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Genscript Biotech Corporation
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 1548)

**DISCLOSEABLE TRANSACTION AND TRANSACTION WITH
CONNECTED PERSON AT SUBSIDIARY LEVEL IN REACTION TO
TRANSFER OF SHARES OF PROBIO CAYMAN**

INTRODUCTION

Reference is made to the announcements of the Company dated 14 May 2021, 7 June 2021 and 19 August 2021 in relation to, among other things, the Series A Financing of Probio Cayman.

TRANSFER OF SHARES OF PROBIO CAYMAN

The Board announces that, on 28 April 2025 (after trading hours), the Transferors, the Transferee (a direct wholly-owned subsidiary of the Company) and the Company entered into the Share Transfer Agreement, pursuant to which, among other things, the Transferee agrees to purchase from the Transferors, and the Transferors agree to sell to the Transferee 300,000,000 Series A Preferred Shares of Probio Cayman in aggregate for an aggregate consideration of approximately US\$225.1 million (equivalent to approximately HK\$1.7 billion) at the Closing.

As at the date of this announcement, Probio Cayman is owned by the Company as to approximately 71.72%, directly and indirectly through its direct wholly-owned subsidiary Probio BVI, without taking into account the future allotment and issuance of the ESOP Shares. Upon the Closing, the Company's equity interest in Probio Cayman will be increased to 85.09%, directly and indirectly through its direct wholly-owned subsidiaries Probio BVI and the Transferee, without taking into account the future allotment and issuance of the ESOP Shares. Upon the Closing, Probio Cayman will remain an indirect non-wholly owned subsidiary of the Company.

LISTING RULES IMPLICATIONS

The Transfer

As the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the Transfer exceeds 5% but is less than 25%, the Transfer constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

Transaction with connected person at the subsidiary level

As at the date of this announcement, the Transferors are solely managed by Hillhouse and collectively own 13.37% of the equity interest in Probio Cayman without taking into account the future allotment and issuance of the ESOP Shares. Hence, each of Hillhouse and the Transferors (each being an associate of Hillhouse) is a connected person of the Company at the subsidiary level. The Transfer constitutes a connected transaction of the Company with its connected person at the subsidiary level. The Transfer has been approved by the Board. The independent non-executive Directors have confirmed that the terms of the Share Transfer Agreement are fair and reasonable, the transaction contemplated thereunder is on normal commercial terms or better and in the interests of the Company and its shareholders as a whole; although the Transfer is not part of the ordinary and usual course of business of the Group. Accordingly, the Transfer is subject to the reporting and announcement requirements but is exempt from the circular, independent financial advice and shareholders' approval requirements under Rule 14A.101 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 announcements of the Company dated 14 May 2021, 7 June 2021 and 19 August 2021 in relation to the Series A Financing of Probio Cayman.

THE TRANSFER

The Board announces that, on 28 April 2025 (after trading hours), the Transferors, the Transferee and the Company entered into the Share Transfer Agreement, pursuant to which the Transferee agrees to purchase from the Transferors, and the Transferors agree to sell to the Transferee 300,000,000 Series A Preferred Shares (the “**Transferred Shares**”) in aggregate, representing approximately 13.37% of the entire issued share capital of Probio Cayman as at the date of this announcement, without taking into account the future allotment and issuance of the ESOP Shares, for an aggregate consideration of approximately US\$225.1 million (equivalent to approximately HK\$1.7 billion) (the “**Transfer**”).

The Share Transfer Agreement

Date

28 April 2025

Parties

- (1) MSUM VII Holdings Limited, as one of the sellers (“**MUSM VII**”);
- (2) HSUM XIV Holdings Limited, as one of the sellers (“**HSUM XIV**”);
- (3) Yangtze Investment (BVI) Limited (the “**Transferee**”), as the purchaser; and
- (4) the Company, as the guarantor for the Transferee.

Parties (1) and (2), collectively, the “**Transferors**”, and each a “**Transferor**”.

The principal terms of the Share Transfer Agreement are summarized as follows:

The Transfer

Pursuant to the Share Transfer Agreement, the Transferee has agreed to purchase from the Transferors, and the Transferors have agreed to sell to the Transferee the Transferred Shares, representing approximately 13.37% of the entire issued share capital of Probio Cayman as at the date of this announcement, without taking into account the future allotment and issuance of the ESOP Shares.

