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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)

**CONNECTED TRANSACTION
PROPOSED CAPITAL CONTRIBUTION IN
SHANGHAI ASYMCHEM BIOTECHNOLOGY DEVELOPMENT**

THE CAPITAL CONTRIBUTION

The Board is pleased to announce that on 30 July 2026, the Company, the Target Company and the Investors entered into the Capital Increase Agreement, pursuant to which the Company and the Investors agreed to contribute an aggregate amount of RMB1,239,700,000 to the equity capital of the Target Company. As at the date of this announcement, the Target Company is a non-wholly owned subsidiary of the Company (held as to approximately 83.00%). Upon completion of the Capital Contribution, the Target Company will be held as to approximately 83.50% by the Company and will remain a non-wholly owned subsidiary of the Company.

Through the entering into of the Capital Increase Agreement, the Target Company will be able to bring in external investment by way of capital increase and injection, which is in line with the Group's future development strategy. The Capital Contribution is conducive to enhancing the Target Company's financial strength, meeting its subsequent capital needs for capital expenditure and operating expenditure, enhancing its overall competitiveness and promoting the development of its CDMO business.

LISTING RULES IMPLICATIONS

As of the date of this announcement, one of the Investors, namely, Dr. Hao Hong is the chairperson of the Board, executive Director and chief executive officer of the Company. As of the date of this announcement, Dr. Hao Hong directly holds approximately 3.95% interests of the Company and indirectly holds approximately 31.91% interests of the Company through his controlled entity and is a controlling shareholder of the Company and hence a connected person of the Company pursuant to Chapter 14A of the Listing Rules. Further, as of the date of this announcement, one of the parties to the Capital Increase Agreement, namely, AsymCore is 99.00% owned by Ms. Yang Rui who is an executive Director, and therefore AsymCore is a connected person of the Company pursuant to Chapter 14A of the Listing Rules. Accordingly, the transactions contemplated under the Capital Increase Agreement constitute connected transactions of the Company.

The grant of the Put Options under the Capital Increase Agreement would be treated as a transaction and classified by reference to the percentage ratios pursuant to Rules 14.04(1)(b) and 14.73 of the Listing Rules. The exercise of the Put Options is not at the discretion of the Company or the Target Company. According to Rule 14.74(1) of the Listing Rules, on the grant of the Put Options, the transactions will be classified as if the Put Options had been exercised.

As the highest applicable percentage ratio in respect of the Capital Contribution and the grant of Put Options exceeds 0.1% but is less than 5%, the Capital Contribution and the grant of Put Options are subject to reporting and announcement requirements but exempt from the circular and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. As none of the applicable percentage ratios in respect of the Capital Contribution and the grant of Put Options exceeds 5%, the Capital Contribution and the grant of Put Options are not subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

GENERAL

Pursuant to the Shenzhen Listing Rules and the articles of association of the Company, the Company is required to seek the independent Shareholders' approval for the connected transactions contemplated under the Capital Increase Agreement.

A circular containing, *inter alia*, further details of the Capital Increase Agreement will be despatched to the Shareholders of the Company in due course.

It should be noted that the completion of the Capital Contribution is subject to a number of conditions precedent, including but not limited to, the approval of the transactions contemplated under the Capital Increase Agreement by the independent Shareholders as required by the Shenzhen Listing Rules and the articles of association of the Company, which may or may not be fulfilled. The transactions contemplated under the Capital Increase Agreement therefore may or may not proceed. Shareholders and potential investors of the Company should exercise caution when they deal or contemplate dealing in the securities of the Company.

THE CAPITAL CONTRIBUTION

The Board is pleased to announce that on 30 July 2026, the Company, the Target Company, Asymchem Biotechnology, Gao Ling Qirui, Zhuhai Daiheng, Dr. Hao Hong, AsymCore and Haihe Asymchem Fund entered into the Capital Increase Agreement, pursuant to which the Company and the Investors agreed to contribute an aggregate amount of RMB1,239,700,000 to the equity capital of the Target Company.

As at the date of this announcement, the Target Company is a non-wholly owned subsidiary of the Company (held as to approximately 83.00%). Upon completion of the Capital Contribution, the Target Company will be held as to approximately 83.50% by the Company and will remain a non-wholly owned subsidiary of the Company.

PRINCIPAL TERMS OF THE CAPITAL INCREASE AGREEMENT

- Date:** 30 July 2026
- Place:** Tianjin, the PRC
- Parties:**
- (1) The Company, as an existing shareholder and the controlling shareholder of the Target Company;
 - (2) The Target Company, as the issuer;
 - (3) Asymchem Biotechnology, as a warrantor;
 - (4) Gao Ling Qirui, as an Investor;
 - (5) Zhuhai Daiheng, as an existing shareholder of the Target Company;
 - (6) Dr. Hao Hong, as an Investor;
 - (7) AsymCore, as an existing shareholder of the Target Company; and
 - (8) Haihe Asymchem Fund, as an existing shareholder of the Target Company.

