



ASX Announcement and Media Release

3 July 2018

SciGen Ltd

**VOLUNTARY CONDITIONAL GENERAL OFFER BY SAC CAPITAL PRIVATE LIMITED
FOR AND ON BEHALF OF YIFAN INTERNATIONAL PHARMACEUTICAL CO.,
LIMITED**

1. Introduction

The board of directors (the “**Board**” or the “**Directors**”) of SciGen Ltd (the “**Company**”) refers to:

- (i) the announcement dated 15 May 2018 (the “**Pre-Conditional Offer Announcement**”) issued by SAC Capital Private Limited (“**SAC Capital**”), for and on behalf of Yifan International Pharmaceutical Co., Limited (the “**Offeror**”) that, subject to the satisfaction or waiver of the Pre-Conditions (as defined in the Pre-Conditional Offer Announcement), the Offeror intends to make a voluntary conditional general offer (the “**Offer**”) for all the issued and paid-up ordinary shares in the capital of the Company (excluding treasury shares) (the “**Shares**”), other than those Shares already owned, controlled, or agreed to be acquired by the Offeror, but including Shares owned, controlled, or agreed to be acquired by parties acting or deemed to be acting in concert with the Offeror;
- (ii) the announcement dated 15 May 2018 issued by the Company informing the shareholders of the Company (“**Shareholders**”) of the Offer; and
- (iii) the update announcements dated 12 June 2018 and 13 June 2018 issued by the Company that the Pre-Conditions (as defined in the Pre-Conditional Offer Announcement) set out in paragraphs 2.1.2 and 2.1.3 respectively of the Pre-Conditional Offer Announcement have been satisfied.

The Board wishes to inform Shareholders that SAC Capital, for and on behalf of the Offeror, has on 3 July 2018 (the “**Formal Offer Announcement Date**”) issued an announcement (the “**Formal Offer Announcement**”) that all of the Pre-Conditions set out in paragraph 2.1 of the Pre-Conditional Offer Announcement (including the Pre-Condition set out in paragraph 2.1.1 of the Pre-Conditional Offer Announcement) have been satisfied and accordingly, the Offeror has a firm intention to make the Offer.

Copies of the Pre-Conditional Offer Announcement and the Formal Offer Announcement are attached as appendices to this announcement. Shareholders are advised to refer to the full text of the Formal Offer Announcement for, *inter alia*, the principal terms of the Offer.

2. Despatch of the Offer Document

According to the Formal Offer Announcement, the formal offer document to be issued by SAC Capital for and on behalf of the Offeror (the “**Offer Document**”), which will set out the terms and conditions of the Offer and enclose the relevant form(s) of acceptance of the Offer, will be despatched to Shareholders on a date earlier than 14 days after the Formal Offer Announcement Date.¹

3. Independent Financial Adviser

As stated in the announcement dated 7 June 2018 issued by the Company, Crowe Horwath Capital Pte Ltd has been appointed as the independent financial adviser (the “**IFA**”) to advise the Directors who are considered independent for the purposes of the Offer (the “**Independent Directors**”). A circular containing, *inter alia*, the advice of the IFA and the recommendation of the Independent Directors in respect of the Offer (the “**Offeree Circular**”), will be sent to Shareholders within 14 days from the date of despatch of the Offer Document.

In the meantime, Shareholders are advised to exercise caution when dealing with their Shares and refrain from taking any action in relation to their Shares which may be prejudicial to their interests until they or their advisers have considered the information and the recommendations of the Independent Directors as well as the advice of the IFA which will be set out in the Offeree Circular.

¹ The Securities Industry Council has confirmed that the Offer Document may be despatched on a date earlier than 14 days after the Formal Offer Announcement Date.

4. Responsibility Statement

The Directors (including those who have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this announcement are fair and accurate, and that there are no other material facts not contained in this announcement, the omission of which would make any statement in this announcement misleading, and they jointly and severally accept responsibility accordingly. Where any information has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, the Pre-Conditional Offer Announcement and the Formal Offer Announcement), the sole responsibility of the Directors has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this announcement.

BY ORDER OF THE BOARD

For and on behalf of SciGen Ltd

Marek Dziki

3 July 2018

About SciGen Limited

SciGen Ltd (“SciGen”) is a biopharmaceutical company involved in sales and marketing of genetically engineered biopharmaceutical products for human healthcare. SciGen focuses in the areas of endocrinology, paediatrics, neurology and oncology care.

Its core product portfolio consists of biosimilar products, notably, recombinant human insulin and recombinant human growth hormone which have undergone substantial clinical development. SciGen has since built a diversified portfolio in recent years, comprising neurology, oncology care products, paediatric supplements, orthopaedic injection therapy, anti-hypertensives and a range of medical devices.

SciGen has acquired the rights to distribute and market biopharmaceutical and proprietary products under both exclusive and semi-exclusive licensing arrangements. Its strategy is to focus on biosimilar products which have undergone much of the clinical development and trials required to bring new drugs to market. This minimises the risks associated with early stage product development.

SciGen’s current focus is in the Asia Pacific region which provides growth opportunities for its range of products. Following a licensing agreement signed in early 2012, SciGen now has marketing rights for recombinant human insulin in the Middle East and Africa. SciGen’s contract manufacturer for recombinant human insulin is its ultimate holding company in Poland, Bioton S.A..

SciGen currently maintains internal sales and marketing teams at its subsidiary offices, whilst venturing into distribution partnerships in other markets. Through joint collaboration with its partners, SciGen uses its extensive expertise in regulatory and clinical environments, to cater to a broader spectrum of market.

SciGen was established in 1988, as a Singapore biopharmaceutical company. SciGen is listed on the Australian Stock Exchange (ASX code SIE). Its corporate headquarters is located in Singapore, with subsidiary offices in Australia, South Korea, China and a sales office in Philippines. Strategic distribution channels are present in Thailand, Hong Kong, Pakistan, Indonesia, Singapore, Bangladesh, Myanmar and Vietnam.

For further information: Company - Investor Relations	Company
Ms. Gillian Dunlop SciGen (Australia) Pty Ltd +61 2 9485 1800 Email: gdunlop@scigen.com.au	Adam Polonek SciGen Ltd +65 6779 6638

APPENDIX A

PRE-CONDITIONAL OFFER ANNOUNCEMENT

[Please see attached pages]

PRE-CONDITIONAL VOLUNTARY GENERAL OFFER

by

SAC CAPITAL PRIVATE LIMITED
(Company Registration No.: 200401542N)
(Incorporated in the Republic of Singapore)

for and on behalf of

YIFAN INTERNATIONAL PHARMACEUTICAL CO., LIMITED.
(Company Registration No.: 2141494)
(Incorporated in the Hong Kong Special Administrative Region
of the People's Republic of China)

to acquire all the issued and paid-up ordinary shares in the capital of

SCIGEN LTD
(Company Registration No.: 199805796R)
(Incorporated in the Republic of Singapore)

other than those already owned, controlled or agreed to be acquired by Yifan International
Pharmaceutical Co., Limited.

