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**RemeGen Co., Ltd.\***

**榮昌生物製藥(煙台)股份有限公司**

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

**(Stock Code: 9995)**

## **PLACING OF NEW H SHARES UNDER GENERAL MANDATE**

**Overall Coordinators and Placing Agents**

**Morgan Stanley**



The Board is pleased to announce that on May 22, 2025 (before trading hours), the Company and the Placing Agents entered into the Placing Agreement pursuant to which the Company agrees to issue the Placing Shares, and the Placing Agents agree, on a several basis, as agents of the Company, to procure the Placees on a best efforts basis to purchase the Placing Shares at the Placing Price and on the terms and subject to the conditions set out in the Placing Agreement. The Placing Shares will be allotted and issued pursuant to the General Mandate.

On the assumption that all Placing Shares are fully placed, the aggregate gross proceeds from the Placing are expected to be HK\$806.36 million and the aggregate net proceeds (after deduction of the commissions and estimated expenses) from the Placing are expected to be approximately HK\$796 million. The net proceeds from the Placing are intended to be used by the Group to invest in research and development of its core product, Telitacicept (RC18), for the expansion of its core indications such as Myasthenia Gravis and Membranous Nephritis, and for general corporate purposes.

The Placing Shares represent approximately 10.02% of the existing number of H Shares in issue, being 189,581,239 H Shares, and approximately 3.49% of the number of total issued Shares as at the date of this announcement. The Placing Shares represent approximately 9.11% of the number of issued H Shares and approximately 3.37% of the number of total issued Shares, in each case, as enlarged by the allotment and issue of the Placing Shares (and assuming there is no other change in the issued share capital of the Company from the date of this announcement to the completion of the Placing save for the issue of the Placing Shares). The aggregate nominal value of the Placing Shares under the Placing will be RMB19,000,000.

The Placing Agents will place the Placing Shares to not less than six Placees who are independent professional, institutional and/or other investors on a best efforts basis, subject to termination in certain events, as set out below under the heading “Termination”.

The Company shall apply to the Stock Exchange for the listing and permission to trading of the Placing Shares, and shall comply with CSRC Rules and complete the CSRC Filings in connection with the Placing.

**As Completion is subject to the satisfaction of certain conditions precedent and the termination rights of the Placing Agents, the Placing may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

## **PLACING OF NEW H SHARES**

The Board is pleased to announce that on May 22, 2025 (before trading hours), the Company and the Placing Agents entered into the Placing Agreement. The principal terms of the Placing Agreement are set out below.

## **THE PLACING AGREEMENT**

### **Date**

May 22, 2025 (before trading hours)

### **Parties**

- (1) The Company; and
- (2) The Placing Agents.

### **Placing Shares**

19,000,000 new H Shares of RMB1.00 each in the registered capital of the Company will be issued by the Company pursuant to the terms and subject to the conditions set out in the Placing Agreement.

The Placing Shares represent approximately 10.02% of the existing number of H Shares in issue, being 189,581,239 H Shares, and approximately 3.49% of the number of total issued Shares as at the date of this announcement. The Placing Shares represent approximately 9.11% of the number of issued H Shares and approximately 3.37% of the number of total issued Shares, in each case, as enlarged by the allotment and issue of the Placing Shares (and assuming there is no other change in the issued share capital of the Company from the date of this announcement to the completion of the Placing save for the issue of the Placing Shares). The aggregate nominal value of the Placing Shares under the Placing will be RMB19,000,000.

### **The Placing**

The Company agrees to issue the Placing Shares, and the Placing Agents agree, on a several basis, as the agents of the Company, to procure the Placees on a best efforts basis to purchase the Placing Shares at the Placing Price and on the terms and subject to the conditions set out in the Placing Agreement.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Placing Agents and their respectively ultimate beneficial owners are independent of, and not connected with the Company and its connected persons and their respective associates.

### **The Placees**

The Placing Agents will place the Placing Shares to not less than six Placees who are independent professional, institutional and/or other investors on a best efforts basis who and whose ultimate beneficial owners are all Independent Third Parties. None of the Placees will become a substantial shareholder of the Company immediately after Completion.

## **Placing Price**

The Placing Price of HK\$42.44 per Placing Share represents:

- (a) a discount of approximately 9.51% to the closing price of HK\$46.90 per H Share as quoted on the Stock Exchange on May 21, 2025, being the Last Trading Day and the date on which the Placing Price was fixed;
- (b) a premium of approximately 3.49% to the average closing price of HK\$41.01 per H Share as quoted on the Stock Exchange for the last 10 consecutive trading days up to and including the Last Trading Day; and
- (c) a premium of approximately 5.17% to the average closing price of HK\$40.35 per H Share as quoted on the Stock Exchange for the last 15 consecutive trading days up to and including the Last Trading Day.