Parties (2)-(3), collectively, the **“Warrantors”**, each a **“Warrantor”**.

Parties (1), (4) and (6), collectively, the **“Investors”**, each an **“Investor”**.

Subject Matter: The Investors and the Company have agreed to make a cash contribution in an aggregate amount of RMB1,239,700,000 to the equity capital of the Target Company at a subscription price of RMB13.1053 per RMB1.00 of registered capital.

Consideration: The aggregate consideration for the Capital Contribution is RMB1,239,700,000, the details of which are set out in the section headed **“Consideration to be Paid by Each Investor”** below.

Payment Arrangement: The consideration for the Capital Contribution shall be paid by the Investors on or before the fifth business day after the satisfaction or waiver of the Conditions Precedent under the Capital Increase Agreement (the **“Closing Date”**), or such other date as agreed by all parties to the Capital Increase Agreement (except as otherwise expressly provided in this Agreement).

**Conditions
Precedent:**

The following conditions precedent (the “**Conditions Precedent**”) shall be satisfied or waived in writing by the Investors on or before the Closing Date:

- (a) The representations and warranties of the Warrantors are true, accurate and complete and not misleading in all respects on each of the date of the Capital Increase Agreement and the Closing Date. The covenants and agreements to be executed by the Warrantors on or before the Closing Date in the Capital Increase Agreement have been executed.
- (b) No governmental body has formulated, issued, promulgated, implemented or passed any law or governmental order that would make any proposed transactions under the Capital Increase Agreement unlawful, or otherwise restrict or prohibit any proposed transactions under the Capital Increase Agreement.
- (c) There is no claim, existing or potential, against the Target Group, Dr. Hao Hong, or the business of the Target Group, which may restrict, or result in changes to the terms of the proposed transactions under the Capital Increase Agreement, or have any material adverse effect to the Target Group, Dr. Hao Hong, or the business of the Target Group.
- (d) All authorizations and approvals of governmental bodies or the Target Company and all relevant third party consents necessary to complete the proposed transactions under the Capital Increase Agreement have been obtained and such authorizations and approvals do not substantially change any business conditions under the Capital Increase Agreement (including the Company’s waiver of its pre-emptive right, and the Target’s shareholders’ meeting having resolved to approve (i) the Capital Increase Agreement and the transactions contemplated thereunder, (ii) the Company’s execution and performance of the Capital Increase Agreement, and (iii) the amendment of the Target Company’s articles of association).
- (e) The Company and the Target Company have signed and delivered the Capital Increase Agreement and other transaction documents (including but not limited to the articles of association of the Target Company), and the format and content of such documents are satisfactory to the Investors.
- (f) All approvals or authorizations of the Investors of their internal investment committee or other competent authorities (if applicable) for the transactions proposed under the Capital Increase Agreement have been obtained, and the Company’s Board approval has been obtained.

- (g) The Investors have completed all business, financial, legal and tax due diligence on the Target Group, the results of which are satisfactory to the Investors.
- (h) The core employees of the Target Company have executed labour contracts, non-compete agreements (during employment and for 2 years post-departure) and confidentiality agreements.
- (i) The Investors have received the unaudited consolidated balance sheet, income statement and cash flow statement of the Target Company as of the end of the one month before the Closing Date, prepared in accordance with PRC GAAP and fairly presented.
- (j) No material adverse changes have occurred.
- (k) The Investors have received the closing certificates issued by the Target Company certifying that the Conditions Precedent under the Capital Increase Agreement have been satisfied (unless such items have been waived by the Investors in writing).

**Major Shareholders’
Special Rights
under the
Capital Increase
Agreement**

**Put Options/
Repurchase
Rights**

Gao Ling and Haihe Asymchem Fund were granted put options under the Prior Investment Agreement, pursuant to which, Gao Ling and/or Haihe Asymchem Fund are entitled to require the Target Company and/or the Company to repurchase all or part of their equity interests in the Target Company acquired under the Prior Investment Agreement upon occurrence of any of the following triggering events: (i) the Company and/or Dr. Hao Hong fails to comply with their non-compete obligations; or (ii) Target Group companies involved in any connected transactions which were not approved in accordance with the terms of the Prior Investment Agreement. The Capital Increase Agreement provides that the above put options shall continue to apply to the equity interests acquired under the Prior Investment Agreement. In addition, the Capital Increase Agreement extends such put options to the equity interests acquired under the Capital Increase Agreement (if any), and adds a new triggering event applicable only to equity interests acquired under the Capital Increase Agreement, being the failure by the Company and/or Dr. Hao Hong to fulfil their payment obligations for the capital increase in the Target Company in accordance with the terms of the Capital Increase Agreement. The repurchase price shall be calculated based on the investment amount corresponding to the repurchased equity plus an IRR at 8% simple interest per annum from the payment date to the date the repurchase price is paid in full (with the IRR component capped at an IRR period of 15 years).