Consideration and payment

Pursuant to the Share Transfer Agreement, the aggregate purchase price for the Transferred Shares is approximately US\$225.1 million (equivalent to approximately HK\$1.7 billion) (the “**Total Purchase Price**”).

The Total Purchase Price shall be paid in the following manner:

- (a) at the Closing, the Company shall pay, or cause to be paid, on behalf of the Transferee, to the Transferors at least US\$22.5 million (equivalent to approximately HK\$174.7 million) to the Transferors’ designated bank account; and
- (b) subject to the Closing and the terms and conditions of the Share Transfer Agreement, within 150 days from the date of the Share Transfer Agreement, the Company shall pay, or cause to be paid, on behalf of the Transferee, to the Transferors the remaining outstanding amount of the Total Purchase Price, which shall accrue interest on a daily basis at a rate of 12% simple interest rate per annum from the date of the Closing until the date of actual payment of the outstanding purchase price.

The Total Purchase Price was arrived at after arm’s length negotiation between the parties with reference to the fair value of Probio Series A Preferred Shares assessed as at 31 December 2024.

The Transferors and their affiliate will ensure the payment of all taxes payable by the Transferors in connection with the Transfer under the Share Transfer Agreement.

Closing

The closing of the Transfer shall take place remotely via exchange of documents and signatures as soon as reasonably practical after the fulfillment or otherwise written waiver of the closing conditions, or at such other time or place as the Transferors and the Transferee may mutually agree upon (the “**Closing**”). The Closing shall occur no later than five (5) business days from the date of the Share Transfer Agreement, unless otherwise mutually agreed by the Transferors and the Transferee.

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 made by each Transferor and Transferee in the Share Transfer Agreement shall remain true, correct and complete from the date of the Share Transfer Agreement and up to the date of the Closing;
2. all of the covenants and obligations that each Transferor and Transferee is required to perform or comply with pursuant to the Share Transfer Agreement at or prior to the Closing shall have been duly performed or complied with in all material respects; and
3. no order of any nature issued by a court of competent jurisdiction restraining, prohibiting or affecting the consummation of the transactions contemplated to occur at the Closing shall be in effect, and no claim, suit, action, investigation, inquiry or other proceeding by any governmental body or other person shall be pending or threatened which questions the validity or legality of the transactions contemplated by the Share Transfer Agreement.

Guarantees to the Transferors

The Company guarantees to the Transferors the due and punctual performance of all obligations of the Transferee in the Share Transfer Agreement in the event that the Transferee fails to perform any of its obligations in the Share Transfer Agreement.

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

Shareholders	Probio Shares	Series A Preferred Shares	Series B Preferred Shares	Series C Preferred Shares	Shareholding percentage immediately after the Closing (Note 4)	Shareholding percentage immediately after the Closing (assuming all the ESOP Shares have been allotted and issued) (Note 5)
Genscript Biotech Corporation directly and indirectly through its subsidiaries ^(Note 1)	1,566,060,606	300,000,000		42,857,000	85.09%	74.75%
-Directly by GenScript Biotech Corporation	106,060,606			42,857,000	6.64%	5.83%
-Indirectly through its wholly-owned subsidiary Probio BVI	1,460,000,000				65.08%	57.17%
-Indirectly through its wholly-owned subsidiary, the Transferee		300,000,000			13.37%	11.75%
Series B Investors			57,314,000		2.55%	2.24%
Series C Investors (except Genscript Biotech Corporation) ^(Note 2)				277,141,370	12.36%	10.85%
The ESOP ^(Note 3)	310,588,235				-	12.16%
Total	1,876,648,841	300,000,000	57,314,000	319,998,370	100.00%	100.00%

Notes:

