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KELUN-BIOTECH
科倫博泰

Sichuan Kelun-Biotech Biopharmaceutical Co., Ltd.

四川科倫博泰生物醫藥股份有限公司

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

(Stock Code: 6990)

DISCLOSEABLE TRANSACTION SUBSCRIPTION FOR STRUCTURED DEPOSIT

INTRODUCTION

The Board hereby announces that the Company entered into the Structured Deposit Agreement with BoCD on September 26, 2023, pursuant to which the Company agreed to subscribe for the Structured Deposit in the principal amount of RMB350 million from BoCD.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio (as defined under the Listing Rules) of the Structured Deposit Agreement is more than 5% but less than 25%, the subscription for the Structured Deposit contemplated thereunder constitutes a discloseable transaction of the Company under the Listing Rules, and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules but is exempt from the shareholders' approval requirement.

INTRODUCTION

The Board hereby announces that the Company entered into the Structured Deposit Agreement with BoCD on September 26, 2023, pursuant to which the Company agreed to subscribe for the Structured Deposit in the principal amount of RMB350 million from BoCD.

THE STRUCTURED DEPOSIT AGREEMENT

The principal terms of the Structured Deposit Agreement are set out as follows:

Date of agreement	September 26, 2023
Parties	(1) the Company; and (2) BoCD
Name of the Structured Deposit	“Fu Rong Jin Cheng” unit structured deposit (“芙蓉錦程”單位結構性存款)
Type of the Structured Deposit	Principal-guaranteed with floating return, closed-end

Principal amount of the subscription	RMB350 million The Directors are of the view that the consideration of such subscription was determined on the basis of arm's length commercial terms. The Structured Deposit was subscribed for by the Company without using the proceeds from the initial public offering of the Company.
Commencement date	September 28, 2023
Maturity date	January 31, 2024
Term of the Structured Deposit	125 days
Expected annualized floating rate of return	1.54% to 3.25% per annum BoCD guarantees a minimum annualised rate of return of 1.54%.
Subject linked	The performance of the exchange rate of EUR against USD during the observation period from September 28, 2023 to January 29, 2024
Early termination	The Company has no right of early termination under the Structured Deposit Agreement. BoCD has the right to early terminate the Structured Deposit Agreement, provided that it shall publish an information announcement on its official website or at its branches or notify the Company two business days prior to the date of early termination.
Redemption and Payment	The Company has no right to redeem the Structured Deposit during its term. The principal and the actual return of the Structured Deposit will be paid in one lump sum within two business days upon its maturity or early termination by BoCD.

INFORMATION ON THE PARTIES

The Company is a biopharmaceutical company, principally engaged in the R&D, manufacturing and commercialization of novel drugs in oncology, immunology and other therapeutic areas.

BoCD is a state-controlled regional joint-stock commercial bank established under the laws of the PRC, the shares of which are listed on the Shanghai Stock Exchange (stock code: 601838). It is principally engaged in absorbing public deposits and granting loans, etc. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, BoCD and its ultimate beneficial owner are third parties independent of the Company and its connected persons as of the date of this announcement.

REASONS FOR AND BENEFITS OF THE SUBSCRIPTION FOR THE STRUCTURED DEPOSIT

The Directors are of the view that taking into account, among others, (i) the nature of the principal-guaranteed Structured Deposit with floating return, (ii) the expected rate of return, and (iii) the short term of the Structured Deposit, the subscription for the Structured Deposit by using the idle funds of the Group will have higher returns on deposits than those generally available from commercial banks and is conducive to improving the efficiency of the use of the Group's idle funds. The Directors believe that the terms of the Structured Deposit Agreement are fair and reasonable and in the interests of the Company's shareholders as a whole.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio (as defined under the Listing Rules) of the Structured Deposit Agreement is more than 5% but less than 25%, the subscription for the Structured Deposit contemplated thereunder constitutes a discloseable transaction of the Company under the Listing Rules, and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules but is exempt from the shareholders' approval requirement.

DEFINITIONS

“Board”	the board of directors of the Company
“BoCD”	Bank of Chengdu Co., Ltd. (成都銀行股份有限公司), a joint stock company incorporated in the PRC with limited liability, the shares of which are listed on the Shanghai Stock Exchange (stock code: 601838)
“Company”	Sichuan Kelun-Biotech Biopharmaceutical Co., Ltd. (四川科倫博泰生物醫藥股份有限公司), a joint stock company incorporated in the PRC with limited liability, the shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited (stock code: 6990)
“Director(s)”	the director(s) of the Company
“EUR”	Euro, the lawful currency of the European Union
“Group”	the Company and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time)
“PRC”	the People's Republic of China, which for the purpose of this announcement, shall not include Hong Kong Special Administrative Region of the PRC, Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Structured Deposit”	the structured deposit product issued by BoCD in accordance with terms of the Structured Deposit Agreement

“Structured Deposit Agreement”	the structured deposit product agreement entered into between the Company and BoCD on September 26, 2023, the principal terms of which are set out in the section headed “The Structured Deposit Agreement” of this announcement
“USD”	U.S. dollar, the lawful currency of the United States of America
“%”	per cent

By order of the Board
Sichuan Kelun-Biotech Biopharmaceutical Co., Ltd.
LIU Gexin
Chairman of the Board and Non-executive Director

Hong Kong, September 26, 2023

As at the date of this announcement, the Board comprises Mr. LIU Gexin as the chairman of the Board and non-executive Director, Dr. GE Junyou and Dr. WANG Jingyi as executive Directors, Mr. LIU Sichuan, Mr. FENG Hao, Mr. ZENG Xuebo and Mr. LI Dongfang as non-executive Directors, and Dr. ZHENG Qiang, Dr. TU Wenwei, Dr. JIN Jinping, and Dr. LI Yuedong as independent non-executive Directors.