

*Hong Kong Exchange and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **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)**

### **INSIDE INFORMATION INVESTMENT AGREEMENTS ENTERED INTO WITH ZHUHAI NATIONAL HIGH-TECH INDUSTRIAL DEVELOPMENT ZONE MANAGEMENT COMMITTEE\***

This announcement is made by Essex Bio-Technology Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

### **INVESTMENT AGREEMENTS WITH ZHUHAI NATIONAL HIGH-TECH COMMITTEE**

The board (the “**Board**”) of directors (the “**Director(s)**”) of the Company is pleased to announce that on 29 June 2018, 珠海億勝生物製藥有限公司 (Zhuhai Essex Bio-Pharmaceutical Company Limited\*) (“**Zhuhai Essex**”), a company established in the People’s Republic of China and an indirect wholly-owned subsidiary of the Company, and 珠海（國家）高新技術產業開發區管理委員會 (Zhuhai National High-Tech Industrial Development Zone Management Committee\*) (“**Zhuhai National High-Tech Committee**”) entered into two investment agreements (the “**Investment Agreements**”), pursuant to which and subject to the terms and conditions therein contained, Zhuhai Essex agreed to invest a total sum of RMB200 million in a construction project which is to be implemented and developed in a high-tech industrial development zone in Zhuhai (the “**High-tech Zone**”) (the “**Project**”), and Zhuhai National High-Tech Committee agreed to facilitate the implementation and development of the Project by Zhuhai Essex by providing certain support and assistance to Zhuhai Essex.

Pursuant to the Investment Agreements, as part of the Project, Zhuhai Essex will submit a bid for the industrial land of approximately 15,000 square meters located at 珠海高新區科技創新海岸片區創新九路西側·聯合賽爾專案用地南側 (the “**Land**”) and, after land use rights of the Land are granted to it, establish a production plant on the Land to be used for the Project.

To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, the Directors confirm that Zhuhai National High-Tech Committee is a third party independent of the Company and its connected persons (as defined in the Listing Rules).

## **PRINCIPAL TERMS OF THE INVESTMENT AGREEMENTS**

### **Increase in registered capital of Zhuhai Essex**

Pursuant to the Investment Agreements, Zhuhai Essex shall increase its registered capital by a minimum of RMB100 million from its registered capital of RMB50 million for the purposes of, among other things, (a) acquisition of land use rights of the Land; (b) construction of a production plant on the Land; (c) production of research and development equipment; and (d) other investments. As at the date of this announcement, the registered capital of Zhuhai Essex has been increased to RMB150 million.

### **Possible acquisition of land use rights**

As part of the arrangement under the Investment Agreements, Zhuhai Essex will apply to Zhuhai National High-Tech Committee, and submit a bid to the relevant government authority, for the grant of land use rights of the Land.

The consideration for acquiring such industrial land use rights, if so granted by Zhuhai National High-Tech Committee, is expected to be approximately RMB10.2 million, subject to the entering into of the definitive land transfer contract.

### **Assistance from Zhuhai National High-Tech Committee**

Pursuant to the Investment Agreements, Zhuhai National High-Tech Committee will provide support and assistance to Zhuhai Essex in, among other things, (i) building a good environment for the implementation and development of the Project in return for its agreement to invest in the High-tech Zone and for its local economic contribution; and (ii) its application for approval, consents or permits from the relevant local authorities relating to, among other things, business registration, taxation, construction, environment assessment, safety assessment and fire protection.

## **REASONS AND BENEFITS FOR ENTERING INTO THE INVESTMENT AGREEMENTS**

The Group is principally engaged in investment holding, and development, manufacture and sale of biopharmaceutical products in the People's Republic of China.

Zhuhai National High-Tech Committee is an agency of the Zhuhai Municipal People's Government, which is responsible for the management of economic and social affairs in Tangjiawan and has the authority over economic management and administrative approval at the municipal level.

The Group has a production plant in the High-tech Zone (the "**Existing Plant**"). The Land is in close proximity to the location of the Existing Plant. Entering into the Investment Agreements would facilitate the Group to acquire land use rights of the Land for the expansion of the Group's production capability and capacity which is in line with the Group's long-term strategic needs of sustainable development.

In view of the above, the Board considers that entering into the Investment Agreements with Zhuhai National High-Tech Committee is in the interests of the Company and its shareholders as a whole.

## **GENERAL**

In the event that the Project is materialised, the investment cost for the Project including acquisition cost for land use rights of the Land, increase of the registered capital of Zhuhai Essex, development of the Project and expansion of the production plant in Zhuhai on the Land will be financed by internal resources of the Group.

It is anticipated that acquisition of land use rights under the Investment Agreements may constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules. Further announcement(s) will be made by the Company (if necessary) in accordance with the requirements of the Listing Rules when formal land transfer contract is entered into.

**The acquisition of land use rights contemplated under the Investment Agreements may or may not be materialised. Shareholders of the Company and potential investors should therefore exercise caution when dealing in the shares of the Company.**

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

Hong Kong, 29 June 2018

*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.*

\* *For identification only*