- (1) Immediately after the Closing, the Company will directly and indirectly hold approximately 85.09% equity interest in Probio Cayman, comprising: (i) approximately 6.64% held directly by the Company; (ii) approximately 65.08% held indirectly through Probio BVI, a direct wholly-owned subsidiary of the Company; and (iii) approximately 13.37% held indirectly through the Transferee, a direct wholly-owned subsidiary of the Company. Upon the Closing, Probio Cayman will remain an indirect non-wholly owned subsidiary of the Company.
- (2) As part of the series C financing of Probio Cayman, the Company purchased 42,857,000 series C preferred shares of Probio Cayman. For details of the Company's participation in the series C financing of Probio Cayman, please see the announcement of the Company dated 17 January 2023.
- (3) The employee stock ownership plan (the "ESOP") includes the restricted share unit award scheme of Probio Cayman, pursuant to which a maximum of 310,588,235 Probio Shares (the "ESOP Shares") may be issued pursuant to the vesting of the restricted share units that may be granted or have been granted thereunder. As at the date of this announcement, no ESOP Shares have been allotted and issued.
- (4) Immediately after the Closing and without taking into account the future allotment and issuance of the ESOP Shares. The Series A Warrant has expired in accordance with the terms and conditions of the Series A Purchase Agreement.
- (5) Immediately after the Closing and assuming all the ESOP Shares have been allotted and issued.

GENERAL INFORMATION

Information on the Transferors

MSUM VII Holdings Limited and HSUM XIV Holdings Limited

Each of MSUM VII and HSUM XIV is a company with a place of business in Hong Kong. Hillhouse Investment Management, Ltd. (“**Hillhouse**”) serves as the sole management company of each of them.

Founded in 2005, Hillhouse is dedicated to investing in high-quality businesses for the long term. With nearly two decades of experience, Hillhouse collaborates with industry-defining enterprises, aiming to establish alignment with sustainable, forward-thinking companies across healthcare, business services, consumer, and industrial sectors. Hillhouse is a diversified alternative investment platform with strategies across equities, credit, and real assets. The firm manages capital for global institutions, including non-profit foundations, endowments, and pensions.

Pursuant to the Series A Purchase Agreement dated 18 August 2021 entered into by, among others, Probio Cayman and the Transferors, the Transferors purchased a total of 300,000,000 Series A Preferred Shares issued by the Probio Cayman at an aggregate consideration of approximately US\$150.0 million (equivalent to approximately HK\$1.2 billion). Please refer to the announcements of the Company dated 14 May 2021, 7 June 2021 and 19 August 2021 for the details of the Series A Financing.

Information on Probio Cayman

Probio Cayman is an indirect non-wholly owned subsidiary of the Company incorporated on 7 May 2021 in the Cayman Islands as an exempted company with limited liability. Immediately prior to the Closing, Probio Cayman is directly and indirectly held as to 71.72% by the Company. Probio Cayman, together with its subsidiaries, provides comprehensive contract development and manufacturing organization (CDMO) services to biotech and biopharma companies in antibody drug discovery, as well as pre-clinical development, clinical and commercial manufacturing for biologics and plasmid & virus for therapeutics.

The unaudited consolidated financial information of Probio Cayman and its subsidiaries for two years ended 31 December 2023 and 2024 is set forth below:

	For the year ended 31 December	
	2023	2024
	<i>US\$'000</i>	<i>US\$'000</i>
Revenue	109,490	95,021
Net profit/(loss) before tax	131,500	(186,556)
Net profit/(loss) after tax	135,610	(179,389)

As at 31 December 2024, the unaudited consolidated total asset value and net liability value of Probio Cayman and its subsidiaries amounted to approximately US\$567.6 million and US\$169.4 million, respectively.

Information on the Company and the Transferee

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.

The Transferee is a business company incorporated under the laws of the British Virgin Islands and is a direct wholly-owned subsidiary of the Company.

REASONS FOR AND BENEFITS OF THE TRANSFER

Leveraging deep expertise across multiple modalities of the Group, Probio Cayman has emerged as a leading biologics contract development and manufacturing organization (CDMO) service provider for innovators in antibody development, protein-based therapeutics, cell therapies, and gene therapies. The Company and Probio Group have invested in new molecular entities with therapeutic potential for years, accelerating clients' research and development programs and keeping Probio Cayman's position at the forefront of technological innovation. Additionally, it is expected that Probio Cayman could generate cash revenue stream from its license agreement with LaNova Medicines Ltd. for a PD-1 VHH antibody, which was subsequently used in a PD-1/VEGF bispecific antibody and further sublicensed to Merck & Co. Therefore, the Board is confident in Probio Cayman's future development prospects.

