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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 TRANSACTION DEEMED DISPOSAL OF EQUITY INTEREST IN PROBIO CAYMAN**

### **INTRODUCTION**

Reference is made to the announcement of the Company dated 14 May 2021 in relation to, among others, the Company and Hillhouse having entered into the binding Term Sheet in relation to the Series A Financing of Probio Cayman, an indirect wholly-owned subsidiary of the Company, and the supplemental announcement of the Company dated 7 June 2021 in relation to the matters contemplated in the aforementioned announcement.

### **DEEMED DISPOSAL**

The Board is pleased to announce that on 18 August 2021 (New York time) (before trading hours of 19 August 2021, Hong Kong time), Probio Cayman entered into the Purchase Agreement with the Investors, whereby Probio Cayman agreed to sell and issue, and the Investors agreed to purchase (a) a total of 300,000,000 Series A Preferred Shares at an aggregate consideration of approximately US\$150,000,000 (equivalent to approximately HK\$1,168,275,000), and (b) the Probio Warrant to purchase a total of 189,393,939 Probio Shares at an aggregate consideration of approximately US\$125,000,000 (equivalent to approximately HK\$973,562,500) at the Closing.

### **LISTING RULES IMPLICATIONS**

As at the date of this announcement, Probio Cayman is indirectly wholly-owned by the Company through its directly wholly-owned subsidiary, namely, Probio BVI. Upon the Closing, the equity interest of Probio BVI in Probio Cayman will be diluted to 82.95%, without taking into account the future allotment and issuance of the ESOP Shares and assuming (i) the Probio Warrant has not been exercised, and (ii) the Convertible Bond has not been converted into the Probio Shares. Therefore, the Purchase as contemplated under the Purchase Agreement constitutes a deemed disposal of the Company's equity interest in Probio Cayman under Rule 14.29 of the Listing Rules.

As all of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Purchase are less than 5%, the Purchase does not constitute a discloseable transaction for the Company Chapter 14 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 Probio Cayman or Legend 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.

## INTRODUCTION

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).

Reference is made to the announcement of the Company dated 14 May 2021 in relation to, among others, the Company and Hillhouse having entered into the binding Term Sheet in relation to the Series A Financing of Probio Cayman, an indirect wholly-owned subsidiary of the Company, and the supplemental announcement of the Company dated 7 June 2021 in relation to the matters contemplated in the aforementioned announcement (collectively, the “**Announcements**”). Unless otherwise defined, capitalized terms used in this announcement shall have the same meanings as those defined in the Announcements.

## THE PURCHASE

### 1. Purchase Agreement

#### *Date*

18 August 2021 (New York time) (before trading hours of 19 August 2021, Hong Kong time)

## ***Parties***

- (1) the Company;
- (2) Probio BVI;
- (3) Probio Cayman;
- (4) Probio Technology (BVI) Limited;
- (5) Probio Technology HK Limited ( 香港蓬勃生物科技有限公司 );
- (6) Nanjing ProBio Biotech Co., Ltd. ( 南京蓬勃生物科技有限公司 );
- (7) Jiangsu GenScript ProBio Biotech Co., Ltd. ( 江蘇金斯瑞蓬勃生物科技有限公司 );
- (8) MSUM VII Holdings Limited; and
- (9) HSUM XIV Holdings Limited.

Parties (8) and (9), collectively, the “**Investors**”, each an “**Investor**”.

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

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

## ***Consideration***

According to the Purchase Agreement, the Investors agreed to subscribe for, and Probio Cayman agreed to issue and sell to the Investors at the Closing, (a) a total of 300,000,000 Series A Preferred Shares (the “**Subscription Shares**”) of par value US\$0.00002 each at a purchase price of US\$0.50 per share at an aggregate consideration of approximately US\$150,000,000 (equivalent to approximately HK\$1,168,275,000) (the “**Subscription Price**”), and (b) the Probio Warrant to purchase a total of 189,393,939 Probio Shares at an aggregate consideration of approximately US\$125,000,000 (equivalent to approximately HK\$973,562,500).

