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Pharmaron Beijing Co., Ltd.*

康龍化成(北京)新藥技術股份有限公司

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

(Stock Code: 3759)

**SUPPLEMENTAL ANNOUNCEMENT
CONNECTED TRANSACTION
CAPITAL INCREASE IN PHARMARON NINGBO BIOLOGICS**

Reference is made to the announcement of the Company dated March 30, 2023 in relation to the connected transaction contemplated under the Capital Increase Agreement (the “**Announcement**”). Unless otherwise defined, capitalized terms used herein shall have the same meanings as those defined in the Announcement.

In addition to the information disclosed in the Announcement, the Company would like to provide further details regarding the basis of determination of the Capital Increase.

Basis of determining the amount of the Capital Increase

The basis of the amount of the Capital Increase was determined upon arm’s length negotiations among the Parties to the Capital Increase Agreement, which primarily include professional and independent investors (“**Independent Investors**”), by reference to the fair consideration determined and proposed by Relevant Investors, including the Independent Investors which accounted for over 75% of the consideration of the Capital Increase, upon the completion of their respective due diligence and internal assessments, and taking into account other factors including (i) the reputations, professional experience and expertise of the Relevant Investors which will bring long term benefits to the development and growth of the Biologics and CGT services segment in the long run; (ii) the reasonable premium reflecting the Relevant Investors’ recognition of the enhanced value of Pharmaron Ningbo Biologics in light of the investment of approximately RMB3,100 million made by the Company in Pharmaron Ningbo Biologics and other subsidiaries of the Company that principally engage in Biologics and CGT services segment; and (iii) the comparison analysis between the price-to-sales ratio (“**P/S Ratios**”) of Pharmaron Ningbo Biologics proposed by the Relevant Investors, and of comparable companies engaging in Biologics and CGT service industry and operating in the PRC which are listed on the Shanghai Stock Exchange or Hong Kong Stock Exchange, with the P/S Ratios of such comparable companies ranged from 11.8 times to 38.5 times.

Based on the foregoing, the Directors, including the independent non-executive Directors, are of the view that the Capital Increase Agreement is entered into on normal commercial terms and the terms thereof are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

Save for the above, the content of the Announcement remains unchanged.

By order of the Board
Pharmaron Beijing Co., Ltd.*
康龍化成(北京)新藥技術股份有限公司
Dr. Lou Boliang
Chairman

Beijing, the PRC
April 10, 2023

As at the date of this announcement, the Board of Directors comprises Dr. Lou Boliang, Mr. Lou Xiaoqiang and Ms. Zheng Bei as executive Directors; Mr. Chen Pingjin, Mr. Hu Baifeng, Mr. Li Jiaqing and Mr. Zhou Hongbin as non-executive Directors; Ms. Li Lihua, Mr. Zhou Qilin, Mr. Tsang Kwan Hung Benson and Mr. Yu Jian as independent non-executive Directors.

* *For identification purposes only*