In addition, Gao Ling Qirui was granted put options under the Capital Increase Agreement in respect of the registered capital subscribed by Gao Ling Qirui in the Capital Contribution, pursuant to which Gao Ling Qirui shall be entitled to require the Target Company and/or the Company to repurchase all or part of the registered capital subscribed by Gao Ling Qirui in the Capital Contribution within two (2) months after the Target Company and/or the Company receives notice from Gao Ling Qirui (or such other period as may be agreed between the parties) upon occurrence of any of the following triggering events: (i) upon the expiry of two (2) years from the date of completion of the Capital Contribution, the Target Company has not achieved all of the following conditions: (a) at least one director appointed by the Company works full-time at the Target Company and holds a management position, and such director does not hold concurrent positions at, or actually participate in the affairs of, the controlling shareholder, the actual controller or other enterprises controlled by them, to meet the independence requirements for a spin-off listing; and (b) the Target Company has formulated and adopted an equity incentive or share option plan; or (ii) upon the expiry of four (4) years from the date of completion of the Capital Contribution, the Target Company has not completed a Qualified IPO. The repurchase price payable to Gao Ling Qirui shall be calculated based on the investment amount corresponding to the repurchased registered capital plus an IRR at 8% simple interest per annum from the payment date to the date the repurchase price is paid in full.

Non-Compete

The Company, Dr. Hao Hong and AsymCore undertake, without the prior written permission of Gao Ling and Haihe Asymchem Fund, not to engage directly or indirectly in any business in the same kind of, similar to or competitive with the Main Business of the Target Group that constitutes a substantial obstacle to the Target Company's spin-off listing (the "**Competing Business**") or to hold an interest in a Competing Business during the period when they directly or indirectly hold any interest in the Target Company and for a period of 2 years from the date on which they no longer hold any interest in the Target Group.

Pre-emptive Rights	If the Target Company proposes any additional increase of its registered capital (except for the transactions contemplated under the Capital Increase Agreement) with unanimous consent of all parties, each of the then shareholders of the Target Company shall have the pre-emptive rights to purchase such proposed additional increase of registered capital upon receipt of a notice given by the Target Company. Pursuant to the Capital Increase Agreement, where Gao Ling's pro rata entitlement calculated in accordance with the agreed subscription procedures would otherwise exceed 30% of the total proposed new registered capital in any such future capital increase, Gao Ling has agreed to waive its entitlement in excess of such 30% cap, and the waived portion will not be available for further pre-emptive subscription by Gao Ling.
Transfer Restriction and Right of First Refusal	From completion of the Capital Contribution to the Qualified IPO, unless unanimous consent of the Company, Gao Ling and Haihe Asymchem Fund is obtained in advance, the Company, Dr. Hao Hong and AsymCore shall not directly or indirectly sell, gift, pledge, encumber or otherwise dispose of any equity interest in the Target Company held by them. Other shareholders have a right of first refusal upon receipt of a transfer notice, provided that no transfer shall be made to the competitors of the Target Company as set out in the Capital Increase Agreement.
Tag-along Rights	In the event that any of the Company, Dr. Hao Hong and/or AsymCore proposes to transfer its equity interests in the Target Company, other shareholders of the Target Company who do not exercise their right of first refusal shall have the right to sell their respective equity interest in the Target Company together with such transferring party on the same terms to the proposed buyer. In the event that any of Gao Ling or Haihe Asymchem Fund proposes to transfer its equity interests in the Target Company, and other shareholders of the Target Company have not exercised the right of first refusal, either Gao Ling or Haihe Asymchem Fund shall have the right (but not the obligation) to sell its respective equity interest in the Target Company together with the other party on the same terms to the proposed buyer.

Anti-dilution Rights	From completion of the Capital Contribution to the date of the Qualified IPO, unless unanimously agreed by all parties, the Target Company shall not introduce any new investors at a price lower than any party's subscription price under the Capital Contribution (except as otherwise expressly provided in this Agreement). In case of a subsequent lower-priced capital increase, existing shareholders shall have the right to subscribe for additional registered capital at the nominal value to restore their percentage interest.
Liquidation Priority	The Investors shall have certain priorities in the entitlements to the residual assets of the Target Company during liquidation process, which shall be subject to certain restrictions and conditions.
Right to Information	The Target Company shall provide the Company and the Investors with certain of its financial information within agreed periods. Gao Ling, if they deem necessary, shall have the right to conduct their supplementary audits or legal due diligence on the Target Group.
Most Preferential Rights	Unless otherwise agreed in the Capital Increase Agreement, in the event that the Target Company grants more favourable rights or investment conditions to any other shareholders, Gao Ling shall automatically be entitled to such rights or investment conditions.