PRE-CONDITIONAL OFFER ANNOUNCEMENT

1. INTRODUCTION

- 1.1 **Pre-Conditional Voluntary General Offer.** SAC Capital Private Limited (“**SAC Capital**”) wishes to announce, for and on behalf of Yifan International Pharmaceutical Co., Limited. (the “**Offeror**”) that, subject to the satisfaction or waiver of the Pre-Conditions (as referred to in paragraph 2.1 of this Announcement), the Offeror intends to make a voluntary conditional general offer (the “**Offer**”) for all the issued and paid-up ordinary shares in the capital of SciGen Ltd (the “**Company**”) (excluding treasury shares) (the “**Shares**”),¹ other than those Shares already owned, controlled, or agreed to be acquired by the Offeror, but including Shares owned, controlled, or agreed to be acquired by parties acting or deemed to be acting in concert with the Offeror, in accordance with Rule 15 of the Singapore Code on Take-overs and Mergers (the “**Code**”).

The Offeror is a wholly-owned subsidiary of Yifan Pharmaceutical Co., Ltd (“**Yifan Pharmaceutical**”). Further information on the Offeror and Yifan Pharmaceutical is set out in paragraph 5 of this Announcement. This Announcement is released in conjunction with the announcements released by Yifan Pharmaceutical on the Shenzhen Stock Exchange, which sets out further information on the Offer. Shareholders of the Company (“**Shareholders**”) should also refer to the announcements released by Yifan Pharmaceutical, which are

¹ Shares include securities which may be transmuted into Shares, such as CHESS Depository Interests (“**CDIs**”) which are held on behalf of shareholders of the Company by CHESS Depository Nominees Pty Ltd.

available on the websites of the Shenzhen Stock Exchange (http://disclosure.szse.cn/m/drgg_search.htm?secode=002019) and the Australian Securities Exchange (“ASX”) (<https://www.asx.com.au>).

This Announcement should not be construed as an announcement of a firm intention by the Offeror to make the Offer. The Offer will not be made unless and until the Pre-Conditions have been satisfied or waived by the Offeror (as the case may be) on or before 5.00 p.m. (Singapore time) on the date falling six months from the date of this Announcement (the “Pre-Conditional Offer Announcement Date”), being 15 November 2018 (or such other later date as the Offeror may determine in consultation with the Securities Industry Council of Singapore (the “SIC”)) (the “Cut Off Date”). Accordingly, all references to the Offer in this Announcement refer to the possible Offer which will only be made if and when the Pre-Conditions are satisfied or waived by the Offeror (as the case may be).

Shareholders should exercise caution and seek appropriate independent advice when dealing in the Shares.

1.2 No Holding. As at the Pre-Conditional Offer Announcement Date, the Offeror does not own or control, directly or indirectly, any Shares.

2. PRE-CONDITIONS TO THE MAKING OF THE OFFER

2.1 Pre-Conditions. The making of the Offer will be subject to the satisfaction or waiver by the Offeror (as the case may be) of the following pre-conditions (collectively, the “**Pre-Conditions**”) on or before the Cut Off Date:

2.1.1 all authorisations, clearances, orders, confirmations, consents, exemptions, grants, permissions, registrations, filings, recognitions, clearances and other approvals from the National Development and Reform Commission of the People’s Republic of China (“**PRC**”), the Ministry of Commerce of the PRC and the State Administration of Foreign Exchange of the PRC necessary or appropriate for or in connection with (a) the Offer (including the use and remittance of funds for the purpose of satisfying full acceptance of the Offer); or (b) the acquisition of control of any of the Company or its subsidiaries arising from or in connection with the Offer (“**Authorisations**”):

- (i) having been obtained;
- (ii) if such Authorisations are subject to conditions precedent or conditions, such conditions precedent or conditions are reasonably acceptable to the Offeror and have been fulfilled; and
- (iii) such Authorisations remaining in full force and effect,

and all necessary statutory or regulatory obligations in connection with the Offer and the acquisition of control of any of the Company or its subsidiaries arising from or in connection with the Offer and their implementation in the PRC having been complied with;

2.1.2 the shareholders of Bioton Spolka Akcyjna (“**Bioton**”) having passed all necessary resolutions to approve the disposal of its Shares pursuant to the Offer and all matters

in connection therewith (including the provision of the Undertaking (as referred to in paragraph 7.1 of this Announcement)) (the “**Bioton Disposal**”) at a general meeting of the shareholders of Bioton; and

2.1.3 all authorisations, clearances, approvals, consents, waivers and exemptions (as the case may be) from HSBC Bank Polska S.A., ING Bank Śląski S.A., Bank Ochrony Środowiska S.A. and Bank of China (Luxembourg) S.A., Poland Branch necessary or appropriate for or in connection with the Bioton Disposal having been obtained.

2.2 **SIC Confirmation.** The SIC has confirmed that it has no objection to the Offer being subject to the Pre-Conditions.

2.3 **Formal Offer Announcement.** If and when all the Pre-Conditions are satisfied or waived by the Offeror (as the case may be), an announcement will be made by SAC Capital, for and on behalf of the Offeror, of its firm intention to make the Offer (the “**Formal Offer Announcement**”). The formal offer document to be issued in respect of the Offer (the “**Offer Document**”) setting out the terms and conditions of the Offer and the appropriate form(s) of acceptance of the Offer will be despatched to Shareholders not earlier than 14 days and not later than 21 days from the date of the Formal Offer Announcement, or such other date permitted by the SIC, provided that there may be restrictions on sending the Offer Document to any overseas jurisdictions as disclosed in paragraph 14 of this Announcement.

However, in the event that any of the Pre-Conditions are not satisfied or waived by the Offeror (as the case may be) on or before the Cut Off Date, the Offer will not be made and SAC Capital will issue an announcement, for and on behalf of the Offeror, confirming that fact as soon as reasonably practicable.

Shareholders should note that there is no certainty that the Pre-Conditions will be satisfied and that the Offer will be made. Shareholders are advised to exercise caution when dealing in the Shares.

3. THE OFFER

3.1 **Principal Terms of the Offer.** Subject to and contingent upon the satisfaction or waiver by the Offeror (as the case may be) of the Pre-Conditions on or before the Cut Off Date and the terms and conditions of the Offer to be set out in the Offer Document, the Offeror will make the Offer in accordance with Rule 15 of the Code on the following basis:

3.1.1 **Offer Shares.** The Offer will be extended to all the Shares, other than those Shares already owned, controlled, or agreed to be acquired by the Offeror, but including Shares owned, controlled, or agreed to be acquired by parties acting or deemed to be acting in concert with the Offeror (the “**Offer Shares**”) at the Offer Price (as defined below).

3.1.2 **Offer Consideration.** The consideration for each Offer Share will be as follows:

For each Offer Share: US\$0.0507 in cash (the “Offer Price”).

The Offeror does not intend to increase the Offer Price.

