxin, Mr. Dai Zumian, Mr. Pan Jiuan and Dr. Wang Xuehai.

* *For identification purposes only*