**Shareholders’
Meeting
and Protective
Matters**

From completion of the Capital Contribution until the date of a Qualified IPO or such other date as agreed by all parties, the following matters in respect of any Target Group company require the prior approval of both the Company and Gao Ling: (i) save for matters contemplated under the Capital Increase Agreement, any initial public offering and listing, increase in registered capital, issuance of shares or bonds, or repurchase or redemption of any shares/equity interests (other than pursuant to a pre-approved annual budget or development plan), provided that where any Target Group company raises financing by way of issuance of shares or bonds at a valuation that secures Gao Ling an annualised book investment return of not less than 8.0% (calculated by reference to the valuation under the Capital Increase Agreement), Gao Ling shall be deemed to have consented to such financing and the resulting increase in registered capital and may not exercise any veto right in respect thereof; (ii) save for matters contemplated under the Capital Increase Agreement, the acquisition or disposal of equity or other interests, or debt securities, of another entity (including another Target Group company) exceeding 20% of the Target Company’s total consolidated assets, or any event resulting in a change of control of a Target Group company through the sale of all or substantially all of its assets; (iii) cessation of or any material change to the Main Business; (iv) approval of profit distribution plans and loss-recovery plans; (v) resolutions to liquidate, cease business, dissolve, terminate or restructure any Target Group company; and (vi) granting any person rights more favourable than those enjoyed by Gao Ling, or amending or changing Gao Ling’s rights or priorities.

**Nomination
Rights**

The board of directors of the Target Company shall consist of three directors. The Company shall be entitled to nominate two directors, and Gao Ling shall be entitled to nominate one director.

The following matters of the Target Company shall require the approval of both the director(s) nominated by the Company and the director nominated by Gao Ling: (i) establishing or amending the overall profit-sharing mechanism or employee equity incentive/ shareholding scheme; (ii) making any material change to accounting policies; (iii) providing any guarantee outside the ordinary course of business; (iv) any Target Group company (other than the Target Company) incurring payable registered capital, acquisition consideration or similar amounts equal to or exceeding 10% of the Target Company's total assets; (v) incurring borrowings, debts or financial liabilities equal to or exceeding 20% of the Target Company's total assets in a single transaction or cumulatively within any rolling 12-month period; (vi) disposing of, or creating encumbrances over, assets with a cumulative value equal to or exceeding 20% of the Target Company's total assets within any rolling 12-month period; (vii) entering into connected transactions with a cumulative value equal to or exceeding RMB1,000,000 within any rolling 12-month period; and (viii) establishing any new subsidiary, joint venture or partnership, or any major asset acquisition, capital expenditure or investment, in each case involving an amount exceeding 20% of the Target Company's total assets in a single transaction or cumulatively within any rolling 12-month period.

**Termination and
Restoration of
Special Rights**

The special rights described above shall be terminated for spin-off/listing purposes as required. If the listing application is terminated, withdrawn or rejected within 18 months, the special rights shall automatically be restored.

Termination:

The Capital Increase Agreement may be terminated by the Investors if the Capital Contribution fails to be completed within ninety (90) calendar days or other period as agreed by the parties after the execution of the Capital Increase Agreement, or by either party to the Capital Increase Agreement under customary circumstances as set out in the Capital Increase Agreement.

Indemnity:

The Warrantors agreed to indemnify the Investors from certain losses suffered in the event of occurrence of any indemnity events as set out in the Capital Increase Agreement.

BASIS AND FACTORS TO DETERMINE THE CONSIDERATION

The consideration payable by the Investors for the Capital Contribution and the subscription price of RMB13.1053 per RMB1.00 of registered capital were determined after arm's length negotiations between the parties with reference to the following:

The parties agreed on a pre-money valuation (on a fully-diluted basis) of the Target Company of RMB3,000,000,000 as of the date of the Capital Increase Agreement. The pre-money valuation was determined by applying the market approach using the comparable companies method. The cost approach was not adopted as it is based on historical costs and does not reflect the market value of the Target Company's existing assets and earning potential. The income approach was not adopted as the preparation of the Target Company's financial projections involves multiple assumptions and the relevant projected data are difficult to objectively verify; reliance on the income approach may result in an overestimation of the valuation. The market approach was adopted because there are a sufficient number of listed companies with business nature and operating models similar to those of the Target Company.

The following companies were selected as comparable companies based on the criteria that they are principally engaged in CDMO business for biologics: WuXi Biologics (Cayman) Inc. (stock code: 2269.HK) and WuXi XDC Cayman Inc. (stock code: 2268.HK). In addition, the Company, as the parent company of the Target Company and one of the market leaders in the PRC CDMO industry, was also referenced. Given the current development stage of the Target Company, the parties agreed to adopt the price-to-sales ratio ("**P/S Ratio**") as the key pricing multiple, as the Target Company is in a growth stage and has not yet achieved profitability, making price-to-earnings ratio inapplicable.

As of 20 July 2026 (being the reference date), the P/S Ratios of the comparable companies (calculated based on market capitalisation divided by revenue for the year ended 31 December 2025) ranged from 5.67x to 10.27x.