3.1.3 No Encumbrances. The Offer Shares are to be acquired (i) fully paid and validly issued, (ii) free from any claim, charge, pledge, mortgage, encumbrance, lien, option, equity, power of sale, declaration of trust, hypothecation, retention of title, right of pre-emption, right of first refusal, moratorium or other third party right or security interest of any kind or an agreement, arrangement or obligation to create any of the foregoing (collectively, the “**Encumbrances**”) and (iii) together with all rights, benefits, entitlements attached thereto as at the Pre-Conditional Offer Announcement Date and hereafter attaching thereto, including but not limited to the right to receive and retain all dividends, rights, other distributions and/or return of capital (if any) declared, paid or made by the Company in respect of the Offer Shares (the “**Distributions**”) on or after the Pre-Conditional Offer Announcement Date.

3.1.4 Adjustment for Distributions. Without prejudice to the foregoing, the Offer Price has been determined on the basis that the Offer Shares will be acquired with the right to receive any Distribution that may be declared, paid or made by the Company on or after the Pre-Conditional Offer Announcement Date.

Accordingly, in the event any Distribution is or has been declared, paid or made by the Company in respect of the Offer Shares on or after the Pre-Conditional Offer Announcement Date, the Offer Price payable to a Shareholder who validly accepts or has validly accepted the Offer (if and when made) shall be reduced by an amount which is equal to the amount of such Distribution, depending on when the settlement date in respect of the Offer Shares tendered in acceptance of the Offer by such accepting Shareholder falls, as follows:

- (i) if such settlement date falls on or before the books closure date for the determination of entitlements to the Distribution (the “**Books Closure Date**”), the Offer Price shall remain unadjusted for each Offer Share, as the Offeror will receive the Distribution in respect of such Offer Share from the Company; and
- (ii) if such settlement date falls after the Books Closure Date, the Offer Price for each Offer Share shall be reduced by an amount which is equal to the amount of the Distribution in respect of each Offer Share, as the Offeror will not receive the Distribution in respect of such Offer Share from the Company.

3.1.5 Minimum Acceptance Condition. The Offer, if and when made, will be conditional on the Offeror, having received by the close of the Offer, valid acceptances pursuant to the Offer or otherwise acquiring Shares from the date of despatch of the Offer Document (the “**Commencement Date**”) other than through valid acceptances of the Offer in respect of not less than 90 per cent. of the total number of Shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the Commencement Date).

Accordingly, the Offer will not become or be capable of being declared unconditional as to acceptances until the close of the Offer, unless at any time prior to the close of the Offer, the Offeror has received valid acceptances in respect of such number of Offer Shares which, when taken together with the Shares acquired or agreed to be acquired from the Commencement Date, will result in the Offeror holding such number of Shares carrying not less than 90 per cent. of the total number of Shares

(other than those already held by the Offeror, its related corporations or their respective nominees as at the Commencement Date).

Pursuant to the Undertaking (as referred to in paragraph 7.1 of this Announcement), the Offer (if and when made) will become unconditional as to acceptances upon Bioton tendering its Shares (representing approximately 95.57 per cent. of the total number of Shares) in acceptance of the Offer.

Further information on the Offer, if and when made, and the terms and conditions upon which the Offer will be made, will be set out in the Offer Document to be issued.

4. FINANCIAL EVALUATION OF THE OFFER

The Offer Price represents the following premia² over the historical traded prices of the CDIs listed on the ASX prior to the Pre-Conditional Offer Announcement Date:

Description	Benchmark Price (A\$)	Premia ² over Benchmark Price (%)
Last transacted price of the CDIs on the ASX on 14 May 2018, being the last market day prior to the Pre-Conditional Offer Announcement Date (" Last Market Day ")	0.024 ³	180.7
Volume weighted average price of the CDIs on the ASX (" VWAP ") for the one-month period up to and including the Last Market Day	0.024	180.7
VWAP for the three-month period up to and including the Last Market Day	0.023	192.9
VWAP for the six-month period up to and including the Last Market Day	0.025	169.5
VWAP for the twelve-month period up to and including the Last Market Day	0.039	72.7

Source: Bloomberg L.P.

5. INFORMATION ON THE OFFEROR AND YIFAN PHARMACEUTICAL

5.1 The Offeror. The Offeror is a company incorporated in the Hong Kong Special Administrative Region of the People's Republic of China and mainly focuses on the sale and distribution of pharmaceutical products, as well as providing high quality medicine and devices. The Offeror is a wholly-owned subsidiary of Yifan Pharmaceutical. As at the Pre-Conditional Offer Announcement Date:

² The premia have been calculated based on the closing exchange rate of A\$1:US\$0.7526 published on Bloomberg L.P. on the Last Market Day.

³ This refers to the closing price on 7 May 2018, being the last market day on which the CDIs were traded prior and up to the Last Market Day.

5.1.1 the Offeror has an issued share capital of US\$20,601,280, comprising 10,000 issued ordinary shares which is held by Yifan Pharmaceutical; and

5.1.2 the sole director of the Offeror is Cheng Xianfeng (the “**Offeror Director**”).

5.2 **Yifan Pharmaceutical.** Yifan Pharmaceutical is a company incorporated in the PRC and listed on the Shenzhen Stock Exchange. Yifan Pharmaceutical focuses on the development and manufacturing of pharmaceutical products.

6. **INFORMATION ON THE COMPANY**⁴

6.1 **Introduction.** The Company is a public company incorporated in Singapore and listed on the ASX. The Company is a biopharmaceutical company manufacturing and marketing high quality biosimilar therapeutic products and other healthcare products. The Company focuses on the areas of endocrinology, paediatrics, neurology and oncology care. Its core product portfolio consists of biosimilar products, notably, recombinant human insulin and recombinant human growth hormone which have undergone substantial clinical development. The Company has built a diversified portfolio in recent years, comprising neurology, oncology care products, paediatric supplements, orthopaedic injection therapy, anti-hypertensives and a range of medical devices.

6.2 **Share Capital.** As at the Pre-Conditional Offer Announcement Date, based on the latest information available to the Offeror, the Company has an issued and fully paid-up share capital of US\$42,530,000, comprising 552,270,320 Shares with no treasury shares. The Offeror is not aware of any outstanding instruments convertible into, rights to subscribe for, and options in respect of, securities which carry voting rights in the Company.

7. **IRREVOCABLE UNDERTAKING**

7.1 **Irrevocable Undertaking.** As at the Pre-Conditional Offer Announcement Date, the Offeror has executed an undertaking with Bioton (the “**Undertaking**”), pursuant to which Bioton has undertaken, represented and warranted to the Offeror, amongst other things:

7.1.1 subject to the satisfaction of the Pre-Conditions, to tender all the Shares beneficially owned by Bioton (or to procure its nominees to tender)⁵ (the “**Relevant Shares**”) free from any Encumbrances in acceptance of the Offer, not later than 5.00 p.m. (Singapore time) on the date falling three business days after the Commencement Date, and notwithstanding any rights of withdrawal under the Code, not to (and to procure its nominees not to) withdraw any of the Relevant Shares tendered for acceptance until (and including) the date on which the Offer lapses or is withdrawn by the Offeror;

7.1.2 not accept (or permit the acceptance of) any Competing Offer or other offer for the Shares in respect of all or any of the Relevant Shares or approve, endorse, recommend, vote or agree to vote for (and shall vote against or reject) any Competing Offer, whether or not such Competing Offer or other offer is at a higher price than the Offer Price and/or on more favourable terms than under the Offer;

⁴ The information set out in this paragraph 6 is based on publicly available information on the Company.

