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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)

**INSIDE INFORMATION
PRELIMINARY PRICE CONSULTATION PERIOD
FOR THE A SHARE OFFERING
AND**

SUMMARY OF PRINCIPAL PROVISIONS OF THE A SHARE PROSPECTUS

This announcement is made by RemeGen Co., Ltd.* (the “**Company**”) pursuant to Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

References are made to the announcements of the Company dated May 10, 2021, June 21, 2021, November 8, 2021, November 11, 2021, November 28, 2021, January 12, 2022 and February 20, 2022 and circulars dated May 14, 2021 and December 2, 2021, which include, among other things, matters related to the proposed A share offering by the Company (the “**A Share Offering**”). Unless the context requires otherwise, terms and expressions used in this announcement shall have the same meanings as those defined in the aforementioned announcements and circulars.

I. PRELIMINARY PRICE CONSULTATION PERIOD FOR THE A SHARE OFFERING

As disclosed in the announcement of the Company dated January 12, 2022, the CSRC has approved application for the registration of the A Share Offering of the Company on January 11, 2022. As required by the applicable PRC laws and regulations, the Company and the underwriter will conduct preliminary price consultations among inquiry targets who meet the requirements of the PRC laws and regulations on the preliminary price consultation day, being March 17, 2022 (from 9:30 to 15:00), in the PRC to determine the issue price. The Company will make further announcement(s) once the final offering size and issue price of the A Share Offering are determined.

II. PRINCIPAL PROVISIONS OF THE A SHARE PROSPECTUS

The full text of the prospectus in relation to the A Share Offering (the “**A Share Prospectus**”) and the relevant appendices were published by the Company in Chinese only on the website of the Shanghai Stock Exchange (the “**SSE**”) (www.sse.com.cn), the HKEXnews website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.remegen.com) on March 14, 2022.

A summary of the principal provisions of the A Share Prospectus is as follows:

1. Summary of the A Share Offering

- | | | |
|-------|------------------------------------|---|
| (i) | Type of Shares: | Renminbi ordinary shares (A Shares) |
| (ii) | Par value per Share: | RMB1.00 |
| (iii) | Number of Shares to be issued: | 54,426,301 A Shares, i.e. 10% of the total share capital of the Company after the A Share Offering. All shares under the A Share Offering are new issued shares, the existing shareholders will not offer their shares for sale under the A Share Offering. |
| (iv) | Issue price per Share: | RMB[●] |
| (v) | Price earnings ratio of the issue: | [●] times (earnings per Share is calculated by according to the lower of the net profit before and after deducting non recurring profits and losses and the full dilution of the total share capital after the A Share Offering) |

- (vi) Net asset per Share before the issue: RMB6.0 per Share (calculated by dividing the net asset attributable to the shareholders of the parent company as at June 30, 2021 by the total share capital before the A Share Offering)
- (vii) Net asset per Share after the issue: RMB[●] per Share (calculated by dividing the sum of the net asset attributable to the parent company as at June 30, 2021 and the net proceeds from the issue by the total share capital after the A Share Offering)
- (viii) Issuance price-to-book ratio: [●] times (calculated by dividing the issue price per Share by the net asset per Share after the issue)
- (ix) Method of issuance: Shares will be issued in a combination of placement to strategic investors, offline placement through price consultations to qualified investors and online issuance at fixed price to public investors who hold the market value of non-restricted A shares and non-restricted depositary receipts circulated in the Shanghai market
- (x) Target subscribers: Qualified strategic investors, price consultation participants and domestic natural persons, legal persons and other investors in the Sci-Tech Innovation Board that have set up stock accounts on the SSE and opened trading on the Sci-Tech Innovation Board, except for those prohibited by laws, regulations and business guidelines of the SSE.
- (xi) Underwriting method: Standby underwriting
- (xii) Total and net proceeds raised: RMB[●] and RMB[●]

- (xiii) Estimated issue expenses: Total cost of the issue amounts to RMB[●], including underwriting and sponsor fees comprised of 3.25% of total proceeds to be raised and RMB7.0 million, auditing fees of approximately RMB3.5 million, legal expenses of approximately RMB4.9 million, information disclosure fees of approximately RMB4.5 million, other costs such as handling fees for the issue and listing of approximately RMB1.0 million.