Based on the P/S Ratio range of the above comparable companies (5.67x to 10.27x), and taking into account: (a) a liquidity discount to reflect the lack of marketability of the Target Company's equity interests as a private company; and (b) the Target Company's significant growth potential in the PRC CDMO market for biologics, ADC and mRNA drugs as well as its strong prospects for rapid future growth, the parties agreed to apply a P/S Ratio of 6.4x for the valuation of the Target Company. Based on the applied P/S Ratio of 6.4x and the Target Company's revenue for the year ended 31 December 2025 (as extracted from the audited consolidated financial information of the Target Company) of approximately RMB469.64 million, the pre-money valuation of the Target Company was determined to be RMB3 billion, and the subscription price was RMB13.1053 per RMB1.00 of registered capital.

The Directors have also considered the economic value of the special rights granted to the Investors (including the Put Options and expanded protective matters), and consider that such rights are typical investor protections commonly found in private equity investments and do not render the terms unfair or unreasonable, noting that: (i) the Put Options are conditional on specified triggering events; (ii) similar rights were granted under the Prior Investment Agreement; and (iii) such rights are expected to be terminated upon the Target Company achieving a Qualified IPO.

No independent valuation was commissioned for this transaction. The Directors consider that: (i) the market approach using comparable companies is a well-established methodology; (ii) there is sufficient publicly available information on the comparable companies; and (iii) the Target Company is a subsidiary of the Company and the Directors have good knowledge of its business.

The Directors (including the independent non-executive Directors) consider that the terms of the Capital Increase Agreement and the transactions contemplated thereunder are fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

CONSIDERATION TO BE PAID BY EACH INVESTOR

The aggregate consideration payable by the Company and the Investors for the Capital Contribution is RMB1,239,700,000, the details of which are set out below:

Investor	Cash Consideration (RMB)	New Registered Capital Subscribed (RMB)	Balance to Capital Reserve (RMB)
The Company	1,050,000,000	80,120,481.93	969,879,518.07
Gao Ling Qirui	177,000,000	13,506,024.10	163,493,975.90
Dr. Hao Hong	12,700,000	969,076.30	11,730,923.70
Total	1,239,700,000	94,595,582.33	1,145,104,417.67

CHANGE IN THE SHAREHOLDING STRUCTURE OF THE TARGET COMPANY

The shareholding structures of the Target Company as at the date of this announcement and upon the completion of the Capital Contribution are set out below:

As at the date of this announcement:

Shareholder	As at the date of this announcement Registered Capital (RMB)	As at the date of this announcement % of the total equity capital
The Company	190,000,000	83.00%
Gao Ling Qirui	11,445,783	5.00%
Zhuhai Daiheng	11,445,783	5.00%
AsymCore	9,156,627	4.00%
Haihe Asymchem Fund	4,578,313	2.00%
Dr. Hao Hong	2,289,157	1.00%
Total	228,915,663	100.00%

Upon completion of the Capital Contribution:

Shareholder	Upon completion Registered Capital (RMB)	Upon completion % of the total equity capital
The Company	270,120,481.93	83.4965%
Gao Ling Qirui	24,951,807.13	7.7128%
Zhuhai Daiheng	11,445,783.23	3.5380%
AsymCore	9,156,626.51	2.8304%
Haihe Asymchem Fund	4,578,313.25	1.4152%
Dr. Hao Hong	3,258,232.93	1.0071%
Total	323,511,244.98	100.00%

FINANCIAL INFORMATION

Set out below is the audited consolidated financial information of the Target Company for the years ended 31 December 2024 and 31 December 2025, respectively, extracted from its management accounts prepared in accordance with Generally Accepted Accounting Principles of the People's Republic of China (中國企業會計準則):

	As of/for the year ended 31 December 2024	As of/for the year ended 31 December 2025
	<i>(RMB,000)</i>	
Net loss before taxation	(114,002.8)	(51,347.4)
Net loss after taxation	(97,431.7)	(43,774.1)
Net assets	206,388.3	160,995.6

Upon the completion of the Capital Contribution, the Target Company will remain as a subsidiary of the Company.

REASONS FOR AND BENEFITS OF THE CAPITAL CONTRIBUTION

Through the entering into of the Capital Increase Agreement, the Target Company will be able to bring in external investment by way of capital increase and injection, which is in line with the Group's future development strategy. The Capital Contribution is conducive to enhancing the Target Company's financial strength, meeting its subsequent capital needs for capital expenditure and operating expenditure, enhancing its overall competitiveness and promoting the development of its CDMO business (including macromolecular drugs, antibody-drug conjugates, mRNA drugs and other advanced therapies).

The terms of the Capital Increase Agreement were arrived at after arm's length negotiations among the parties. The Directors (including the independent non-executive Directors) consider that the terms of the Capital Increase Agreement and the transactions contemplated thereunder are fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

Each of Dr. Hao Hong (being an executive Director and an Investor), Dr. Ye Song (being a non-executive Director and the spouse of Dr. Hao Hong), Ms. Yang Rui (being an executive Director and the general partner of AsymCore) and Mr. Zhang Da (being an executive Director and a limited partner of AsymCore) has abstained from voting at the relevant Board meeting approving the transactions contemplated under the Capital Increase Agreement. Save as disclosed above, none of the Directors has a material interest in the Capital Contribution, and therefore none of them abstained from voting on the relevant Board meeting approving the transactions contemplated under the Capital Increase Agreement, or is required to abstain from voting at the extraordinary general meeting of the Company approving the transactions contemplated under the Capital Increase Agreement.