The Subscription Price of US\$150,000,000 for the Subscription Shares was arrived at after arm’s length negotiation between the parties with reference to, among other things, as set out in the paragraph headed “Reasons for and Benefits of the Deemed Disposal” below.

## *Closing*

The Closing of the Purchase shall take place remotely via the exchange of documents and signatures on the tenth (10<sup>th</sup>) Business Day following the satisfaction or waiver of the conditions precedent (other than those conditions that by their terms are to be satisfied at the Closing, but subject to the satisfaction or waiver (as the case may be) of the relevant conditions precedent), or such other time and place as may be mutually agreed in writing by the Company, Probio Cayman and the Investors. Payment of the Subscription Price shall be made at the Closing by wire transfer of immediately available funds to a bank account designated by Probio Cayman.

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

1. the representations and warranties of the Company and the Investors shall remain true and accurate in all respects or in all material respects (as the case may be) as of the Closing;
2. the Company, the Probio Group and the Investors having performed and complied in all material respects with all, and not be in breach or default in any material respect under any, agreements, covenants and obligations contained in the Purchase Agreement and other Transaction Documents that are required to be performed or complied with on or before the Closing;
3. all consent, approval, order, license or authorization of, registration, certificate, declaration or filing with or notice to any governmental authority in connection with the Purchase and the approval of the Restructuring Plan by the Board having been obtained and effective as of the Closing;
4. the portion of the Restructuring to be completed prior to the Closing pursuant to, and the obligations of each of the GenScript Parties and the Probio Group to be performed prior to the Closing under the Restructuring Plan having been substantially completed in accordance with the Restructuring Plan;
5. the Shareholders Agreement having been executed and delivered;
6. the Articles having been duly adopted by Probio Cayman and shall remain in full force and effect;
7. the Legend IP License Agreement not having been amended nor any rights or obligations therein waived and shall continue to be effective as of the Closing;
8. the Company having delivered to the Investors a copy of the exclusive license agreement, in substantially the form attached to the Purchase Agreement, duly executed between Nanjing GenScript Biotech Co., Ltd. and Probio Cayman for Probio Cayman's licensed use of certain intellectual property specified therein;
9. the Investors having received from Cayman counsel for Probio Cayman, an opinion, dated as of the Closing, in substantially the form attached to the Purchase Agreement; and

10. the Investors having received, and the Company having provided, the written approval by the audit committee of Legend authorizing the execution of Legend IP License Agreement.

The shareholding structure of Probio Cayman immediately before and after the Closing is set out below:

Name of shareholders	Probio Shares	Series A Preferred Shares	Shareholding percentage immediately prior to the Closing <sup>(3)</sup>	Shareholding percentage immediately after the Closing <sup>(4)</sup>	Shareholding percentage immediately after the Closing (assuming all the ESOP Shares have been allotted and issued) <sup>(5)</sup>	Shareholding percentage immediately after the Closing (assuming the full exercise of the Probio Warrant) <sup>(6)</sup>	Shareholding percentage immediately after the Closing (assuming the full exercise of the Probio Warrant and all the ESOP Shares have been allotted and issued) <sup>(7)</sup>	Shareholding percentage immediately after the Closing (assuming the full exercise of the Probio Warrant and the Convertible Bond) <sup>(8)</sup>	Shareholding percentage immediately after the Closing (assuming the full exercise of the Probio Warrant and the Convertible Bond and all the ESOP Shares have been allotted and issued) on a fully- diluted basis <sup>(9)</sup>
Genscript Biotech Corporation and its wholly-owned subsidiary Probio BVI <sup>(1)</sup>	1,460,000,000	—	100%	82.95%	70.51%	74.90%	64.60%	76.19% <sup>(8)</sup>	66.19% <sup>(9)</sup>
Investors	—	300,000,000	—	17.05%	14.49%	25.10%	21.66%	23.81%	20.68%
The ESOP <sup>(2)</sup>	310,588,235	—	—	—	15.00%	—	13.74%	—	13.13%
Total	1,770,588,235	300,000,000	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

