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## EDDING GENOR GROUP HOLDINGS LIMITED

亿腾嘉和醫藥集團有限公司

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 6998)**

### **DISCLOSEABLE TRANSACTION DISPOSAL OF EQUITY INTEREST IN CANDID THERAPEUTICS, INC.**

Reference is made to (i) the announcement of Edding Genor Group Holdings Limited (the **“Company”**, together with its subsidiaries, the **“Group”**) dated 5 August 2024 in relation to the out-licensing of GB261 to TRC 2004, Inc., and (ii) the announcement of the Company dated 4 May 2026 in relation to, among other matters, the licensing arrangements in respect of GB261 and the proposed acquisition of Candid by UCB.

#### **INTRODUCTION**

The Board of Directors (the **“Board”**) of the Company announces that on 16 July 2026, the Company received proceeds of US\$48,419,599.63 from the Disposal (as defined below), as partial amount of the consideration to which the Company is entitled in connection with the disposal of the Company’s entire equity interest in Candid Therapeutics, Inc. (**“Candid”**), and UCB’s proposed payment terms therefor based on the notification from the escrow paying agent of UCB S.A. (**“UCB”**). The Disposal arises from a merger agreement entered into on 3 May 2026 among, among others, UCB, its merger subsidiary, and Candid (the **“Merger Agreement”**), pursuant to which UCB’s merger subsidiary will merge with and into Candid, with Candid continuing as the surviving corporation and becoming an indirect wholly-owned subsidiary of UCB (the **“Merger”**). As a stockholder of Candid bound by a voting agreement among Candid and its stockholders (the **“Voting Agreement”**), the Company was contractually obligated to vote in favour of the Merger. Upon consummation of the Merger, all of the Company’s shares in Candid will automatically be converted into the right to receive cash consideration, together with all other Candid stockholders (other than dissenting stockholders) (the **“Disposal”**).

The Disposal involves the Company’s entire equity interest in Candid (being 12,499,997 common shares of Candid, representing approximately 2.29% of the total issued and outstanding share capital of Candid).

The Company was contractually obligated under the Voting Agreement to vote in favour of the Merger once it was approved by Candid’s board of directors and the requisite Candid stockholders as a sale of Candid, and upon consummation of the Merger, all outstanding shares of Candid capital stock (other than any dissenting shares) will, by operation of Delaware law, automatically be converted into the right to receive the applicable consideration under the Merger Agreement, without any further action, sale negotiation, or discretion on the part of the Company. For the avoidance of doubt, the Company was not one of the requisite stockholders whose approval was required to approve the Merger.

On 3 May 2026, UCB announced the execution of the Merger Agreement under which it would acquire Candid. Under the terms of the Merger Agreement, UCB shall make an upfront payment, together with potential future milestone payments, contingent upon the achievement of specified milestones. The acquisition has closed and the Group has received proceeds of US\$48,419,599.63 from the Disposal on 16 July 2026.

The Company wishes to clarify that it was not involved in, and had no visibility into, the negotiation of the Merger, as the decision to approve the transaction was made by Candid's board of directors and the requisite Candid stockholders. The specific amount of consideration to which it is entitled and UCB's proposed payment terms was subject to customary adjustment and was comprised of certain other potential future payments under the Merger Agreement.

Based on the expected specific amount of consideration, as one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Disposal exceed 5% but are all less than 25%, the Disposal constitutes a discloseable transaction for the Company under Rule 14.06(2) of the Listing Rules and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

## **BACKGROUND**

In August 2024, the Company licensed its proprietary drug candidate GB261 (a CD3/CD20 bispecific antibody) to TRC 2004, Inc. ("**TRC2004**") under an exclusive worldwide license (excluding mainland China, Hong Kong SAR, Macau SAR, and Taiwan) for development and commercialisation. The consideration comprised equity in TRC2004, a double digit million US dollars upfront payment, potential milestone payments of up to US\$443 million, and tiered royalties on future net sales.

TRC2004 merged into Candid Therapeutics, Inc. pursuant to an Agreement and Plan of Merger and Reorganisation dated 19 August 2024. As a result, the Company's TRC2004 shares were converted into 12,499,997 common shares of Candid, and the Company became a stockholder of Candid bound by Candid's stockholders' agreements, including the Voting Agreement.