⁵ As at the Pre-Conditional Offer Announcement Date, Bioton is the beneficial owner of 527,786,735 Shares (of which 27,760,228 are CDIs held on behalf of Bioton by CHESS Depository Nominees Pty Ltd), representing approximately 95.57 per cent. of the total number of Shares.

- 7.1.3 except pursuant to the Offer, not to sell, transfer, dispose of, charge, pledge or otherwise encumber, grant any option or other right over, enter into any arrangement that transfers any of the legal, beneficial or economic consequences of ownership of any of the Relevant Shares, or otherwise deal with any of the Relevant Shares or any interest in them (whether conditionally or unconditionally, directly or indirectly);
- 7.1.4 not exercise the voting rights attaching to the Relevant Shares in such manner as to oppose the taking of any action which might result in any Pre-Conditions or condition of the Offer not being satisfied;
- 7.1.5 not (a) acquire or seek to acquire any interest in the Shares (other than Shares that Bioton is the beneficial owner of as at the date of the Undertaking) or (b) announce or take any action which would require the announcement (whether under the Code or otherwise) of any proposals for any take-over, merger, consolidation or share exchange or similar transaction involving the securities of the Company; and
- 7.1.6 not enter into any agreement or arrangement with any person, whether conditionally or unconditionally (directly or indirectly), to do any of the acts prohibited by the above terms of paragraphs 7.1.1 to 7.1.5.

For the purpose of this Announcement, “**Competing Offer**” means any offer, proposal or expression of interest by any person other than the Offeror pursuant to which such person or any other person may, whether directly or indirectly, and whether by share purchase, scheme of arrangement, merger or amalgamation, capital reconstruction, purchase of assets, tender offer, general offer, partial offer, joint venture or otherwise (i) acquire or become the holder or owner of, or otherwise have an economic interest in: (a) all or any substantial part of the businesses, assets, revenues and/or undertakings of the Company or (b) all or a significant portion of the share capital of the Company; (ii) acquire control of the Company and its subsidiaries or merge with the Company; (iii) benefit under any other arrangement having an effect similar to any of the above or (iv) effect a transaction which would preclude, materially delay, materially frustrate or restrict the Offer.

7.2 Cessation of Undertaking. The Undertaking shall lapse, cease and terminate on the earliest of:

- 7.2.1 the Cut Off Date, if any of the Pre-Conditions is not satisfied or waived on or before such date;
- 7.2.2 the date on which the Offer closes, lapses or is withdrawn, other than as a result of Bioton breaching its obligations under the Undertaking; or
- 7.2.3 such date as may be mutually agreed between Bioton and the Offeror.

7.3 No Other Undertakings. Save for the Undertaking, the Offeror has not received any undertakings from any other party to accept or reject the Offer.

7.4 Available for Inspection. A copy of the Undertaking is available for inspection at the offices of the Company at 152 Beach Road, #26-07/08 Gateway East, Singapore 189721, during

normal business hours from the Pre-Conditional Offer Announcement Date until the date on which the Offer closes, lapses or is withdrawn in accordance with its terms.

8. AGREEMENT ON BINDING OFFER

8.1 Salient Terms of the Agreement on Binding Offer. The Offeror and Bioton have also entered into an agreement on binding offer on 15 May 2018 (the “**ABO Agreement**”) to set out, *inter alia*:

8.1.1 parties’ agreement in relation to (i) the Company’s novation of its rights, interests, duties, obligations and liabilities under an existing licence agreement and technology transfer agreement to Bioton (the licence held by the Company under such agreements, the “**Licence**”), (ii) Bioton’s acquisition of certain intellectual property rights (including certain trademarks currently owned by the Company) from the Company, (iii) the grant of a sublicense by the Company to Bioton in respect of the Licence (collectively, the “**Bioton Acquisition**”), (iv) the partial extinguishing of the existing shareholder’s loan made by Bioton to the Company⁶ (the “**Shareholder’s Loan**”) as consideration payable for the Bioton Acquisition, (v) the waiver by Bioton of the Company’s obligation to repay the remaining amount of the Shareholder’s Loan and (vi) the termination of certain profit sharing agreements between Bioton and the Company; and

8.1.2 Bioton’s agreement to tender all its Shares in acceptance of the Offer (if and when made) pursuant to the Undertaking.

8.2 SIC Confirmation. The SIC has confirmed that the Bioton Acquisition does not constitute a special deal under Rule 10 of the Code, provided that the independent financial adviser to the Company publicly states that in its opinion the terms of the Bioton Acquisition are fair and reasonable.

9. RATIONALE FOR THE OFFER AND THE OFFEROR’S INTENTIONS FOR THE COMPANY

9.1 Rationale for the Offer

9.1.1 Offeror’s Investment in the Company. The Offeror sees potential for continued growth in the various businesses and the subsidiaries of the Company, taking into account the geographical footprint of the Company’s assets and its developments.

9.1.2 Combination of complementary business and expertise to realise potential synergies. The Offeror is of the view that the businesses of the Company and the Offeror are complementary and there are potential synergies that can be created, including cross-selling to an enlarged customer base, economies of scale, improvement of productivity and cost efficiency, as well as sharing of domain knowledge such as know-hows and best practices.

⁶ As at 31 December 2017, the aggregate amount of the Shareholder’s Loan is US\$76,388,238.90.

9.2 Offeror's intentions in relation to the Company

Upon completion of the Offer (if and when made), the Offeror may undertake a strategic and operational review of the Company and its subsidiaries with a view of realising synergies, scale, cost efficiencies and growth potential.

Save as disclosed in paragraph 8.1.1 above, the Offeror presently has no intention to introduce any major changes to the business of the Company, or to discontinue the employment of any of the existing employees of the Company and its subsidiaries or re-deploy any of the fixed assets of the Company, other than in the ordinary course of business. However, the Offeror retains the flexibility at any time to consider options and opportunities which may present themselves, and which it regards to be in the interests of the Offeror and/or the Company.

10. COMPULSORY ACQUISITION AND LISTING STATUS

10.1 Compulsory Acquisition. In the event the Offeror receives valid acceptances pursuant to the Offer (or otherwise acquires Shares from the Commencement Date other than through valid acceptances of the Offer) in respect of not less than 90 per cent. of the total number of Shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the Commencement Date) (the "**CA Threshold**"), the Offeror would be entitled to exercise its right under Section 215(1) of the Companies Act, Chapter 50 of Singapore (the "**Companies Act**") to compulsorily acquire all the Shares of Shareholders who have not accepted the Offer (the "**Dissenting Shareholders**") on the same terms as those offered under the Offer.