Note: The above estimated issue expenses are tax exclusive. The above handling fees for the A Share Offering do not include stamp duty to be levied for the A Share Offering, which will be calculated at a tax rate of 0.025% on net proceeds to be raised, before stamp duty. Such amount will be calculated based on the final details about the A Share Offering, and will be included in the handling fees for the A Share Offering. Expenses might be subject to adjustment based on the results of the A Share Offering.

- (xiv) The stock exchange for application for listing: STAR Market of the SSE

2. Use of proceeds

As considered and approved at the Company's eighth meeting of the first session of the Board, 2021 second extraordinary general meeting, 2021 first Domestic Shareholders' and Unlisted Foreign Shareholders' class meeting and 2021 first H Shareholders' class meeting, after deducting the issue expenses, the proceeds raised from the A Share Offering (net of related expenses) will be used for the new biological drug industrialization project, anti-tumor antibody new drug research and development project, autoimmune and ophthalmic disease antibody new drug research and development projects and supplementary liquidity.

3. Share capital before and after the A Share Offering

The total share capital of the Company before the A Share Offering is 489,836,702 Shares. After the A Share Offering, the total share capital of the Company will be 544,263,003 Shares, including 54,426,301 A Shares to be issued under the A Share Offering. Below is the shareholding structure of the Shareholders of Company before and after the A Share Offering:

No.	Name of Shareholder	Before the A Share Offering		After the A Share Offering	
		Number of Shares (as of October 31, 2021)	Proportion of Shareholding (as of October 31, 2021)	Number of Shares	Proportion of Shareholding
1.	Yantai Rongda Venture Capital Center (Limited Partnership) (煙台榮達創業投資中心(有限合夥))	102,381,891	20.90%	102,381,891	18.81%
2.	I-NOVA Limited	39,600,000	8.08%	39,600,000	7.28%
3.	Dr. Fang Jianmin	26,218,320	5.35%	26,218,320	4.82%
4.	Fund for the transformation of National Science and Technology Major Project (國投(上海)科技成果轉化創業投資基金 企業(有限合夥))	24,732,556	5.05%	24,732,556	4.54%
5.	PAG Holding I	21,106,602	4.31%	21,106,602	3.88%
6.	Yantai Rongqian Enterprise Management Center (Limited Partnership) (煙台榮謙企業管理中心(有限合夥))	18,507,388	3.78%	18,507,388	3.40%
7.	Yantai Rongyi Enterprise Management Center (Limited Partnership) (煙台榮益企業管理中心(有限合夥))	16,630,337	3.40%	16,630,337	3.06%
8.	Wholly Sunbeam Limited	15,693,711	3.20%	15,693,711	2.88%
9.	Shenzhen Capital Group Co., Ltd. (深圳市創新投資集團有限公司) (CS)	12,813,478	2.62%	12,813,478	2.35%
10.	RongChang Holding Group LTD.	11,683,725	2.39%	11,683,725	2.15%
11.	Yantai Rongshi Enterprise Management Center (Limited Partnership) (煙台榮實企業管理中心(有限合夥))	9,190,203	1.88%	9,190,203	1.69%
12.	METROPLUS INTERNATIONAL LIMITED	7,855,771	1.60%	7,855,771	1.44%
13.	SDIC Unity (國投創合國家新興產業創業投 資引導基金(有限合夥))	7,538,084	1.54%	7,538,084	1.39%
14.	Beijing Longpan Healthcare Investment Center (Limited Partnership) (北京龍磐健康醫療投資中心(有限合夥))	7,538,084	1.54%	7,538,084	1.39%
15.	LAV Remegen Limited	4,593,351	0.94%	4,593,351	0.84%

