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康宁杰瑞

ALPHAMAB ONCOLOGY

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康寧傑瑞生物製藥

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9966)

INSIDE INFORMATION ANNOUNCEMENT PLACING OF EXISTING SHARES BY CONTROLLING SHAREHOLDER

Sole Placing Agent

Morgan Stanley

This announcement is made by Alphamab Oncology (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the inside information provision (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

PLACING OF EXISTING SHARES

On June 12, 2020, the board (the “**Board**”) of directors (the “**Directors**”) of the Company was informed by Rubymab Ltd., one of the controlling shareholders (as defined in the Listing Rules) of the Company (the “**Vendor**”), that it has entered into a share placing agreement (the “**Placing Agreement**”) with Morgan Stanley & Co. International plc (the “**Sole Placing Agent**”), pursuant to which the Sole Placing Agent has agreed, as agent of the Vendor, to procure purchasers to purchase or, failing which, to purchase itself, an aggregate of 14,500,000 existing shares (the “**Shares**”) of the Company (representing approximately 1.55% of the total issued share capital of the Company as at the date of this announcement) held by Rubymab Ltd. at a price of HK\$16.50 per Share (the “**Placing**”).

LOCK-UP UNDERTAKING

Pursuant to the Placing Agreement, the Vendor has undertaken to the Sole Placing Agent that, subject to the conditions and exceptions as set out in the Placing Agreement, it shall not, (i) offer, lend, pledge, charge, issue, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of (either conditionally or unconditionally, or directly or indirectly, or otherwise) any shares of the Company or any interests therein or any securities convertible into or exercisable or exchangeable for any such Shares or interests, or (ii) enter into any swap or similar agreement that transfers to another, in whole or in part, the economic risk of ownership of such Shares or a derivative instrument related to such Shares, whether any such transaction described in paragraphs (i) or (ii) above is to be settled by delivery of the Shares or such other securities, in cash or otherwise, or (iii) agree or announce any intention to enter into or effect any such transaction described in paragraphs (i) or (ii) above, for a period beginning on the date of the Placing Agreement and ending on the date which is 12 months after the closing date of the Placing. The foregoing shall not apply to the Placing.

COMPLETION OF THE PLACING

Completion of the Placing is expected to take place at or before 10:00 a.m. on June 16, 2020, but in any event no later than June 17, 2020, subject to the conditions set out in the Placing Agreement.

SHAREHOLDING CHANGE IN THE COMPANY

The respective shareholdings of the Vendor and other shareholders of the Company as at the date of this announcement and immediately upon completion of the Placing are set out below:

	Shareholding as at the date of this announcement		Shareholding⁽¹⁾ immediately upon completion of the Placing	
	<i>Number of Shares held</i>	<i>Approximate % of Shares in issue</i>	<i>Number of Shares held</i>	<i>Approximate % of Shares in issue</i>
The Vendor	328,500,000 ⁽²⁾	35.2%	314,000,000	33.6%
Sky Diamond Co., Ltd.	85,750,000	9.2%	85,750,000	9.2%
Pearlmed Ltd.	85,750,000	9.2%	85,750,000	9.2%
Other shareholders of the Company	433,465,370	46.4%	447,965,370	48.0%
Total	933,465,370	100%	933,465,370	100%

Note:

- (1) Assuming no issue of new Shares and no repurchase of existing Shares before completion of the Placing.
- (2) The entire share capital of the Vendor is wholly owned by South Dakota Trust Company LLC as the trustee of the family trust of Dr. XU Ting (“**Dr. Xu**”), of which Dr. Xu acts as the settlor and protector for the benefits of his family members.

Immediately following completion of the Placing (assuming no other issue of new Shares and no repurchase of existing Shares before completion of the Placing), Dr. Xu and Rubymab Ltd. will be collectively interested in approximately 34.13% of the total issued share capital of the Company. As a result, following completion of the Placing, Dr. Xu and Rubymab Ltd. will continue to be the controlling shareholders (as defined in the Listing Rules) of the Company.

As confirmed by the Vendor, the proceeds received from the Placing will be mainly used for the repayment of the existing personal liabilities and debts of Dr. Xu accumulated since he founded his business and the associated personal tax liabilities on capital gain from his business. Each of the Vendor and Dr. Xu has expressed its/his continued confidence about the business outlook and long term value of the Company. The Company does not expect the Placing to have any impact on the business or operations of the Group.

The Placing and its completion are subject to the fulfillment of conditions under the Placing Agreement. There is no assurance that any transaction mentioned in this announcement will materialize or eventually be consummated. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Alphamab Oncology
Dr. XU Ting
Chairman and Executive Director

Hong Kong, June 12, 2020

As at the date of this announcement, the Board comprises Dr. XU Ting as the Chairman and Executive Director and Ms. LIU Yang as Executive Director, Mr. XU Zhan Kevin and Mr. QIU Yu Min as Non-executive Directors, and Dr. JIANG Hualiang, Mr. WEI Kevin Cheng and Mr. WU Dong as Independent Non-executive Directors.