In such event, the Offeror intends to exercise its right to compulsorily acquire all the Offer Shares not acquired under the Offer.

In addition, pursuant to Section 215(3) of the Companies Act, Dissenting Shareholders have the right under and subject to Section 215(3) of the Companies Act, to require the Offeror to acquire their Shares at the Offer Price in the event that the Offeror, its related corporations or their respective nominees acquire, pursuant to the Offer, such number of Shares which, together with treasury shares and the Shares held by the Offeror, its related corporations or their respective nominees, comprise 90 per cent. or more of the total number of shares in the Company. Dissenting Shareholders who wish to exercise such right are advised to seek their own independent legal advice.

10.2 Listing Status. The Offeror intends to make an application to delist the Company from the ASX in accordance with ASX Listing Rule 17.14, if the Offeror is entitled to exercise its right of compulsory acquisition under Section 215(1) of the Companies Act. The Offeror intends to seek in-principle advice on whether the ASX is likely to agree to a request for removal of the Company from the official list of the ASX and the conditions that the ASX is likely to require to be satisfied before the ASX will act on such request for removal. Upon receiving favourable advice from the ASX and the Offeror reaching the CA Threshold, the Offeror will make an official request to the ASX for the Company to be removed from the official list of the ASX. It is expected that the ASX will, after reviewing the application for delisting, advise of the date on which the Company will be removed from the official list of the ASX, and any conditions that are required to be met in order for delisting of the Company to occur.

11. DISCLOSURE OF SHAREHOLDINGS AND DEALINGS

11.1 Holdings and Dealings in Relevant Securities. As at the Pre-Conditional Offer Announcement Date, based on the latest information available to the Offeror, none of (i) the Offeror; (ii) the Offeror Director and (iii) SAC Capital (collectively, the “**Relevant Parties**”):

11.1.1 owns, controls or has agreed (other than pursuant to the ABO Agreement and the Undertaking) to acquire any (i) Shares, (ii) securities which carry voting rights in the Company or (iii) convertible securities, warrants, options, awards or derivatives in respect of the Shares or securities which carry voting rights in the Company (collectively, the “**Relevant Securities**”); or

11.1.2 has dealt for value in any Relevant Securities during the three-month period immediately preceding the Pre-Conditional Offer Announcement Date and up to the Pre-Conditional Offer Announcement Date.

11.2 Other Arrangements. As at the Pre-Conditional Offer Announcement Date, based on the latest information available to the Offeror and save as disclosed in paragraphs 7 and 8 of this Announcement, none of the Relevant Parties has:

11.2.1 entered into any arrangement (whether by way of option, indemnity or otherwise) in relation to any Shares or the shares of the Offeror which might be material to the Offer;

11.2.2 received any irrevocable commitment from any party to accept the Offer in respect of any Relevant Securities;

11.2.3 granted any security interest in respect of any Relevant Securities in favour of any other person, whether through a charge, pledge or otherwise;

11.2.4 borrowed any Relevant Securities from any other person (excluding those which have been on-lent or sold); or

11.2.5 lent any Relevant Securities to any other person.

11.3 Confidentiality. In the interests of confidentiality, the Offeror has not made enquiries in respect of certain other parties who are or may be presumed to be acting in concert with the Offeror in connection with the Offer (if and when made). Further enquiries will be made of such persons and the relevant disclosures will be made in due course and in the Offer Document (if and when the Offer is made).

12. FINANCIAL ADVISER

The Offeror has appointed SAC Capital as its financial adviser in respect of the Offer.

13. DESPATCH OF OFFER DOCUMENT

If and when the Offer is made, the Offer Document setting out the terms and conditions of the Offer and enclosing the relevant form(s) of acceptance of the Offer will be despatched to Shareholders not earlier than 14 days and not later than 21 days from the date of the Formal Offer Announcement, or such other date permitted by the SIC, provided that there may be

restrictions on sending the Offer Document to any overseas jurisdictions as disclosed in paragraph 14 of this Announcement.

14. OVERSEAS SHAREHOLDERS

This Announcement does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy any security, nor is it a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of the securities referred to in this Announcement in any jurisdiction in contravention of applicable law.

The Offer (if and when made) will be made solely by the Offer Document and the relevant form(s) of acceptance accompanying the Offer Document, which will contain the full terms and conditions of the Offer, including details of how the Offer may be accepted.

For the avoidance of doubt, the Offer (if and when made) will be open to all Shareholders holding Shares, including those to whom the Offer Document and relevant form(s) of acceptance may not be sent.

The release, publication or distribution of this Announcement in certain jurisdictions may be restricted by law and therefore persons in any such jurisdictions into which this Announcement is released, published or distributed should inform themselves about and observe such restrictions.

Copies of this Announcement and any formal documentation relating to the Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any jurisdiction where the making of or the acceptance of the Offer would violate the law of that jurisdiction (the “**Restricted Jurisdiction**”) and will not be capable of acceptance by any such use, instrumentality or facility within any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction.

The availability of the Offer to Shareholders whose addresses are outside Singapore or Australia as shown in the register of shareholders of the Company (the “**Overseas Persons**”) may be affected by the laws of the relevant overseas jurisdictions. Accordingly, Overseas Persons should inform themselves about, and observe, any applicable legal requirements in their own jurisdictions.

15. CAUTIONARY STATEMENT

This Announcement should not be construed as an announcement of a firm intention by the Offeror to make an Offer. The Offer will not be made unless and until the Pre-Conditions have been satisfied or waived by the Offeror (as the case may be) on or before the Cut Off Date. Accordingly, all references to the Offer in this Announcement refer to the possible Offer which will only be made if and when the Pre-Conditions are satisfied or waived by the Offeror (as the case may be).

Shareholders and potential investors should note that there is no certainty that the Pre-Conditions will be satisfied and that the Offer will be made. Shareholders and potential investors should exercise caution when trading in the Shares, and where in

doubt as to the action they should take, they should consult their stockbroker, bank manager, accountant, solicitor, tax adviser or other professional advisers.

16. RESPONSIBILITY STATEMENT

The Offeror Director has taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement are fair and accurate and that there are no other material facts not contained in this Announcement, the omission of which would make any statement in this Announcement misleading, and that he accepts responsibility accordingly.

Where any information in this Announcement has been extracted or reproduced from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Offeror Director has been to ensure through reasonable enquiries that such information has been accurately and correctly extracted from such sources and/or, as the case may be, reflected or reproduced in this Announcement in its proper form and context.

Issued by

SAC CAPITAL PRIVATE LIMITED

For and on behalf of

YIFAN INTERNATIONAL PHARMACEUTICAL CO., LIMITED.