FINANCIAL IMPACT ON THE COMPANY

As at the date of this announcement, the Target Company is a non-wholly owned subsidiary of the Company (held as to approximately 83.00%). After the completion of the Capital Contribution, the Target Company will be held as to approximately 83.50% by the Company. The Target Company will continue to be a non-wholly owned subsidiary of the Company. The results of operations and financial position of the Target Company will continue to be recorded in the Group's consolidated financial statements.

As the Capital Contribution will not cause a loss of the Group's control over the Target Company (indeed, the Company's interest marginally increases from 83.00% to approximately 83.50%), the Capital Contribution will be accounted for as an equity transaction that will not result in the recognition of any gain or loss in profit or loss.

In addition, the Put Options would be recognised as obligations of the Group to repurchase own equity, and presented as a liability in the consolidated statements of financial position.

USE OF PROCEEDS

The proceeds raised from the Capital Contribution will be used for production and capacity building of Contract Development and Manufacturing Organization (CDMO) solutions (including macromolecular drugs, antibody-drug conjugates and mRNA drugs), including but not limited to general operating expenses, R&D expenses, capital expenditures, etc.

The Company's own contribution may be used to repay intra-group current accounts to facilitate the Target Company's independent development. Without the prior consent of the Investors, proceeds shall not be used to repay any shareholder or connected-party liabilities.

LISTING RULES IMPLICATIONS

As of the date of this announcement, one of the Investors, namely, Dr. Hao Hong is the chairperson of the Board, executive Director and chief executive officer of the Company. As of the date of this announcement, Dr. Hao Hong directly holds approximately 3.95% interests of the Company and indirectly holds approximately 31.91% interests of the Company through his controlled entity and is a controlling shareholder of the Company and hence a connected person of the Company pursuant to Chapter 14A of the Listing Rules. Further, as of the date of this announcement, one of the parties to the Capital Increase Agreement, namely, AsymCore is 99.00% owned by Ms. Yang Rui who is an executive Director, and therefore AsymCore is a connected person of the Company pursuant to Chapter 14A of the Listing Rules. Accordingly, the transactions contemplated under the Capital Increase Agreement constitute connected transactions of the Company.

The grant of the Put Options under the Capital Increase Agreement would be treated as a transaction and classified by reference to the percentage ratios pursuant to Rules 14.04(1)(b) and 14.73 of the Listing Rules. The exercise of the Put Options is not at the discretion of the Company or the Target Company. According to Rule 14.74(1) of the Listing Rules, on the grant of the Put Options, the transactions will be classified as if the Put Options had been exercised.

As the highest applicable percentage ratio in respect of the Capital Contribution and the grant of Put Options exceeds 0.1% but is less than 5%, the Capital Contribution and the grant of Put Options are subject to reporting and announcement requirements but exempt from the circular and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. As none of the applicable percentage ratios in respect of the Capital Contribution and the grant of Put Options exceeds 5%, the Capital Contribution and the grant of Put Options are not subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

INFORMATION OF THE PARTIES INVOLVED

The Company

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 throughout the pre-clinical, clinical and commercial stages, and has become an integral part of the global value chain for innovative drugs.

The Target Company

The Target Company, Shanghai Asymchem Biotechnology Development Co., Ltd., is a limited liability company incorporated in the PRC. It is a non-wholly owned subsidiary of the Company as at the date of this announcement (held as to approximately 83.00% by the Company). The Target Company operates the Group's contract development and manufacturing organization (CDMO) business for macromolecule drugs, antibody-drug conjugates, mRNA and other advanced therapies.

Asymchem Biotechnology

Shanghai Asymchem Biotechnology Co., Ltd. is a limited liability company incorporated in the PRC, a subsidiary within the Group. Asymchem Biotechnology is a global leading enterprise in the field of CDMO for biologics and advanced therapies, providing macromolecular drugs, antibody-drug conjugates and mRNA drugs.

Gao Ling Qirui

Suzhou Gao Ling Qirui Healthcare Investment, L.P. is a limited partnership incorporated in the PRC which principally engages in equity investment. Its general partner is Suzhou Gao Ling Qirui Healthcare Investment Management Co., Ltd. ("**Qirui Management**") which is owned as to 55% ultimately by Ms. Zhu Xiuhua. Save as disclosed above, no other ultimate beneficial owner holds 30% or more of the interests in Gao Ling Qirui. To the best knowledge of the Directors, having made reasonable enquiry, Gao Ling Qirui and its ultimate beneficial owners are independent of, and are not connected with, the Company and its connected persons.