The aggregate net proceeds (after deduction of the commissions and estimated expenses) from the Placing are expected to be approximately HK\$796 million. The net price (after deduction of the commissions and estimated expenses) raised per H Share upon Completion of the Placing will be approximately HK\$41.89. The Placing Price has been negotiated and arrived at on an arm's length basis and by reference to the market conditions and the recent closing prices per H Share. The Directors are of the opinion that the Placing Price is fair and reasonable and is in the best interests of the Company and the Shareholders as a whole.

## **Ranking of the Placing Shares**

The Placing Shares, when allotted, issued and fully paid, will rank *pari passu* in all respects among themselves and with the existing H Shares in issue as at the date of issue of the Placing Shares free from all liens, charges and encumbrances, and together with all rights attaching to them as at the date of issue of the Placing Shares, including the right to receive all dividends declared, made or paid on a record date which falls on or after the date of issue of the Placing Shares.

## **Lock-up**

The Company has undertaken to the Placing Agents that for a period from the date of the Placing Agreement up to 3 months after the Closing Date (which is August 28, 2025), neither the Company nor any person acting on its behalf will, except for the Placing Shares and save pursuant to (a) the terms of any employee share option scheme or restricted share plan or share award plan of the Company or (b) bonus or scrip dividend or similar arrangements which provide for the allotment of Shares in lieu of the whole or part of a dividend on Shares of the Company in accordance with its articles of association, (i) sell, transfer, dispose, allot or issue or offer to sell, transfer, dispose, allot or issue or grant any option, right or warrant to subscribe for (either conditionally or unconditionally, or directly or indirectly, or otherwise) any Shares or any interests in Shares or any securities convertible into or exercisable or exchangeable for or substantially similar to any Shares or interest in Shares or (ii) agree (conditionally or unconditionally) to enter into or effect any such transaction with the same economic effect as any of the transactions described in (i) above or (iii) announce any intention to enter into or effect any such transaction described in (i) or (ii) above without first having obtained the written consent of the Placing Agents.

## Conditions

The Completion is conditional upon the fulfilment of the following conditions on or prior to 8:00 a.m. (Hong Kong time) on the Closing Date or such later time and/or date as may be agreed between the Company and the Placing Agents:

- (a) the Listing Committee granting the listing of, and permission to deal in, the Placing Shares (and such listing and permission not subsequently being revoked prior to the delivery of definitive share certificate(s) representing the Placing Shares); and
- (b) the Placing Agents having received the final draft or substantially complete draft of the CSRC Filings including the PRC legal opinion from the Company's PRC legal counsel as to the PRC laws in relation to the CSRC Filings, such drafts to be in form and substance reasonably satisfactory to the Placing Agents.

The Company shall, as soon as is reasonably practicable, apply to the Stock Exchange for the granting of listing of, and permission to deal in, the Placing Shares and the Company shall use all reasonable endeavours to obtain the granting of such listing and permission to deal by the Listing Committee as soon as is reasonably practicable, and will inform the Placing Agents promptly following the granting of the same. The Company shall furnish such information, supply such documents, pay such fees and do all such acts and things as may reasonably be required by the Placing Agents and/or the relevant regulatory bodies in connection with necessary actions to the fulfilment of the Conditions.

If the Conditions are not fulfilled at or prior to 8:00 a.m. (Hong Kong time) on the Closing Day, the Placing Agents and the Company shall have no obligations or liabilities to each other under the Placing and neither the Company nor the Placing Agents shall have any claim against the other for costs, damages, compensation or otherwise arising under this Agreement save for antecedent breaches.

## Termination

The Placing Agreement may be terminated by the Placing Agents, without liability to the Company, by giving written notice to the Company at any time prior to 8:00 a.m. (Hong Kong time) on the Closing Date, in accordance with the terms thereof, on the grounds of, including but not limited to, breach of any of the representations, warranties and undertakings by the Company and the occurrence of certain force majeure events as set out in the Placing Agreement.

## Completion

Subject to the conditions mentioned above, the Completion shall take place on the Closing Date or as soon as practicable thereafter or such other time and/or date as the Placing Agents and the Company may agree in writing.

**As Completion is subject to the satisfaction of certain conditions precedent and the termination rights of the Placing Agents, the Placing may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

## **GENERAL MANDATE TO ISSUE THE PLACING SHARES**

The Placing Shares will be issued and allotted under the General Mandate. Therefore, the issue and allotment of the Placing Shares are not subject to separate approval of the Shareholders. Pursuant to the General Mandate, the Board is authorised to allot and issue up to 108,866,416 Shares. As at the date of this announcement, no H Shares have been issued under the aforementioned General Mandate.

