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ESSEX BIO-TECHNOLOGY LIMITED

億勝生物科技有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1061)

SUBSCRIPTION OF SERIES E PREFERRED SHARES IN AC IMMUNE SA

This announcement is made pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the SFO.

After trading hours on 11 April 2016, Essex Bio-Investment entered into the Subscription Agreement with ACI, pursuant to which Essex Bio-Investment conditionally agreed to subscribe for the Subscribed Preferred Shares at the subscription price of US\$9.6384 per Subscribed Preferred Share for a total consideration of approximately US\$5.0 million (equivalent to approximately HK\$39.0 million).

This announcement is made pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the SFO.

THE PROPOSED SUBSCRIPTION

The Board is pleased to announce that after trading hours on 11 April 2016, Essex Bio-Investment and ACI entered into the Subscription Agreement, pursuant to which Essex Bio-Investment conditionally agreed to subscribe for, and ACI conditionally agreed to issue, the Subscribed Preferred Shares (being 518,758 Series E Preferred Shares) at the subscription price of US\$9.6384 per Subscribed Preferred Share for a total consideration of approximately US\$5.0 million (equivalent to approximately HK\$39.0 million). The Subscription is part of an extension of ACI's fifth round of financing by way of issuance of up to 4,150,000 Series E Preferred Shares.

Immediately after Completion, the Subscribed Preferred Shares will represent (i) approximately 14.28% of the total Series E Preferred Shares in issue (assuming only the Subscribed Preferred Shares will be further issued); (ii) approximately 7.14% of the total Series E Preferred Shares in issue (assuming the maximum number of Series E Preferred Shares will be issued); and (iii) approximately 0.96% of the total outstanding shares of ACI on an as-converted basis (assuming all Preferred Shares and ACI Options are converted into ACI Common Shares and there is no other change to the share capital of ACI immediately before Completion).

Completion

Subject to fulfilment of all of the conditions precedent set out in the Subscription Agreement (including, but not limited to, the execution and delivery of the Transaction Documents), Completion shall take place on 14 April 2016 (or such other date as agreed by the parties).

REASONS FOR, AND BENEFITS OF, THE SUBSCRIPTION

The Group is principally engaged in the manufacturing, selling, marketing and distribution of biopharmaceutical products.

ACI is a Swiss-based biopharmaceutical company focused on Alzheimer's disease and other neurodegenerative diseases. According to information provided by ACI, it designs, discovers and develops therapeutic and diagnostic products to prevent and modify diseases caused by misfolding proteins and has technology platforms to create antibodies, vaccines and small molecules to address a broad spectrum of neurodegenerative indications.

The Subscription is in line with the Groups' business strategy to actively explore the opportunity to invest in companies with growth potentials. The Subscription also sets ground for future business co-operation between the Group and ACI if opportunity arises which will be beneficial to the development of the Group.

The Board is of the view that the terms of the Subscription are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As all of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Subscription are less than 5%, the Subscription do not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, ACI is independent of, and not connected with, the Company and its connected persons (as defined in the Listing Rules). Accordingly, the Subscription do not constitute a connected transaction of the Company under Chapter 14A of the Listing Rules.

DEFINITIONS

In this announcement, the following expression shall, unless the context requires otherwise, have the following meanings:

“ACI”	AC Immune SA, a company incorporated in Switzerland with limited liability
“ACI Common Share(s)”	the common share(s) of ACI with a nominal value of CHF0.02 each in the share capital of ACI
“ACI Options”	options of ACI with subscription rights attaching to it to subscribe for ACI Common Shares
“Board”	the board of Directors
“Company”	Essex Bio-Technology Limited (億勝生物科技有限公司), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange
“connected person”	has the meaning ascribed thereto in the Listing Rules
“Completion”	the closing of the issue and subscription of the Subscribed Preferred Shares in accordance with the terms and conditions of the Subscription Agreement
“Director(s)”	director(s) of the Company
“Essex Bio-Investment”	Essex Bio-Investment Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Preferred Share(s)”	all series of preferred share(s) of ACI issued and outstanding as at the date of this announcement and to be issued as contemplated under the Subscription Agreement, comprising (i) 3,538,000 series A preferred shares, 16,782,500 series B preferred shares, 9,619,000 series C preferred shares, 4,122,500 series D preferred shares and 3,113,250 Series E Preferred Shares currently in issue; and (ii) up to 4,150,000 new Series E Preferred Shares to be issued in connection with the extension of ACI’s fifth round of financing
“Series E Preferred Share(s)”	series E preferred share(s) of ACI with a nominal value of CHF0.02 each in the share capital of ACI
“SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscribed Preferred Shares”	the 518,758 Series E Preferred Shares to be subscribed by Essex Bio-Investment in accordance with the Subscription Agreement
“Subscription”	the subscription of the Subscribed Preferred Shares by Essex Bio-Investment subject to and upon the terms and conditions as set out in the Subscription Agreement
“Subscription Agreement”	the subscription agreement dated 11 April 2016 and entered into between ACI (as issuer) and Essex Bio-Investment (as subscriber) in relation to the Subscription
“Transaction Documents”	the registration rights agreement and any other documents in connection with or pursuant to the Subscription Agreement
“CHF”	Swiss franc, the lawful currency of Switzerland
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

“US\$” US dollars, the lawful currency of the United States of America

“%” per cent.

In this announcement, for the purpose of illustration only, amounts quoted in US\$ have been converted into HK\$ at the rate of US\$1.00 to HK\$7.8. Such exchange rate has been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amounts were or may have been exchanged at this or any other rates or at all.

On behalf of the Board
Essex Bio-Technology Limited
Ngiam Mia Je Patrick
Chairman

Hong Kong, 11 April 2016

Executive directors of the Company as at the date of this announcement are Mr. Ngiam Mia Je Patrick, Mr. Fang Haizhou and Mr. Zhong Sheng. Independent non-executive directors of the Company as at the date of this announcement are Mr. Fung Chi Ying, Mr. Mauffrey Benoit Jean Marie and Ms. Yeow Mee Mooi.