On 3 May 2026, UCB and Candid entered into the Merger Agreement, pursuant to which UCB's merger subsidiary will merge with and into Candid, with Candid continuing as the surviving corporation and becoming an indirect wholly-owned subsidiary of UCB. Under the Merger Agreement, the aggregate consideration payable in connection with the Merger comprises (i) closing consideration of approximately US\$1,950,000,000 (subject to customary adjustments), and (ii) development milestone payments of up to US\$200,000,000 payable upon the achievement of certain clinical development milestones in respect of a lead product of Candid, together with certain other potential future payments, in each case if and when payable in accordance with the Merger Agreement. Closing of the Merger is subject to customary closing conditions, including the expiration or termination of the applicable waiting period under antitrust laws and the absence of any injunction or order prohibiting the Merger. On 17 June 2026 (CEST), UCB announced the successful completion of its acquisition of Candid.

## **THE DISPOSAL**

Upon the consummation of the Merger, the Company's entire holding of equity interest in Candid (being 12,499,997 common shares of Candid, representing approximately 2.29% of the total issued and outstanding share capital of Candid), will automatically be converted into the right to receive cash consideration under the Merger Agreement.

The closing consideration received by the Company at closing of the Merger was US\$48,419,599.63 being partial aggregate consideration payable in connection with the Merger. In addition, pursuant to the Merger Agreement, the Company is entitled to receive (a) the Company's pro rata share of the aggregate development milestone payments (up to US\$200,000,000) upon the achievement of certain clinical development milestones in respect of a lead product of Candid, and (b) the Company's pro rata share of any other future payments arising from post-closing adjustments or release of escrow funds, in each case if and when payable in accordance with the Merger Agreement. All amounts will be allocated among Candid stockholders in accordance with Candid's Amended and Restated Certificate of Incorporation.

The consideration was determined on arm's length terms and on the same basis applicable to all Candid stockholders, taking into account the liquidation preferences, participation rights, and conversion mechanics under Candid's Amended and Restated Certificate of Incorporation. The Company had no role in negotiating the consideration or the terms of the Merger Agreement, and its shares will be converted into the right to receive consideration on the same basis as all other Candid stockholders (other than any dissenting stockholders) by operation of law upon consummation of the Merger.

## **INFORMATION ON THE PARTIES**

### **The Company**

The Company is a biopharmaceutical company driven by the vision of 'China for Global'. Our major therapeutic areas include oncology, autoimmune diseases, chronic inflammation, cardiovascular diseases, respiratory diseases, and anti-infectives. The Company is committed to building an integrated drug R&D system achieving full-chain coverage from early discovery to commercialization, and providing indispensable products and key values focused on unmet clinical needs worldwide.

### **UCB**

UCB is a global biopharmaceutical company focused on the discovery and development of innovative medicines and solutions to transform the lives of people living with severe diseases of the immune system or of the central nervous system. UCB is listed on Euronext Brussels (symbol: UCB).

To the best of the Directors' knowledge, information, and belief having made all reasonable enquiries, UCB and its ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

## Candid

Candid Therapeutics, Inc. is a clinical-stage biopharmaceutical company incorporated in Delaware, United States, focused on developing precision immunology treatments using bispecific and multi-specific T-cell engagers for autoimmune diseases. Pursuant to the Merger Agreement, Candid will continue as the surviving corporation of the Merger and become an indirect wholly-owned subsidiary of UCB.

## FINANCIAL INFORMATION OF CANDID

Set out below is the financial information of Candid for the two years ended 31 December 2024 and 2025 which has been prepared in conformity with accounting principles generally accepted in the United States of America.

|                              | <b>For the year ended 31 December</b> |                               |
|------------------------------|---------------------------------------|-------------------------------|
|                              | <b>2025</b>                           | <b>2024 (since inception)</b> |
|                              | <i>(audited)</i>                      |                               |
|                              | <i>USD'000</i>                        |                               |
| Net profit/(loss) before tax | <b>(92,235)</b>                       | (174,306)                     |
| Net profit/(loss) after tax  | <b>(92,235)</b>                       | (174,306)                     |
|                              | <b>As of 31 December</b>              |                               |
|                              | <b>2025</b>                           | <b>2024</b>                   |
|                              | <i>(audited)</i>                      |                               |
|                              | <i>USD'000</i>                        |                               |
| Total assets                 | <b>231,570</b>                        | 315,702                       |
| Net asset                    | <b>214,520</b>                        | 302,658                       |

Based on consolidated statements of operations and comprehensive loss of Candid, no revenue was recorded for the years ended 31 December 2025 and 2024 (since inception).