*Note:*

- (1) As at the date of this announcement and immediately prior to the Closing, Probio Cayman is wholly owned by Probio BVI, which in turn is wholly owned by the Company.
- (2) The employee stock ownership plan (the “**ESOP**”) includes the employee equity incentive plan of Probio Cayman to be adopted by Probio Cayman on or around the date of the Closing, pursuant to which a maximum of 310,588,235 Probio Shares may be issued pursuant to the ESOP. As at the date of this announcement, no ESOP Shares have been awarded.
- (3) As at the date of this announcement and immediately prior to the Closing, Probio Cayman is wholly owned by Probio BVI, which in turn is wholly owned by the Company.
- (4) Immediately after the Closing and without taking into account the future allotment and issuance of the ESOP Shares.
- (5) Immediately after the Closing and assuming all the ESOP Shares have been allotted and issued.
- (6) Immediately after the Closing without taking into account the future allotment and issuance of the ESOP Shares and assuming the Probio Warrant has been fully exercised.
- (7) Immediately after the Closing and assuming (i) all the ESOP Shares have been allotted and issued and (ii) the Probio Warrant has been fully exercised.
- (8) Immediately after the Closing without taking into account the future allotment and issuance of the ESOP Shares and assuming (i) the Probio Warrant has been fully exercised, and (ii) the Convertible Bond has been fully converted into the Probio Shares, whereupon Probio Cayman shall be directly owned as to 5.16% by the Company.
- (9) Immediately after the Closing and assuming (i) all the ESOP Shares have been allotted and issued, (ii) the Probio Warrant has been fully exercised, and (iii) the Convertible Bonds has been fully converted into the Probio Shares, whereupon Probio Cayman shall be directly owned as to 4.48% by the Company.

## **2. Terms of the Series A Preferred Shares**

According to the Articles, the principal terms of the Series A Preferred Shares are summarized as follows:

### ***Voting Rights***

Holders of Series A Preferred Shares shall have the right to vote at any general meeting of Probio Cayman on an as-converted basis.

### ***Optional Conversion***

Holders of Series A Preferred Shares shall have the option to convert Series A Preferred Shares into such number of fully paid and non-assessable Probio Shares at the conversion price in effect on the date of and immediately prior to such issuance. The initial conversion price per Series A Preferred Shares shall be US\$0.50 (the “**Series A Issue Price**”). The initial Series A Issue Price shall be subject to adjustments for certain dilutive issuances, splits and combinations.

### ***Automatic Conversion***

All outstanding Series A Preferred Shares shall automatically be converted into such number of fully paid and non-assessable Probio Shares at the conversion price applicable to such Series A Preferred Share upon the completion of a Qualified IPO.

### ***Non-cumulative Dividend***

Each of the holders of Series A Preferred Shares is entitled to receive non-cumulative dividends in preference to any dividend on the Probio Shares when, as and if declared by the board of directors of Probio Cayman, for each Series A Preferred Share held by such holder, at a rate of 8% per annum.

### ***Restrictions on Transfer***

A holder of Series A Preferred Share may freely sell, assign or transfer any equity securities of Probio Cayman now or hereafter held by it with five (5) business days' written notice to Probio Cayman if (i) the transfer is not to Probio Cayman's competitor, and (ii) the transferee has agreed in writing to be bound by the terms and conditions of the Shareholders Agreement pursuant to a deed of adherence substantially in the form attached to the Shareholders Agreement, and (iii) the transfer complies in all respects with applicable laws.