Zhuhai Daiheng

Zhuhai Daiheng Investment Partnership, L.P. (formerly known as Zhuhai Daiheng Equity Investment Partnership, L.P.) is a limited partnership incorporated in the PRC, principally engaged in equity investment. Its general partner is Shenzhen Gao Ling Tiancheng Investment III Co., Ltd. ("**Gao Ling Tiancheng III**"). Zhuhai Daiheng is owned as to approximately 50.12% and 36.42%, respectively, by Shenzhen Gao Ling Muqi Equity Investment Fund, L.P. ("**Gao Ling Muqi**") and Xiamen Gao Ling Ruiqi Equity Investment Fund, L.P. ("**Gao Ling Ruiqi**") as limited partners, both of which have Gao Ling Tiancheng III as their respective general partner. Gao Ling Tiancheng III is held as to 55% by Ms. Zhang Haiyan. Save as disclosed above, no other ultimate beneficial owner holds 30% or more of the interests in Zhuhai Daiheng. To the best knowledge of the Directors, after making all reasonable enquiries, Zhuhai Daiheng and its ultimate beneficial owners are independent of and not connected with the Company or its connected persons.

Dr. Hao Hong

Dr. Hao Hong is a United States citizen, the chairperson of the Board, executive Director and chief executive officer of the Company. As of the date of this announcement, Dr. Hao Hong directly holds approximately 3.95% interests of the Company and indirectly holds approximately 31.91% interests of the Company through his controlled entity and is a controlling shareholder of the Company, hence a connected person of the Company pursuant to Chapter 14A of the Listing Rules.

AsymCore

AsymCore is Asymchem Tongxin (Tianjin) Enterprise Management Consulting Partnership (Limited Partnership), a limited partnership incorporated in the PRC. Its primary business includes business management consulting, marketing planning and information consulting services, etc. As of the date of this announcement, Ms. Yang Rui, an executive Director and the co-chief executive officer of the Company, is the general partner of AsymCore and holding 99.00% of its interests, and therefore a connected person of the Company. Mr. Zhang Da, an executive Director, the chief financial officer and chief operating officer of the Company, is a limited partner of AsymCore and holding 1.00% of its interests, and therefore a connected person of the Company. Thus, AsymCore is a connected person of the Company pursuant to Chapter 14A of the Listing Rules.

Haihe Asymchem Fund

Tianjin Haihe Asymchem Biomedical Industry Innovation Investment Fund (Limited Partnership) (“**Haihe Asymchem Fund**”) is a limited partnership incorporated in the PRC and its general partner is Haiyingchuang (Tianjin) Investment Management Co., Ltd. (“**Haiyingchuang Investment**”). Its primary business includes equity investment and investment management and consulting. As of the date of this announcement, Haiyingchuang Investment is owned as to approximately 44.38% by Trinity Innovation (Beijing) Investment Management Co., Ltd. (“**Trinity Innovation**”), which is in turn owned as to 90% by Mr. Yin Zheng (a natural person who is an independent financial investor); and approximately 44.38% by Yunqi (Tianjin) Enterprise Management Consulting Partnership (Limited Partnership) (“**Yunqi Management**”) which is in turn owned as to 60% and 40% by Ms. Yang Rui and Mr. Zhang Da (both being executive Directors), respectively. As of the date of this announcement, Haihe Asymchem Fund is owned as to approximately 39.60% by Tianjin Haihe Industrial Fund Partnership (Limited Partnership) (“**Haihe River Industry Fund**”) and approximately 26% by the Company both as limited partners, and by three other limited partners with each holding less than 20% of interest. As of the date of this announcement, Haihe River Industry Fund is owned as to approximately 99.75% by Tianjin Finance Bureau as a limited partner. The general partner of Haihe River Industry Fund is Tianjin Haihe Industrial Fund Management Co., Ltd., which is in turn owned by fourteen (14) independent entities with each holding no more than 15% of interest. The largest limited partner (holding 15% of interest) of Tianjin Haihe Industrial Fund Management Co., Ltd. is the Tianjin Finance Bureau Fiscal Investment Business Center.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, other than the Company itself (holding approximately 26% of the interests in Haihe Asymchem Fund as a limited partner), Haihe Asymchem Fund itself (controlled by Haiyingchuang Investment as its general partner which is in turn owned as to 44.38% by Yunqi Management, a company which is in turn owned as to 60% and 40% by Ms. Yang Rui and Mr. Zhang Da (both being executive Directors), respectively), Ms. Yang Rui and Mr. Zhang Da (both being executive Directors), the ultimate beneficial owners of Haihe Asymchem Fund are all third parties independent of the Company and its connected persons.

Save as disclosed above, to the best of the Directors’ knowledge, information and belief, and having made all reasonable enquiries, each of the Investors and their respective ultimate beneficial owners is an independent third party of the Company.

GENERAL

Pursuant to the Shenzhen Listing Rules and the articles of association of the Company, the Company is required to seek the independent Shareholders' approval for the connected transactions contemplated under the Capital Increase Agreement.