Given the business potential of Probio Cayman and its synergistic benefits to the Group, the Board believes that the Transfer represents an opportunity to increase the Group's shareholding in Probio Cayman and enhance operational efficiency, which can generate long-term returns for the Company.

DIRECTORS CONFIRMATION

The Directors (including the independent non-executive Directors) are of the view that the Share Transfer Agreement has been entered into on normal commercial terms that are fair and reasonable and is in the interests of the Company and its shareholders as a whole.

None of the Directors has a material interest in Share Transfer Agreement or is required to abstain from voting from such board resolutions.

LISTING RULES IMPLICATIONS

The Transfer

As the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the Transfer exceeds 5% but is less than 25%, the Transfer constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

Transaction with connected person at the subsidiary level

As at the date of this announcement, the Transferors are solely managed by Hillhouse and collectively own 13.37% of the equity interest in Probio Cayman (comprising approximately 8.02% through MUSM VII and 5.35% through HSUM XVI) without taking into account the future allotment and issuance of the ESOP Shares. Hence, each of Hillhouse and the Transferors (each being an associate of Hillhouse) is a connected person of the Company at the subsidiary level. The Transfer constitutes a connected transaction of the Company with its connected person at the subsidiary level. The Transfer has been approved by the Board. The independent non-executive Directors have confirmed that the terms of the Share Transfer Agreement are fair and reasonable, and the transaction contemplated thereunder is on normal commercial terms or better and in the interests of the Company and its shareholders as a whole; although the Transfer is not part of the ordinary and usual course of business of the Group. Accordingly, the Transfer is subject to the reporting and announcement requirements but is exempt from the circular, independent financial advice and shareholders' approval requirements under Rule 14A.101 of the Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors;
“connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong Dollar, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“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 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 an indirectly wholly owned subsidiary of the Company;
“Probio Shares”	the ordinary shares of Probio Cayman of par value US\$0.00002 per share;
“Probio Series A Warrant”	the warrant to purchase certain Probio Shares issued by Probio Cayman to the Transferors on 3 September 2021 pursuant to the Series A Purchase Agreement;
“Series A Financing”	the financing of Probio Cayman pursuant to the purchase agreement entered into by, among others, the Company, Probio BVI, Probio Cayman and the Transferors (the “ Series A Purchase Agreement ”), pursuant to which Probio Cayman issued and the Transferors purchased 300,000,000 Series A Preferred Shares and the Probio Series A Warrant to purchase 189,393,939 Probio Shares, details of which are set forth in the announcements of the Company dated 14 May 2021, 7 June 2021 and 19 August 2021;
“Series A Preferred Shares”	the series A preferred shares issued by Probio Cayman;
“Share Transfer Agreement”	the share transfer agreement dated 28 April 2025 entered into among the Transferors, the Transferee and the Company, pursuant to which, the Transferee agrees to purchase from the Transferors and the Transferors agree to sell the Transferred Shares;
“Shareholders”	the holders of shares of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;

“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\$7.7583. 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.

This announcement has been issued in the English language with a separate Chinese language translation. If there is any inconsistency or ambiguity between the English version and the Chinese version, the English version shall prevail.

Shareholders and potential investors of the Company are advised to pay attention to investment risks and exercise caution when they deal or contemplate dealing in the securities of the Company.

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

Hong Kong, 28 April 2025

*As at the date of this announcement, the executive Directors are Dr. Fangliang Zhang (“**Dr. Frank Zhang**”), Mr. Jiange Meng (“**Mr. Robin Meng**”), Ms. Ye Wang (“**Ms. Sally Wang**”) and Dr. Li Zhu; the non-executive Director is Dr. Luquan Wang (“**Dr. Larry Wang**”); and the independent non-executive Directors are Mr. Zumian Dai (“**Mr. Edward Dai**”), Mr. Jiuan Pan (“**Mr. Ethan Pan**”), Mr. Yiu Leung Andy Cheung, Dr. Chenyang Shi (“**Dr. Victor Shi**”), Dr. Alphonse Galdes, Dr. Ross Grossman, and Dr. John Quelch.*