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# Innovent

信達生物製藥

**INNOVENT BIOLOGICS, INC.**

*(Incorporated in the Cayman Islands with Limited Liability)*

**(Stock Code: 1801)**

## **COMPLETION OF ISSUANCE OF SHARES TO SANOFI UNDER GENERAL MANDATE**

The Board is pleased to announce that all conditions precedent to the First Closing as set forth in the Share Issuance Agreement have been fulfilled. Accordingly, completion of the First Closing took place on August 18, 2022.

Upon completion of the First Closing, 56,975,670 Shares were allotted and issued by the Company to Sanofi Foreign Participations B.V., representing 3.73% of the issued share capital of the Company as enlarged by the issue of the Subscription Shares under the First Closing.

Reference is made to the announcement (the “**Announcement**”) of the Company dated August 4, 2022. Unless specified otherwise, capitalized terms used in this announcement shall have the same meanings as set out in the Announcement.

### **COMPLETION OF THE FIRST CLOSING**

The Board is pleased to announce that all conditions precedent to the First Closing as set forth in the Share Issuance Agreement have been fulfilled. Accordingly, completion of the First Closing took place on August 18, 2022.

Upon completion of the First Closing, 56,975,670 Shares were allotted and issued by the Company to Sanofi Foreign Participations B.V., representing 3.73% of the issued share capital of the Company as enlarged by the issue of the Subscription Shares under the first Tranche.

The gross proceeds from the allotment and issue of the Subscription Shares under the first Tranche will be approximately HK\$2,416.68 million, and the net proceeds, after deduction of all relevant expenses incidental to the allotment and issue of the Subscription Shares under the first Tranche, are estimated to be approximately HK\$2,415.11 million.

The net proceeds from the allotment and issue of the Shares under the first Tranche will be used for the following purposes:

- (i) 70% for expediting the research and development of various pre-clinical and clinical programs in our pipeline globally;
- (ii) 20% for further expanding our production capacity; and
- (iii) 10% for funding potential in-licensing deal, potential M&A activities, working capital and other general corporate use.

The Company will gradually utilize the net proceeds in accordance with such intended purposes within the upcoming 60 months. This expected timeline is based on the best estimation of future market conditions and business operations made by the Company, and remains subject to change based on current and future development of market conditions and actual business needs.

## **EFFECT OF THE SUBSCRIPTION ON SHAREHOLDING STRUCTURE OF THE COMPANY**

Immediately before the completion of the First Closing, the Subscriber did not hold any Shares and the other Shareholders held 1,470,670,951 Shares, representing 100% of the issued share capital of the Company. Immediately following the First Closing, the Subscriber held 56,975,670 Shares, representing approximately 3.73% of the issued share capital of the Company, and the other Shareholders held 1,470,670,951 Shares, representing approximately 96.27% of the issued share capital of the Company.

## **ADDITIONAL INFORMATION IN RELATION TO THE STRATEGIC MULTI-PROGRAM COLLABORATION AND LICENSE AGREEMENT**

In addition to the foregoing, the Board would like to provide additional information in connection to the terms of the Strategic Multi-Program Collaboration and License Agreement as follows.

### ***Term***

The term of the Strategic Multi-Program Collaboration and License Agreement commences on August 4, 2022 (being the date of the agreement) and, unless terminated earlier pursuant to the provisions of the Strategic Multi-Program Collaboration and License Agreement, shall continue in full force and effect until, on a product-by-product basis, the expiration of the parties' payment obligations under the Strategic Multi-Program Collaboration and License Agreement with respect to each product.

## ***Royalties***

In relation to the clinical development and commercialization of SAR408701 (Tusamitamab Ravtansine) in China, Sanofi's group will be entitled to receive tiered royalties starting from low-teen percentage rates on the net sales of the product in China.

In relation to the clinical development and commercialization of SAR444245 (non-alpha IL-2) in China, the Group will be entitled to receive tiered royalties starting from low-teen percentage rates on the net sales of the product in China.

By Order of the Board  
**Innovent Biologics, Inc.**  
**Dr. De-Chao Michael Yu**  
*Chairman and Executive Director*

Hong Kong, China, August 18, 2022

*As at the date of this announcement, the Board comprises Dr. De-Chao Michael Yu as Chairman and Executive Director and Mr. Ronald Hao Xi Ede as Executive Director, and Dr. Charles Leland Cooney, Ms. Joyce I-Yin Hsu, Dr. Kaixian Chen and Mr. Gary Zieziula as Independent Non-executive Directors.*