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開拓藥業有限公司*

KINTOR PHARMACEUTICAL LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9939)

CONNECTED TRANSACTION PROVISION OF LOAN

THE LOAN AGREEMENT

The Board announces that on 8 February 2022, the Company, as lender, entered into the Loan Agreement with Dr. Tong, as borrower, pursuant to which the Company has agreed to provide a loan of HK\$116,895,000 to Dr. Tong.

LISTING RULES IMPLICATIONS

Dr. Tong is an executive Director, the chief executive officer and a substantial Shareholder of the Company, and is therefore a connected person of the Company. Accordingly, the transactions contemplated under the Loan Agreement constitute connected transactions for the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) in respect of the transactions contemplated under the Loan Agreement is more than 0.1% but less than 5%, the Loan Agreement and the transactions contemplated thereunder are subject to the reporting and announcement requirements but are exempt from the circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

THE LOAN AGREEMENT

Date

8 February 2022

Parties

- (a) the Company, as lender; and
- (b) Dr. Tong, as borrower

Principal terms and conditions of the Loan Agreement

Term

The Loan Agreement shall be effective from 8 February 2022 to 30 June 2022.

Loan Principal

HK\$116,895,000, which has been provided to Dr. Tong on 8 February 2022.

Interest Rate and Security

The interest rate shall be 4.27% per annum (accrued daily), which was determined based on the interest rates on personal loans ranging from 1.33% to 5.4% as published by certain major banks in Hong Kong as at the date of this announcement.

No guarantee or security was given by Dr. Tong for the Loan.

Purpose of the Loan

The Loan is provided to Dr. Tong for his personal financing use.

Repayment terms

The outstanding principal amount of the Loan together with all accrued interests are to be repaid no later than 30 June 2022.

REASONS FOR AND BENEFITS OF ENTERING INTO THE LOAN AGREEMENT

Having considered the long-term service and satisfactory background of Dr. Tong and the expected revenue and cashflow from the interest income, the Board (including the independent non-executive Directors) considers that the terms of the Loan Agreement and the transactions contemplated thereunder have been negotiated on an arm's length basis and are fair and reasonable, and the provision of the Loan is, although not in the ordinary and usual course of business of the Group, on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

Dr. Tong is regarded as having material interest in the transaction and has thereby abstained from voting on the Board resolutions approving the transactions contemplated under the Loan Agreement. Save as disclosed above, none of the Directors have a material interest in the transactions under the Loan Agreement and were required to abstain from voting on the Board resolutions for considering and approving the same.

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INFORMATION OF THE PARTIES

The Group is principally engaged in the research and development of innovative medicine products.

Dr. Tong is an executive Director, the chief executive officer and a substantial Shareholder of the Company. As at the date of this announcement, Dr. Tong is deemed to be interested in 94,174,540 Shares, representing approximately 24.30% of the total issued share capital of the Company. Of the 94,174,540 Shares, (i) 51,037,270 Shares are beneficially owned by KT International Investment Limited, which is in turn wholly owned by Dr. Tong; and (ii) 43,137,270 Shares are beneficially owned by KG Development Limited, which is wholly owned by Dr. Guo, with whom Dr. Tong entered into an acting in concert agreement pursuant to which they agreed to act in concert in respect of, among other things, exercising voting rights and making proposals at general meeting and board meetings of all Group companies.

DEFINITIONS

Unless the context otherwise requires, the terms used in this announcement shall have the following meanings:

“Board”	the board of directors of the Company
“Company”	Kintor Pharmaceutical Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the main board of the Stock Exchange (stock code: 9939)
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Directors”	the directors of the Company
“Dr. Guo”	Dr. Chuangxing Guo, one of the co-founder of the Company and a substantial Shareholder
“Dr. Tong”	Dr. Youzhi Tong, an executive Director, the chief executive officer and a substantial Shareholder of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People's Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan”	the loan in the amount of HK\$116,895,000 granted by the Company to Dr. Tong pursuant to the terms and conditions of the Loan Agreement
“Loan Agreement”	the loan agreement dated 8 February 2022 entered into between the Company and Dr. Tong, pursuant to which the Company has agreed to provide the Loan to Dr. Tong
“Shareholders”	shareholders of the Company

“Stock Exchange”

The Stock Exchange of Hong Kong Limited

“substantial Shareholder”

has the meaning ascribed to it under the Listing Rules

By order of the Board
KINTOR PHARMACEUTICAL LIMITED
Dr. Youzhi Tong
*Chairman of the Board, Executive Director and
Chief Executive Officer*

Hong Kong, 8 February 2022

As of the date of this announcement, the executive Directors are Dr. Youzhi Tong and Ms. Yan Lu; the non-executive Directors are Mr. Weipeng Gao, Dr. Yan Wang and Ms. Geqi Wei; and the independent non-executive Directors are Dr. Michael Min Xu, Mr. Wallace Wai Yim Yeung and Prof. Liang Tong.

* *For identification purposes only*