15 May 2018

Forward-Looking Statements

All statements other than statements of historical facts included in this Announcement are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as “seek”, “expect”, “anticipate”, “estimate”, “believe”, “intend”, “project”, “plan”, “strategy”, “forecast”, “targets” and similar expressions or future or conditional verbs such as “will”, “would”, “shall”, “should”, “could”, “may” and “might”. These statements reflect the Offeror’s current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results or outcomes may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements, and none of the Offeror or SAC Capital undertakes any obligation to update publicly or revise any forward-looking statements, subject to compliance with all applicable laws and regulations and/or any other regulatory or supervisory body or agency.

Any inquiries relating to the Offer should be directed during office hours to:

Mr. Bernard Lim / Ms. Chow You Yah / Mr. Tan Kian Tiong
Director / Partner / Manager

SAC Capital Private Limited

1 Robinson Road

#21-02 AIA Tower

Singapore 048542

Tel: +65 6221 5590

Fax: +65 6221 5597

APPENDIX B

FORMAL OFFER ANNOUNCEMENT

[Please see attached pages]

VOLUNTARY CONDITIONAL GENERAL OFFER

by

SAC CAPITAL PRIVATE LIMITED

(Company Registration No.: 200401542N)
(Incorporated in the Republic of Singapore)

for and on behalf of

YIFAN INTERNATIONAL PHARMACEUTICAL CO., LIMITED

(Company Registration No.: 2141494)
(Incorporated in the Hong Kong Special Administrative Region
of the People's Republic of China)

to acquire all the issued and paid-up ordinary shares in the capital of

SCIGEN LTD

(Company Registration No.: 199805796R)
(Incorporated in the Republic of Singapore)

other than those already owned, controlled or agreed to be acquired by Yifan International
Pharmaceutical Co., Limited

OFFER ANNOUNCEMENT

1. INTRODUCTION

1.1 Pre-Conditional Offer. SAC Capital Private Limited (“SAC Capital”) refers to:

- 1.1.1 the announcement (the “**Pre-Conditional Offer Announcement**”) dated 15 May 2018 (the “**Pre-Conditional Offer Announcement Date**”) pursuant to which it was announced by SAC Capital for and on behalf of Yifan International Pharmaceutical Co., Limited (the “**Offeror**”) that, subject to the satisfaction or waiver of the Pre-Conditions (as defined in the Pre-Conditional Offer Announcement), the Offeror intends to make a voluntary conditional general offer (the “**Offer**”) for all the issued and paid-up ordinary shares in the capital of SciGen Ltd (the “**Company**”) (excluding treasury shares) (the “**Shares**¹”), other than those Shares already owned, controlled, or agreed to be acquired by the Offeror, but including Shares owned, controlled, or agreed to be acquired by parties acting or deemed to be acting in concert with the Offeror, in accordance with Rule 15 of the Singapore Code on Take-overs and Mergers (the “**Code**”);

¹ Shares include securities which may be transmuted into Shares, such as CHESS Depository Interests in the Company (“**CDIs**”) in respect of which the underlying and corresponding security is one Share for each CDI, and such Shares being held by CHESS Depository Nominees Pty Limited on behalf of holders of CDIs. For the purposes of the Offer, references to Shareholders shall also include the holders of CDIs in the Company.

- 1.1.2 the announcement dated 12 June 2018, pursuant to which it was announced by SAC Capital, for and on behalf of the Offeror, that the Pre-Condition set out in paragraph 2.1.2 of the Pre-Conditional Offer Announcement had been satisfied; and
- 1.1.3 the announcement dated 13 June 2018, pursuant to which it was announced by SAC Capital, for and on behalf of the Offeror, that the Pre-Condition set out in paragraph 2.1.3 of the Pre-Conditional Offer Announcement had been satisfied.

Copies of the above announcements are available on the website of the Australian Securities Exchange (“ASX”) (<https://www.asx.com.au>).

Capitalised terms not defined in this Offer Announcement (the “**Offer Announcement**”) shall have the respective meanings given to them in the Pre-Conditional Offer Announcement.

- 1.2 **Update on Pre-Conditions.** As at the date of this Offer Announcement (the “**Offer Announcement Date**”), the Pre-Condition set out in paragraph 2.1.1 of the Pre-Conditional Offer Announcement has been satisfied.

Accordingly, all of the Pre-Conditions set out in paragraph 2.1 of the Pre-Conditional Offer Announcement have been satisfied and SAC Capital wishes to announce, for and on behalf of the Offeror, the Offeror’s firm intention to make the Offer.

2. THE OFFER

- 2.1 **Principal Terms of the Offer.** Subject to the terms and conditions of the Offer to be set out in the formal offer document (the “**Offer Document**”), the Offeror will make the Offer in accordance with Rule 15 of the Code on the following basis:

- 2.1.1 **Offer Shares.** The Offer will be extended to all the Shares, other than those Shares already owned, controlled, or agreed to be acquired by the Offeror, but including Shares owned, controlled, or agreed to be acquired by parties acting or deemed to be acting in concert with the Offeror (the “**Offer Shares**”) at the Offer Price (as defined below). For the avoidance of doubt, the Offer will be extended to all the Shares (including securities which may be transmuted into Shares, such as CDIs).

- 2.1.2 **Offer Consideration.** The consideration for each Offer Share will be as follows:

For each Offer Share: US\$0.0507 in cash (the “Offer Price”).

The Offer Price is final. The Offeror does not intend to increase the Offer Price.

- 2.1.3 **No Encumbrances.** The Offer Shares are to be acquired (i) fully paid and validly issued, (ii) free from any claim, charge, pledge, mortgage, encumbrance, lien, option, equity, power of sale, declaration of trust, hypothecation, retention of title, right of pre-emption, right of first refusal, moratorium or other third party right or security interest of any kind or an agreement, arrangement or obligation to create any of the foregoing (collectively, the “**Encumbrances**”) and (iii) together with all rights, benefits and entitlements attached

thereto as at the Pre-Conditional Offer Announcement Date and hereafter attaching thereto, including but not limited to the right to receive and retain all dividends, rights, other distributions and/or return of capital (if any) (the “**Distributions**”) declared, paid or made by the Company in respect of the Offer Shares on or after the Pre-Conditional Offer Announcement Date.

- 2.1.4 Adjustment for Distributions.** Without prejudice to the foregoing, the Offer Price has been determined on the basis that the Offer Shares will be acquired with the right to receive any Distribution that may be declared, paid or made by the Company in respect of the Offer Shares on or after the Pre-Conditional Offer Announcement Date.

Accordingly, in the event any Distribution is or has been declared, paid or made by the Company in respect of the Offer Shares on or after the Pre-Conditional Offer Announcement Date, the Offer Price payable to a shareholder of the Company (“**Shareholder**”) who validly accepts or has validly accepted the Offer shall be reduced by an amount which is equal to the amount of such Distribution, depending on when the settlement date in respect of the Offer Shares tendered in acceptance of the Offer by such accepting Shareholder falls, as follows:

- (i) if such settlement date falls on or before the books closure date for the determination of entitlements to the Distribution (the “**Books Closure Date**”), the Offer Price shall remain unadjusted for each Offer Share, as the Offeror will receive the Distribution in respect of such Offer Share from the Company; or
- (ii) if such settlement date falls after the Books Closure Date, the Offer Price for each Offer Share shall be reduced by an amount which is equal to the amount of the Distribution in respect of each Offer Share, as the Offeror will not receive the Distribution in respect of such Offer Share from the Company.