A circular containing, *inter alia*, further details of the Capital Increase Agreement will be despatched to the Shareholders of the Company in due course.

DEFINITIONS

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

“Asymchem Biotechnology”	Shanghai Asymchem Biotechnology Co., Ltd., a limited liability company incorporated in the PRC and a subsidiary of the Group
“AsymCore”	Asymchem Tongxin (Tianjin) Enterprise Management Consulting Partnership (Limited Partnership), a limited partnership incorporated in the PRC. As of the date of this announcement, Ms. Yang Rui, an executive Director, is the general partner of AsymCore and holding 99.00% of its interests, and therefore a connected person of the Company pursuant to Chapter 14A of the Listing Rules
“Board”	the board of directors of the Company
“business day”	any day other than a Saturday, Sunday, statutory holiday or other day on which banks in China, Hong Kong or the United States are required or authorised by law to suspend business
“Capital Contribution”	the proposed capital contribution to the Target Company pursuant to the Capital Increase Agreement
“Capital Increase Agreement”	the capital increase agreement dated 30 July 2026 entered into among the Company, the Target Company, Asymchem Biotechnology, Gao Ling Qirui, Zhuhai Daiheng, Dr. Hao Hong, AsymCore and Haihe Asymchem Fund
“Company”	Asymchem Laboratories (Tianjin) Co., Ltd., a company established under the PRC laws, the A Shares of which are listed on the Shenzhen Stock Exchange and the H Shares of which are listed on the Hong Kong Stock Exchange (Stock Code: 6821)
“Competing Business”	any business in the same kind of, similar to or competitive with the Main Business of the Target Group

“Directors”	the director(s) of the Company
“Gao Ling”	Gao Ling Qirui and Zhuhai Daiheng, collectively
“Gao Ling Qirui”	Suzhou Gao Ling Qirui Healthcare Investment, L.P., a limited partnership established under PRC laws and an independent third party of the Company
“Group”	the Company and its subsidiaries
“Haihe Asymchem Fund”	Tianjin Haihe Asymchem Biomedical Industry Innovation Investment Fund (Limited Partnership), a limited partnership established under PRC laws and its general partner is Haiyingchuang (Tianjin) Investment Management Co., Ltd. As of the date of this announcement, Haiyingchuang Investment is owned as to approximately 44.38% by Yunqi (Tianjin) Enterprise Management Consulting Partnership (Limited Partnership) which is in turn owned as to 60% and 40% by Ms. Yang Rui and Mr. Zhang Da (both being executive Directors), respectively
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Investors”	the Company, Gao Ling Qirui and Dr. Hao Hong, being the parties subscribing for new registered capital in this Capital Contribution
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Main Business”	the contract development and manufacturing organization business of macromolecule drugs, antibody-drug conjugates and mRNA drugs, etc.
“PRC” or “China”	the People’s Republic of China and for the purpose of this announcement, excluding the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan
“Prior Investment Agreement”	the investment agreement dated 25 March 2022 entered into among the Company, Asymchem Biotechnology, the Target Company and the investors in connection with the capital contributions disclosed in the Company’s announcement dated 25 March 2022

“Put Options”	the put options/repurchase rights granted to Gao Ling, Haihe Asymchem Fund and/or Gao Ling Qirui under the Capital Increase Agreement, as described in the section headed “Major Shareholders’ Special Rights under the Capital Increase Agreement”
“Qualified IPO”	the Target Company’s initial public offering and listing of the shares on the Hong Kong Stock Exchange, the Shanghai Stock Exchange, the Shenzhen Stock Exchange, the New York Stock Exchange or NASDAQ (including but not limited to initial public offering, backdoor listing or mergers and acquisitions, etc., but excluding a listing on the NEEQ)
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	the holder(s) of the ordinary share(s) of the Company
“Shenzhen Listing Rules”	the Rules Governing the Listing of Shares on Shenzhen Stock Exchange
“Target Company” or “Shanghai Asymchem Biotechnology Development”	Shanghai Asymchem Biotechnology Development Co., Ltd., a limited liability company incorporated in the PRC. It is a non-wholly owned subsidiary of the Company as at the date of this announcement
“Target Group”	the Target Company together with its subsidiaries
“Warrantors”	the Target Company and Asymchem Biotechnology
“Zhuhai Daiheng”	Zhuhai Daiheng Investment Partnership (Limited Partnership) (formerly Zhuhai Daiheng Equity Investment Partnership (Limited Partnership)), a limited partnership established under PRC laws and an independent third party of the Company

Any discrepancies in any table between totals and sums of amounts listed therein in this announcement are due to rounding.

By order of the Board
Asymchem Laboratories (Tianjin) Co., Ltd.
Dr. Hao Hong
Chairperson of the Board, Executive Director and Chief Executive Officer

Tianjin, PRC, 30 July 2026

As of the date of this announcement, the Board comprises Dr. Hao Hong as the Chairperson of the Board 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, Dr. Hou Xinyi and Mr. Xie Weikai as independent non-executive Directors.