## **3. The Shareholders Agreement**

In connection with the Purchase, the Company, Probio BVI, Probio Cayman and the Investors intend to enter into the Shareholders Agreement on the date of the Closing. The principal terms of the Shareholders Agreement are summarized as follows:

### ***Liquidation Preference***

The Series A Preferred Shares shall carry a preferential entitlement to distributions on a winding up of Probio Cayman. Upon any liquidation, dissolution or winding up or other liquidation events of Probio Cayman, before any distribution or payment shall be made to the holders of any Probio Shares, the holders of Series A Preferred Shares shall be entitled to, an amount per Series A Preferred Share equal to the sum of (i) the Series A Issue Price, (ii) interest thereon at an agreed rate per annum, and (iii) all declared and unpaid dividends on each Series A Preferred Share.

### ***Redemption Right***

Upon the occurrence of any Redemption Event (as defined below), the Investors shall have the right (the "**Redemption Right**") to require the Company or Probio Cayman to redeem all or any of the Series A Preferred Shares at the Redemption Price (as defined below) per share.

The "Redemption Price" shall be equal to the aggregate of (i) the Series A Issue Price, (ii) interest at an agreed rate per annum accruing on the Series A Issue Price, calculated from the date of issuance thereof through and including the redemption date, and (iii) any declared but unpaid dividends thereto as of the redemption date.



A “Redemption Event” means the occurrence of any of the following events: (i) Qualified IPO has not been accomplished on or prior to the fifth (5th) anniversary of the date of issuance of Series A Preferred Shares, (ii) any material breach by the Company or Probio Cayman of any of the Transaction Document and was unable to cure such material breach within thirty (30) Business Days after being notified in writing by the Investors to cure such breach, and (iii) any shareholder of Probio Cayman entitled to redemption rights elects to exercise such rights to require Probio Cayman to redeem the equity securities in Probio Cayman.

The Company shall ensure compliance with Rule 14.74 of the Listing Rules upon exercise of the Redemption Right.

### ***Right of First Refusal***

The Investors are entitled to a right of first refusal to purchase all or any portion of Probio Shares that the Company or Probio BVI may propose to transfer on a pro rata basis in proportion to its shareholding percentage in Probio Cayman (on a fully-diluted and as-converted basis), at the same price and on the same terms and conditions as those offered to the prospective transferee.

### ***Right of Co-sale***

In the event that the Investors do not exercise its first refusal right, the Investors shall have a right of co-sale to participate in such sale at the same price and on the same terms and conditions as those offered to the prospective transferee.

### ***Preemptive Right***

The Investors shall have the right of first offer to purchase the newly issued securities of Probio Cayman on a pro rata basis.

### ***Right to Consent and be Consulted***

Probio Cayman shall obtain prior written consent of the Investors prior to effecting certain matters, including, among others, the (i) liquidation, dissolution or winding up of Probio Cayman, (ii) amendment of the Articles, (iii) authorization and issuance of Probio Shares, and (iv) public offering of equity securities of Probio Cayman in a non-Qualified IPO, etc.

Probio Cayman shall consult the Investors prior to effecting certain matters, including, among others, the approval of the annual budget and business plan of the Probio Group.



### ***Observer Right***

The Investors shall have the right to attend all meetings of the board of directors of Probio Cayman in a non-voting observer capacity.

### ***Information and Inspection Rights***

Probio Cayman shall provide the Investors with certain annual, semi-annual, and quarterly financial statements and other reasonable information relating to the financial conditions and business of Probio Cayman.

Each Investor shall have the right to (i) inspect the properties, equipment, facilities, books and records of Probio Cayman, and (ii) discuss the business, operations and conditions of Probio Cayman with its directors.

## **GENERAL INFORMATION**

### **Information on the Investors**

#### ***MSUM VII Holdings Limited and HSUM XIV Holdings Limited***

Each of MSUM VII Holdings Limited and HSUM XIV Holdings Limited is a company formed under the laws of the Cayman Islands. Hillhouse Investment Management, Ltd. (“**Hillhouse**”) serves as the sole management company of each of them.

Founded in 2005, Hillhouse 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’s investment approach. Hillhouse partners with exceptional entrepreneurs and management teams to create value, often with a focus on enacting innovation and technological transformation. Hillhouse invests in the healthcare, consumer, TMT, technology and software, financial and business services sectors in companies across all equity stages. Hillhouse and its group members manage assets on behalf of global institutional clients.