- 2.1.5 Minimum Acceptance Condition.** The Offer will be conditional upon the Offeror having received, by the close of the Offer, valid acceptances pursuant to the Offer or otherwise acquiring Shares from the date of despatch of the Offer Document (the “**Commencement Date**”) other than through valid acceptances of the Offer in respect of not less than 90 per cent. of the total number of Shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the Commencement Date) (the “**Minimum Acceptance Condition**”).

Accordingly, the Offer will not become or be capable of being declared unconditional as to acceptances until the close of the Offer, unless at any time prior to the close of the Offer, the Offeror has received valid acceptances in respect of such number of Offer Shares which, when taken together with the Shares acquired or agreed to be acquired from the Commencement Date, will result in the Offeror holding such number of Shares carrying not less than 90 per cent. of the total number of Shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the Commencement Date).

As set out in further detail in paragraph 4 below, Bioton Spolka Akcyjna (“**Bioton**”) has provided the Undertaking (as defined below) to the Offeror to tender its Shares (representing approximately 95.57 per cent. of the total number of Shares) in acceptance of the Offer. **Accordingly, after such acceptance by Bioton in respect of more than 90 per cent. of the total number of Shares, the Offer will become and be declared to be unconditional in all respects.**

For the avoidance of doubt, valid acceptances of CDIs received by the close of the Offer shall be treated as valid acceptances of the underlying and corresponding Shares, which will be counted towards meeting the Minimum Acceptance Condition.

2.2 Further Details. Further details on the Offer and the terms and conditions upon which the Offer will be made will be set out in the Offer Document.

3. FINANCIAL EVALUATION OF THE OFFER

The Offer Price represents the following premia over the historical traded prices of the CDIs listed on the ASX:

Description	Benchmark Price (A\$)	Premium over Benchmark Price (%)
Last transacted price of the CDIs on the ASX on 2 July 2018, being the last market day prior to the Offer Announcement Date	0.05 ²	38.1 ³
Last transacted price of the CDIs on the ASX on 14 May 2018, being the last market day prior to the Pre-Conditional Offer Announcement Date (“ Last Market Day ”)	0.024 ⁴	180.7 ⁵
Volume weighted average price of the CDIs on the ASX (“ VWAP ”) for the one-month period up to and including the Last Market Day	0.024	180.7 ⁵
VWAP for the three-month period up to and including the Last Market Day	0.023	192.9 ⁵
VWAP for the six-month period up to and including the Last Market Day	0.025	169.5 ⁵
VWAP for the twelve-month period up to and including the Last Market Day	0.039	72.7 ⁵

Source: Bloomberg L.P.

² This refers to the closing price on 26 June 2018, being the last market day on which the CDIs were traded prior to the Offer Announcement Date.

³ The premia have been calculated based on the closing exchange rate of A\$1:US\$0.7340 published on Bloomberg L.P. on 2 July 2018, being the last market day prior to the Offer Announcement Date.

⁴ This refers to the closing price on 7 May 2018, being the last market day on which the CDIs were traded prior and up to the Last Market Day.

⁵ The premia have been calculated based on the closing exchange rate of A\$1:US\$0.7526 published on Bloomberg L.P. on the Last Market Day.

4. IRREVOCABLE UNDERTAKING

4.1 **Irrevocable Undertaking.** As at the Pre-Conditional Offer Announcement Date, the Offeror has executed an undertaking with Bioton (the “**Undertaking**”), pursuant to which Bioton has undertaken, represented and warranted to the Offeror, amongst other things:

- 4.1.1 subject to the satisfaction of the Pre-Conditions, to tender all the Shares beneficially owned by Bioton (or to procure its nominees to tender)⁶ (the “**Relevant Shares**”) free from any Encumbrances in acceptance of the Offer, not later than 5.00 p.m. (Singapore time) on the date falling three business days after the Commencement Date, and notwithstanding any rights of withdrawal under the Code, not to (and to procure its nominees not to) withdraw any of the Relevant Shares tendered for acceptance until (and including) the date on which the Offer lapses or is withdrawn by the Offeror;
- 4.1.2 not accept (or permit the acceptance of) any Competing Offer (as defined below) or other offer for the Shares in respect of all or any of the Relevant Shares or approve, endorse, recommend, vote or agree to vote for (and shall vote against or reject) any Competing Offer, whether or not such Competing Offer or other offer is at a higher price than the Offer Price and/or on more favourable terms than under the Offer;
- 4.1.3 except pursuant to the Offer, not to sell, transfer, dispose of, charge, pledge or otherwise encumber, grant any option or other right over, enter into any arrangement that transfers any of the legal, beneficial or economic consequences of ownership of any of the Relevant Shares, or otherwise deal with any of the Relevant Shares or any interest in them (whether conditionally or unconditionally, directly or indirectly);
- 4.1.4 not exercise the voting rights attaching to the Relevant Shares in such manner as to oppose the taking of any action which might result in any Pre-Conditions or condition of the Offer not being satisfied;
- 4.1.5 not (a) acquire or seek to acquire any interest in the Shares (other than Shares that Bioton is the beneficial owner of as at the date of the Undertaking) or (b) announce or take any action which would require the announcement (whether under the Code or otherwise) of any proposals for any take-over, merger, consolidation or share exchange or similar transaction involving the securities of the Company; and
- 4.1.6 not enter into any agreement or arrangement with any person, whether conditionally or unconditionally (directly or indirectly), to do any of the acts prohibited by the terms of paragraphs 4.1.1 to 4.1.5 above.

For the purpose of this Offer Announcement, “**Competing Offer**” means any offer, proposal or expression of interest by any person other than the Offeror pursuant to which such person or any other person may, whether directly or indirectly, and whether by share purchase, scheme of arrangement, merger or amalgamation, capital reconstruction, purchase of assets, tender offer,

⁶ As at the Offer Announcement Date, Bioton is the beneficial owner of 527,786,735 CDIs, representing a beneficial interest in approximately 95.57 per cent. of the total number of Shares.

general offer, partial offer, joint venture or otherwise (i) acquire or become the holder or owner of, or otherwise have an economic interest in: (a) all or any substantial part of the businesses, assets, revenues and/or undertakings of the Company or (b) all or a significant portion of the share capital of the Company; (ii) acquire control of the Company and its subsidiaries or merge with the Company; (iii) benefit under any other arrangement having an effect similar to any of the above or (iv) effect a transaction which would preclude, materially delay, materially frustrate or restrict the Offer.

- 4.2 Cessation of Undertaking.** The Undertaking will lapse, cease and terminate on, *inter alia*, the earlier of (i) the date on which the Offer closes, lapses or is withdrawn, other than as a result of Bioton breaching its obligations under the Undertaking or (ii) such date as may be mutually agreed between Bioton and the Offeror.