## **REASONS FOR THE PLACING AND USE OF PROCEEDS FROM THE PLACING**

### **Business Development Focus**

As a leading biopharmaceutical enterprise, the Company leverages its integrated R&D, manufacturing, and commercialization capabilities to develop innovative and differentiated biologic drugs. Since its inception, the Company has built comprehensive end-to-end therapeutics development capabilities addressing unmet medical needs in China and globally.

The Company has established strong competitive advantages through continuous technological innovation and strategic development of its product pipeline. With its commitment to R&D excellence, the Company has achieved significant growth and expanded its market presence in key therapeutic areas including autoimmune, oncology, and ophthalmology diseases.

In an increasingly competitive industry landscape, the Company continues to invest in cutting-edge research and development while optimizing its product portfolio to enhance its domestic and international competitive position. The Company is dedicated to expanding its global footprint through strategic partnerships and market access initiatives, creating new opportunities to bring Chinese biopharmaceutical innovation to the global market.

### **Use of Proceeds from the Placing**

The Placing will strengthen the Company's capacity to advance its research capabilities and its business expansion plan. Additionally, the Company can broaden its shareholder base by attracting high-caliber investors to participate in the Placing. The Directors believe that the terms of the Placing Agreement, including the Placing Price, are fair and reasonable and in the interests of the Company and its Shareholders as a whole. On the assumption that all Placing Shares are fully placed, the aggregate gross proceeds from the Placing are expected to be HK\$806.36 million and the aggregate net proceeds (after deduction of the commissions and estimated expenses) from the Placing are expected to be approximately HK\$796 million. The net proceeds from the Placing are intended to be used by the Group to invest in research and development of its core product, Telitacicept (RC18), for the expansion of its core indications such as Myasthenia Gravis and Membranous Nephritis, and for general corporate purposes.

## FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company has not undertaken any equity fund raising exercise over the period of twelve months prior to the date of this announcement.

## EFFECT ON SHAREHOLDING STRUCTURE

As of the date of this announcement, the number of total issued Shares of the Company is 544,608,243 Shares, comprising 355,027,004 A Shares and 189,581,239 H Shares.

The existing shareholding structure of the Company and the effect on the shareholding structure of the Company upon completion of the Placing is set out below, on the assumption that there will be no other change to the share capital of the Company between the date of this announcement and the completion of the Placing save of the issue of the Placing Shares.

Shareholder	Immediately before the Placing		Immediately after the Placing assuming all Placing Shares are placed	
	<i>Number of Shares</i>	<i>% of the total issued Shares</i>	<i>Number of Shares</i>	<i>% of the total issued Shares</i>
<b>A SHARES</b>				
<b>Total issued A Shares</b>	<b>355,027,004</b>	<b>65.19</b>	<b>355,027,004</b>	<b>62.99</b>
<b>H SHARES</b>				
Placees	–	–	19,000,000	3.37
Core connected person(s)	24,719,041	4.54	24,719,041	4.39
Public H Shares Shareholders	164,862,198	30.27	164,862,198	29.25
<b>Total issued H Shares</b>	<b>189,581,239</b>	<b>34.81</b>	<b>208,581,239</b>	<b>37.01</b>
<b>TOTAL ISSUED SHARES</b>	<b>544,608,243</b>	<b>100</b>	<b>563,608,243</b>	<b>100</b>

*Notes: The aggregate of the percentage figures in the table above may not add up to the relevant sub-total or total percentage figures shown due to rounding of the percentage figures to two decimal places.*



## **APPLICATION FOR LISTING**

Application will be made to the Listing Committee for the listing of, and permission to deal in, the Placing Shares on the Stock Exchange.

## **CSRC FILINGS**

The Company shall comply with CSRC Rules and complete the CSRC Filings in connection with the Placing.

## **TERMS AND DEFINITIONS**

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

“A Share(s)”	ordinary domestic share(s) with a nominal value of RMB1.00 each in the share capital of the Company which are listed on the Sci-Tech Board of the Shanghai Stock Exchange and traded in RMB;
“AGM”	the annual general meeting of the Company held on June 28, 2024;
“Associate(s)”	has the meaning ascribed to it in the Listing Rules;
“Board”	the board of Directors;
“Business Day”	means any day (excluding a Saturday, Sunday and public holidays in Hong Kong) on which licensed banks are generally open for business in Hong Kong and the Stock Exchange is generally open for trading of securities in Hong Kong;
“China” or “PRC”	the People’s Republic of China, excluding, for the purpose of this announcement only, Hong Kong, the Macau Special Administrative Region, and Taiwan;
“Closing Date”	the Business Day after the date on which the conditions to the Placing Agreement are fulfilled, but in any event no later than May 29, 2025, or such other date as the Company and the Placing Agents may agree in writing;
“Company”	RemeGen Co., Ltd.* (榮昌生物製藥(煙台)股份有限公司), a joint stock company incorporated in the PRC with limited liability, the H Shares and A Shares of which are listed and traded on the Main Board of the Stock Exchange (stock code: 9995) and the Sci-Tech Board of the Shanghai Stock Exchange (stock code: 688331), respectively;
“Completion”	completion of the Placing under the Placing Agreement;