No.	Name of Shareholder	Before the A Share Offering		After the A Share Offering	
		Number of Shares (as of October 31, 2021)	Proportion of Shareholding (as of October 31, 2021)	Number of Shares	Proportion of Shareholding
16.	Luthai Textile Co., Ltd. (魯泰紡織股份有限公司)	4,218,265	0.86%	4,218,265	0.78%
17.	Tibet Longpan Yijing Venture Capital Center L.P. (西藏龍磐怡景創業投資中心(有限合夥))	3,854,037	0.79%	3,854,037	0.71%
18.	Shandong Jifu Jingu New Kinetic Energy Equity Investment Fund Partnership L.P. (山東吉富金穀新動能股權投資基金合夥企業(有限合夥))	3,267,431	0.67%	3,267,431	0.60%
19.	Suzhou Likang Equity Investment Center L.P. (蘇州禮康股權投資中心(有限合夥))	3,062,235	0.63%	3,062,235	0.56%
20.	Hangzhou Unity Selected Venture Capital Partnership (Limited Partnership) (杭州創合精選創業投資合夥企業(有限合夥))	3,015,230	0.62%	3,015,230	0.55%
21.	Weihai Luxin Fuwei Management Consulting Partnership (Limited Partnership) (威海魯信福威管理諮詢合夥企業(有限合夥))	2,638,326	0.54%	2,638,326	0.48%
22.	Jiangsu High-Tech Investment Group Co., Ltd. (江蘇省高科技投資集團有限公司) (SS)	2,624,263	0.54%	2,624,263	0.48%
23.	Jiangsu International Trust Co., Ltd. (江蘇省國際信託有限責任公司)(CS)	2,391,734	0.49%	2,391,734	0.44%
24.	Small and Medium Enterprises Development Fund (Shenzhen Limited Partnership) (中小企業發展基金(深圳有限合夥))	2,261,426	0.46%	2,261,426	0.42%
25.	Yantai Hongda Investment Co., Ltd. (煙台鴻大投資有限公司)	2,174,603	0.44%	2,174,603	0.40%
26.	Yantai Rongjian Enterprise Management Center (Limited Partnership) (煙台榮建企業管理中心 (有限合夥))	2,163,655	0.44%	2,163,655	0.40%
27.	Yantai Economic Development Investment Company (煙台市經濟發展投資公司) (SS)	2,060,663	0.42%	2,060,663	0.38%
28.	PAG Holding IV	2,002,231	0.41%	2,002,231	0.37%
29.	Suzhou Lirui Equity Investment Center L.P. (蘇州禮瑞股權投資中心(有限合夥))	1,531,116	0.31%	1,531,116	0.28%

No.	Name of Shareholder	Before the A Share Offering		After the A Share Offering	
		Number of Shares (as of October 31, 2021)	Proportion of Shareholding (as of October 31, 2021)	Number of Shares	Proportion of Shareholding
30.	Shanghai Tanying Investment Partnership (Limited Partnership) (上海檀英投資合夥企業(有限合夥))	930,248	0.19%	930,248	0.17%
31.	H Share Public Shareholders	125,557,738	25.63%	125,557,738	23.07%
	A Shares to be issued	—	—	54,426,301	10.00%
	Total	489,836,702	100.00%	544,263,003	100.00%

Note:

- (1) “SS” refers to state-owned Shareholder.
- (2) “CS” refers to controlling state-owned Shareholder.

The above English version of the summary of the principal provisions of the A Share Prospectus is an unofficial translation of its Chinese version. In case of any discrepancies, the Chinese version shall prevail.

The Company will make further announcement(s) for any material update and development in relation to the A Share Offering in accordance with the Listing Rules and other applicable laws and regulations.

By order of the Board
RemeGen Co., Ltd.*
Mr. Wang Weidong
Chairman and executive director

Yantai, the People’s Republic of China
March 14, 2022

As at the date of this announcement, the Board comprises Mr. Wang Weidong, Dr. Fang Jianmin, Dr. He Ruyi and Mr. Lin Jian as the executive directors, Dr. Wang Liqiang and Dr. Su Xiaodi as the non-executive directors, and Ms. Yu Shanshan, Mr. Hao Xianjing and Dr. Ma Lan as the independent non-executive directors.

* For identification purposes only