## **Information on Probio Group**

Probio Cayman is an 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 four key categories, namely, antibody drug discovery, antibody drug pre-clinical development, antibody drug clinical development, plasmid & virus for therapeutics development at pre-clinical and clinical stages. 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 drug discovery stage to pre-clinical and clinical development stage.

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

## **REASONS FOR AND BENEFITS OF THE DEEMED DISPOSAL**

The proceeds from the Purchase are intended to be used to satisfy the capital expenditure and other general working capital needs in the operation of the main business of Probio Cayman. The Company believes that the Purchase would provide an additional source of funding for the plan to build up the Good Manufacturing Practice (GMP) manufacturing capacity and the research and development capabilities of Probio Cayman to develop its existing business.

The terms of the Transaction Agreements have been arrived at after arm's length negotiations among the parties. 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.

## **USE OF PROCEEDS FROM THE PURCHASE**

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

## **THE FINANCIAL IMPACT OF DEEMED DISPOSAL**

Immediately prior to the Closing, Probio Cayman was owned as to 100% by the Probio BVI. Immediately after the Closing, Probio Cayman is held as to 82.95% by Probio BVI without taking into account the future allotment and issuance of the ESOP Shares and assuming (i) the Probio Warrant has not been exercised, and (ii) the Convertible Bond has not been converted into the 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 Purchase and the Deemed Disposal will not cause a loss of the Group's control over Probio Cayman, the 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**

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 Closing, the equity interest of Probio BVI in Probio Cayman will be diluted to 82.95%, without taking into account the future allotment and issuance of the ESOP Shares and assuming (i) the Probio Warrant has not been exercised, and (ii) the Convertible Bond has not been converted into the Probio Shares. Therefore, the Purchase as contemplated under the Purchase Agreement constitutes a deemed disposal of the Company's equity interest in Probio Cayman under Rule 14.29 of the Listing Rules.

As all of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Purchase are less than 5%, the Purchase does not constitute a discloseable transaction for the Company Chapter 14 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 Probio Cayman or Legend 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 Board (including the independent non-executive Directors) has approved 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.

## 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 pursuant to the spin-off and separate listing of Legend 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 Probio Cayman pursuant to the Series A Financing, and (iii) deemed disposal of the Company’s equity interest in Legend pursuant to the Legend Purchase (see announcements of the Company dated 14 May 2021 and 23 May 2021 for details);
“Articles”	the Amended and Restated Memorandum and Articles of Association of Probio Cayman;
“Board”	the board of Directors;
“Closing”	the consummation of the Purchase;
“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 Bond”	the convertible bond in the principal amount of US\$70,000,000 convertible into 106,060,606 Probio Shares;
“Deemed Disposal”	the deemed disposal of equity interest in Probio Cayman in relation to the Purchase;
“Director(s)”	the director(s) of the Company;
“ESOP Shares”	an aggregate of 310,588,235 Probio Shares that have been reserved for the employee equity incentive plan to be adopted by Probio Cayman on or around the date of the Closing;

“GenScript Parties”	the Company and each of its subsidiaries which has owned or operated or owns or operates any part of the Principal Business or will contribute any part of the Principal Business to Probio Group, including any contributed asset; provided, that no Probio Group company shall be deemed to be a GenScript Party; further provided, that, Legend, Bestzyme Biotech Corporation and their subsidiaries shall not be deemed to be a GenScript Party;
“Group”	the Company and its subsidiaries;
“Hillhouse”	Hillhouse Investment Management, Ltd., previously known as Hillhouse Capital Management, Ltd.;
“HK\$”	Hong Kong Dollar, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“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;
“Legend”	Legend Biotech Corporation (NASDAQ: LEGN);
“Legend IP License Agreement”	the license agreement to be executed between Legend and Probio Cayman for Probio Cayman’s licensed use of the twelve (12) intellectual property necessary for Probio Cayman’s operation of the Principal Business;
“Legend Purchase”	the purchase of 20,809,850 ordinary shares of Legend and the warrant to subscribe for and purchase from Legend up to 10,000,000 ordinary shares of Legend pursuant to the subscription agreement entered into by Legend and LGN Holdings Limited on 13 May 2021;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“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;
“Principal Business”	biologics contract development and manufacturing organization business of the Company and its affiliates;