“connected person(s)”	has the meaning ascribed to it in the Listing Rules;
“core connected person(s)”	has the meaning ascribed to it in the Listing Rules;
“CSRC”	China Securities Regulatory Commission;
“CSRC Archive Rules”	the Provisions on Strengthening Confidentiality and Archives Administration of Overseas Securities Offering and Listing by Domestic Companies (關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的規定) issued by the CSRC on 24 February 2023 (as amended, supplemented or otherwise modified from time to time);
“CSRC Filings”	any and all letters, filings, correspondences, communications, documents, responses, undertakings and submissions in writing, orally or in any form, including any amendments, supplements and/or modifications thereof, made or to be made to the CSRC, relating to or in connection with the Placing, respectively pursuant to the CSRC Filing Rules and other applicable laws, regulations and requirements of the CSRC (including, without limitation, the CSRC Filing Report);
“CSRC Filing Report(s)”	the filing report in relation to the Placing, respectively, including any amendments, supplements and/or modifications thereof, to be submitted by the Company or its subsidiary to the CSRC pursuant to Article 13 of the CSRC Filing Rules;
“CSRC Filing Rules”	the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (境內企業境外發行證券和上市管理試行辦法) and supporting guidelines issued by the CSRC (effective from 31 March 2023), as amended, supplemented or otherwise modified from time to time;
“CSRC Rules”	the CSRC Filing Rules and the CSRC Archive Rules;
“Director(s)”	the director(s) of the Company;
“General Mandate”	the general mandate for the Company to allot and issue H Shares authorized by the Shareholders at the AGM;
“Group”	the Company and its subsidiaries and the expression “member of the Group” shall be construed accordingly;
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;

“H Share(s)”	overseas listed foreign invested ordinary share(s) with a nominal value of RMB1.00 each in the share capital of the Company which are listed on the Stock Exchange and traded in HK\$;
“Independent Third Party(ies)”	third party(ies) independent of and not connected with or acting in concert with the Company, its connected persons and their respective associates (as defined in the Listing Rules)
“Last Trading Day”	May 21, 2025, being the last trading day prior to the signing of the Placing Agreement
“Listing Committee”	the listing sub-committee of the board of directors of the Stock Exchange;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Overall Coordinators”	Morgan Stanley Asia Limited and Huatai Financial Holdings (Hong Kong) Limited
“Placees”	any professional, institutional and other investors whom the Placing Agents have procured to subscribe for any of the Placing Shares pursuant to Placing Agreement;
“Placing”	the placement of Placing Shares by the Placing Agents pursuant to the Placing Agreement;
“Placing Agents”	Morgan Stanley Asia Limited and Huatai Financial Holdings (Hong Kong) Limited
“Placing Agreement”	the placing agreement dated May 22, 2025 entered into between the Company and the Placing Agents in respect of the Placing;
“Placing Price”	HK\$42.44 per H Share;
“Placing Shares”	19,000,000 new H Shares to be issued and allotted by the Company pursuant to the terms and subject to the conditions set out in the Placing Agreement;
“RMB”	Renminbi, the lawful currency of the PRC;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Shanghai Stock Exchange”	Shanghai Stock Exchange of the PRC;
“Shareholders”	holder(s) of the Share(s);

“Shares”	A Share(s) and H Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“subsidiaries”	has the meaning ascribed to it in the Listing Rules;
“substantial shareholder”	has the meaning ascribed to it in the Listing Rules;
“%”	per cent.

By Order of the Board  
**RemGen Co., Ltd.\***  
**Mr. Wang Weidong**  
*Chairman and executive director*

Yantai, PRC  
May 22, 2025

*As at the date of this announcement, the Board comprises Mr. Wang Weidong, Dr. Fang Jianmin, Mr. Wen Qingkai and Mr. Lin Jian as the executive directors, Dr. Wang Liqiang and Dr. Su Xiaodi as the non-executive directors, and Mr. Hao Xianjing, Mr. Chen Yunjin and Mr. Huang Guobin as the independent non-executive directors.*

\* For identification purpose only