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## Asymchem Laboratories (Tianjin) Co., Ltd.

### 凱萊英醫藥集團(天津)股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 6821)

## DISCLOSEABLE TRANSACTION SUBSCRIPTIONS FOR WEALTH MANAGEMENT PRODUCTS

### SUBSCRIPTIONS FOR WEALTH MANAGEMENT PRODUCTS

The board (the “**Board**”) of directors (the “**Directors**”) of Asymchem Laboratories (Tianjin) Co., Ltd. (凱萊英醫藥集團(天津)股份有限公司) (the “**Company**”, together with its subsidiaries, the “**Group**”) announces that, the Company and its wholly-owned subsidiary, Jilin Asymchem Laboratories Co., Ltd. (吉林凱萊英醫藥化學有限公司) (“**Asymchem Jilin**”), had subscribed for wealth management products offered by Citibank (China) Co., Ltd. (“**Citi China**”) and Citigroup Global Markets Holdings Inc. (“**CGMHI**”) (with Citigroup Global Markets Limited (“**CGML**”, together with Citi China and CGMHI, the “**Banks**”) as the arranger) respectively in March 2024, and Asymchem Jilin subscribed for another wealth management product offered by Citi China on 29 May 2024 (collectively, the “**Subscriptions**”), using their respective idle self-owned funds. The Subscriptions, cumulatively aggregated based on the outstanding principal amounts, constitute discloseable transactions of the Company for the purpose of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”). The key terms of the Subscriptions are set out in the table below:

### The Subscriptions

No.	Subscriber	Subscription Date	Value Date	Product Name	Issuer	Principal Amount (in USD)	Annual Return Rate Specified in the Subscription Contract	Maturity/ Redemption Date	Type of Product
1	The Company	6 March 2024	13 March 2024	Credit Linked Investment Product	CGMHI (with CGML as the arranger)	75,000,000	5.80%	7 March 2025	Structured deposit
2	Asymchem Jilin	27 March 2024	8 April 2024	Credit Linked Investment Product	Citi China	25,000,000	5.80%	7 March 2025	Structured deposit
3	Asymchem Jilin	29 May 2024	5 June 2024	Credit Linked Investment Product	Citi China	39,000,000	6.20%	21 May 2025	Structured deposit
<b>Total</b>						<b>139,000,000</b>			

## **BASIS OF DETERMINATION FOR THE CONSIDERATION**

The Directors confirmed that the considerations of the Subscriptions were determined on the basis of commercial terms negotiated at arm's length between the Group and the Banks, having considered (i) the then available surplus cash of the Group for treasury management purpose; (ii) the expected investment return and terms of the Subscription; and (iii) the prevailing market interest rates and practices.

## **REASONS AND BENEFITS FOR THE SUBSCRIPTIONS**

The Group's subscriptions for the wealth management products by reasonable and effective use of certain portion of its temporary idle funds is beneficial for enhancing the overall capital gain of the Group, which is consistent with the core objectives of the Group to safeguard its capital and ensure liquidity. It is expected that the impact of risk factors in connection with the expected return of the above-mentioned wealth management products is low, while the Group can enjoy a higher return compared with fixed term deposits in commercial banks in the People's Republic of China (the "PRC").

The Directors (including the independent non-executive Directors) are of the view that the terms of the Subscriptions are determined on normal commercial terms and are fair and reasonable and in the interests of the Company and its shareholders as a whole.

## **INFORMATION ABOUT THE PARTIES**

### **The Company and Asymchem Jilin**

The Company is a leading, technology-driven CDMO providing comprehensive solutions throughout the drug development and manufacturing process. The Company provides process development and manufacturing services for drugs throughout the pre-clinical, clinical and commercial stages, and has become an integral part of the global value chain for innovative drugs.

Asymchem Jilin is a limited liability company established under the laws of the PRC on 17 August 2007, and is wholly owned by the Company as of the date of this announcement. Asymchem Jilin is principally engaged in the development, large-scale production and sales of high-tech pharmaceutical intermediates and pharmaceutical APIs, as well as the research and development of pharmaceutical APIs and biological enzyme chemical APIs and related products resulting from the optimization of strains and the provision of related technical and consulting services.

### **Banks**

Citi China has different departments including commercial bank, financial markets, corporate banking etc. Citi China offers investment/financing, settlement, trade treasury services to corporates, government and institutional investors.

CGMHI provides equity and fixed income research, cash management, trade finance and securities. It also offers financial restructuring solutions, cross-border transactions, and financial and trust advisory solutions.

CGML is incorporated in England and Wales, the United Kingdom and is a dealer, market maker and underwriter in equity, fixed income securities and commodities, as well as providing advisory services to a wide range of corporate, institutional and government clients.

As of the date of this announcement, Citi China, CGMHI and CGML are subsidiaries of Citigroup Inc. (incorporated in the State of Delaware, the United States of America and listed on the New York Stock Exchange (stock ticker: C)). Therefore, Citi China, CGMHI and CGML are fellow subsidiaries under the common control of the same ultimate shareholder.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, according to the information publicly disclosed by the Banks, the Banks and their ultimate beneficial owners are third parties independent of the Company and its connected persons.

## **LISTING RULES IMPLICATIONS**

Each of the Subscriptions by itself does not constitute a discloseable transaction of the Company as each applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) is below 5%. As the wealth management products under the Subscriptions were subscribed with banks that are fellow subsidiaries under the common control of the same ultimate shareholder and are of similar nature, they would, during the relevant period, be aggregated as if there were one transaction for the purpose of calculating the relevant percentage ratios pursuant to Rule 14.22 of the Listing Rules. As the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) on an aggregate basis, in respect of the Subscriptions during the relevant period, exceeds 5% but is less than 25%, the Subscriptions constitute discloseable transactions of the Company for the purpose of the Listing Rules and are subject to the notification and announcement requirements but are exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

By order of the Board  
**Asymchem Laboratories (Tianjin) Co., Ltd.**  
**Dr. Hao Hong**

*Chairman of the Board, Executive Director and Chief Executive Officer*

Tianjin, 29 May 2024

*As of the date of this announcement, the Board of Directors of the Company comprises Dr. Hao Hong as the Chairman of the Board of Directors and executive Director, Ms. Yang Rui, Mr. Zhang Da and Mr. Hong Liang as executive Directors, Dr. Ye Song and Ms. Zhang Ting as non-executive Directors, and Dr. Sun Xuejiao, Mr. Hou Xinyi and Mr. Lee, Kar Chung Felix as independent non-executive Directors.*