“Probio BVI”	Probio Technology I Limited, a limited 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 Closing;
“Probio Group”	Probio Cayman and its subsidiaries;
“Probio Shares”	the ordinary shares of Probio Cayman of par value US\$0.00002 per share;
“Probio Warrant”	the warrant to purchase the Probio Shares;
“Purchase”	the purchase of 300,000,000 Series A Preferred Shares and the Probio Warrant to subscribe for and purchase from Probio Cayman 189,393,939 Probio Shares;
“Purchase Agreement”	the Share and Warrant Purchase Agreement dated 18 August 2021 entered into among the Company, Probio BVI, Probio Cayman, Probio Technology (BVI) Limited, Probio Technology HK Limited ( 香港蓬勃生物科技有限公司 ), Nanjing ProBio Biotech Co., Ltd. ( 南京蓬勃生物科技有限公司 ), Jiangsu GenScript ProBio Biotech Co., Ltd. ( 江蘇金斯瑞蓬勃生物科技有限公司 ) and the Investors, pursuant to which Probio Cayman agreed to issue and the Investors agreed to purchase 300,000,000 Series A Preferred Shares of Probio Cayman and the Probio Warrant to purchase 189,393,939 Probio Shares;
“Qualified IPO”	Probio Cayman’s first firm commitment underwritten public offering of its Probio Shares, or securities representing such Probio Shares, on New York Stock Exchange, the NASDAQ global market, The Hong Kong Stock Exchange of Hong Kong Limited or other internationally recognized stock exchange as may be approved by the board of directors of Probio Cayman and the Investors, and in which the public offering price per Probio Share being at least two (2) times the Series A Issue Price.
“Restructuring”	the contribution of the Principal Business to Probio Group by the relevant GenScript Parties pursuant to and in accordance with the details as set forth in the Restructuring Plan, including, among others, transferring or otherwise contributing all assets, properties, rights, intellectual property, employees and contracts relevant to the Principal Business to Probio Group, and the other transactions expressly contemplated under the Restructuring Plan;

“Restructuring Documents”	any agreements, documents or certificates delivered pursuant to the Restructuring;
“Restructuring Plan”	the restructuring plan in order to effect the Restructuring of Probio Group;
“Series A Financing”	the financing of Probio Cayman pursuant to the Purchase Agreement;
“Series A Issue Price”	means US\$0.50 per Series A Preferred Share, as equitably adjusted for share split, share combination, recapitalization, or similar events;
“Series A Preferred Shares”	the Series A preferred shares issued or to be issued by Probio Cayman;
“Shareholders”	the holders of shares of the Company;
“Shareholders Agreement”	the Shareholders Agreement to be entered into on the date of the Closing by and between GenScript, Probio BVI, Probio Cayman and the Investors;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Term Sheet”	the term sheet dated 14 May 2021 and entered into between the Company and Hillhouse in relation to the Series A Financing;



“Transaction Documents”	collectively, the Purchase Agreement, the Articles, the Shareholders Agreement, the Probio Warrant, the Restructuring Plan, the Restructuring Documents and any other agreements, documents or instruments delivered pursuant hereto or thereto;
“US\$”	United States Dollar, the lawful currency of the United States of America; and
“%”	per cent.

*For the purposes of illustration only, any amount denominated in US\$ in this announcement was translated into HK\$ at the rate of US\$1 = HK\$7.79. Such translations should not be construed as a representation that the amounts in question have been, could have been or could be, converted at any particular rate at all.*

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

Hong Kong, 19 August 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*