## FINANCIAL EFFECTS OF THE DISPOSAL

The Group has received proceeds of US\$48,419,599.63 from the Disposal and recognised a gain of US\$33,804,466.92, being the difference between the consideration received from the Disposal and the relevant investment costs as at the closing date of the Disposal. The actual amount of gain or loss arising from the Disposal is subject to review and final audit by the auditor of the Company.

The proceeds from the Disposal are intended to be used as the Group's general corporate purposes.

## REASONS FOR AND BENEFITS OF THE DISPOSAL

Pursuant to the Voting Agreement and the Merger Agreement, the Company's Candid shares will be converted into the right to receive cash consideration automatically upon consummation of the Merger, and the Company was contractually bound under the Voting Agreement to vote in favour of the Merger once it was approved by Candid's board of directors and the requisite Candid stockholders.

The Board considers that the Disposal will enable the Company to realise the value of the equity component of the consideration it received for the out-licensing of GB261 in August 2024. The proceeds will strengthen the Group's cash position.

The Board (including the independent non-executive Directors) is of the view that the terms of the Disposal (being the same terms applicable to all Candid stockholders under the Merger) are fair and reasonable and in the interests of the Company and its shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As the highest applicable percentage ratio in respect of the Disposal pursuant to Rule 14.07 of the Listing Rules is more than 5% but less than 25%, the Disposal constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements, but is exempted from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.**

## **DEFINITIONS**

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

|                        |                                                                                                                                                                                                                                                          |
|------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>“Board”</b>         | the board of Directors of the Company                                                                                                                                                                                                                    |
| <b>“Candid”</b>        | Candid Therapeutics, Inc., a company incorporated in the State of Delaware, United States                                                                                                                                                                |
| <b>“Company”</b>       | Edding Genor Group Holdings Limited (formerly known as Genor Biopharma Holdings Limited), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 6998) |
| <b>“Director(s)”</b>   | the director(s) of the Company                                                                                                                                                                                                                           |
| <b>“Disposal”</b>      | the disposal of the Company's entire equity interest in Candid, arising from the automatic conversion of the Company's Candid shares into the right to receive cash consideration upon consummation of the Merger                                        |
| <b>“Group”</b>         | the Company and its subsidiaries                                                                                                                                                                                                                         |
| <b>“HK\$”</b>          | Hong Kong dollars, the lawful currency of Hong Kong                                                                                                                                                                                                      |
| <b>“Hong Kong”</b>     | the Hong Kong Special Administrative Region of the People's Republic of China                                                                                                                                                                            |
| <b>“Listing Rules”</b> | the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited                                                                                                                                                                 |

|                           |                                                                                                                                                                                                                                                                      |
|---------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>“Merger”</b>           | the merger of UCB’s merger subsidiary with and into Candid pursuant to the Merger Agreement, with Candid continuing as the surviving corporation and becoming an indirect wholly-owned subsidiary of UCB pursuant to the Merger Agreement entered into on 3 May 2026 |
| <b>“Merger Agreement”</b> | the merger agreement dated 3 May 2026 entered into among, among others, UCB, its merger subsidiary, and Candid, providing for the Merger                                                                                                                             |
| <b>“Stock Exchange”</b>   | The Stock Exchange of Hong Kong Limited                                                                                                                                                                                                                              |
| <b>“UCB”</b>              | UCB S.A., a company incorporated in Belgium and listed on Euronext Brussels                                                                                                                                                                                          |
| <b>“US\$”</b>             | United States dollars, the lawful currency of the United States of America                                                                                                                                                                                           |
| <b>“Voting Agreement”</b> | the Series B Voting Agreement dated 19 August 2024 (as amended on 27 August 2024) entered into among Candid and its stockholders (including the Company)                                                                                                             |
| <b>“%”</b>                | per cent.                                                                                                                                                                                                                                                            |

By Order of the Board  
**Edding Genor Group Holdings Limited**  
**Mr. Ni Xin**  
*Chairman and Executive Director*

Hong Kong, 16 July 2026

*As of the date of this announcement, the Board comprises Mr. Ni Xin and Dr. Han Shuhua as executive Directors; Dr. David Guowei Wang and Mr. Yu Tieming as non-executive Directors; and Dr. Xu Qing, Mr. Chen Wen and Ms. Zheng Jingjing as independent non-executive Directors.*