For the avoidance of doubt, Bioton will NOT have the right to terminate the Undertaking on the basis that another offer for the Shares has been made (even if the price offered for the Shares is higher than the Offer Price).

- 4.3 No Other Undertakings.** Save for the Undertaking, the Offeror has not received any undertakings from any other party to accept or reject the Offer.

- 4.4 Available for Inspection.** A copy of the Undertaking is available for inspection at the offices of the Company at 152 Beach Road, #26-07/08 Gateway East, Singapore 189721, during normal business hours for the duration of the Offer.

5. AGREEMENT ON BINDING OFFER

- 5.1 Salient Terms of the Agreement on Binding Offer.** The Offeror and Bioton have also entered into an agreement on binding offer on 15 May 2018 (the “**ABO Agreement**”) to set out, *inter alia*:

- 5.1.1** parties’ agreement in relation to (i) the Company’s novation of its rights, interests, duties, obligations and liabilities under an existing licence agreement and technology transfer agreement to Bioton (the licence held by the Company under such agreements, the “**Licence**”), (ii) Bioton’s acquisition of certain intellectual property rights (including certain trademarks currently owned by the Company) from the Company, (iii) the grant of a sublicense by the Company to Bioton in respect of the Licence (the agreement setting out such grant, the “**Sublicense Agreement**” and collectively with (i) and (ii), the “**Bioton Acquisition**”), (iv) the partial extinguishing of the existing shareholder’s loan made by Bioton to the Company⁷ (the “**Shareholder’s Loan**”) as consideration payable for the Bioton Acquisition, (v) the waiver by Bioton of the Company’s obligation to repay the remaining amount of the Shareholder’s Loan and (vi) the termination of certain profit sharing agreements between Bioton and the Company.

The ABO Agreement provides that the Side Agreements (as defined below) will only take effect when, amongst others, (a) the Company is delisted from the ASX and (b) Shareholders pass all resolutions to approve the transactions in connection with the Side

⁷ As at 31 December 2017, the aggregate amount of the Shareholder’s Loan is US\$76,388,238.90.

Agreements.

For the purpose of this Announcement, “**Side Agreements**” means the agreements which sets out parties’ agreement in relation to the transactions contemplated in (i), (ii), (iv) and (vi) of this paragraph 5.1.1 above; and

5.1.2 Bioton’s agreement to tender all its Shares in acceptance of the Offer pursuant to the Undertaking.

5.2 SIC Confirmation. The Securities Industry Council of Singapore (“**SIC**”) has confirmed that the Bioton Acquisition does not constitute a special deal under Rule 10 of the Code, provided that the independent financial adviser to the Company publicly states that in its opinion the terms of the Bioton Acquisition are fair and reasonable. The ABO Agreement also provides that the Side Agreements and the Sublicense Agreement will only take effect when the independent financial adviser to the Company provides an opinion that the terms of the Side Agreements and the Sublicense Agreement are fair and reasonable.

6. INFORMATION ON THE OFFEROR AND YIFAN PHARMACEUTICAL

6.1 The Offeror. The Offeror is a company incorporated in the Hong Kong Special Administrative Region of the People’s Republic of China and mainly focuses on the sale and distribution of pharmaceutical products, as well as providing high quality medicine and devices. The Offeror is a wholly-owned subsidiary of Yifan Pharmaceutical Co., Ltd (“**Yifan Pharmaceutical**”). As at the Offer Announcement Date:

6.1.1 the Offeror has an issued share capital of US\$48,601,280, comprising 10,000 issued ordinary shares which is held by Yifan Pharmaceutical; and

6.1.2 the sole director of the Offeror is Cheng Xianfeng (the “**Offeror Director**”).

6.2 Yifan Pharmaceutical. Yifan Pharmaceutical is a company incorporated in the People’s Republic of China and listed on the Shenzhen Stock Exchange. Yifan Pharmaceutical focuses on the development and manufacturing of pharmaceutical products.

7. INFORMATION ON THE COMPANY⁸

7.1 Introduction. The Company is a public company incorporated in Singapore and listed on the ASX. The Company is a biopharmaceutical company manufacturing and marketing high quality biosimilar therapeutic products and other healthcare products. The Company focuses on the areas of endocrinology, paediatrics, neurology and oncology care. Its core product portfolio consists of biosimilar products, notably, recombinant human insulin and recombinant human growth hormone which have undergone substantial clinical development. The Company has built a diversified portfolio in recent years, comprising neurology, oncology care products, paediatric supplements, orthopaedic injection therapy, anti-hypertensives and a range of medical devices.

⁸ The information set out in this paragraph 7 is based on publicly available information on the Company.

7.2 Share Capital. As at the Offer Announcement Date, based on the latest information available to the Offeror, the Company has an issued and fully paid-up share capital of US\$42,530,137, comprising 552,270,320 Shares with no treasury shares. The Offeror is not aware of any outstanding instruments convertible into, rights to subscribe for, and options in respect of, securities which carry voting rights in the Company.

8. RATIONALE FOR THE OFFER AND THE OFFEROR'S INTENTIONS IN RELATION TO THE COMPANY

8.1 Rationale for the Offer

8.1.1 Offeror's Investment in the Company. The Offeror sees potential for continued growth in the various businesses and the subsidiaries of the Company, taking into account the geographical footprint of the Company's assets and its developments.

8.1.2 Combination of complementary business and expertise to realise potential synergies. The Offeror is of the view that the businesses of the Company and the Offeror are complementary and there are potential synergies that can be created, including cross-selling to an enlarged customer base, economies of scale, improvement of productivity and cost efficiency, as well as sharing of domain knowledge such as know-hows and best practices.

8.2 Offeror's Intentions in Relation to the Company. Upon completion of the Offer, the Offeror may undertake a strategic and operational review of the Company and its subsidiaries with a view of realising synergies, scale, cost efficiencies and growth potential.

Save as disclosed in paragraph 5.1.1 above, the Offeror presently has no intention to introduce any major changes to the business of the Company, or to discontinue the employment of any of the existing employees of the Company and its subsidiaries or re-deploy any of the fixed assets of the Company, other than in the ordinary course of business. However, the Offeror retains the flexibility at any time to consider options and opportunities which may present themselves, and which it regards to be in the interests of the Offeror and/or the Company.

9. COMPULSORY ACQUISITION AND LISTING STATUS

9.1 Compulsory Acquisition. In the event the Offeror receives valid acceptances pursuant to the Offer (or otherwise acquires Shares from the Commencement Date other than through valid acceptances of the Offer) in respect of not less than 90 per cent. of the total number of Shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the Commencement Date) (the "**CA Threshold**"), the Offeror would be entitled to exercise its right under Section 215(1) of the Companies Act, Chapter 50 of Singapore (the "**Companies Act**") to compulsorily acquire all the Shares of Shareholders who have not accepted the Offer (the "**Dissenting Shareholders**") on the same terms as those offered under the Offer.

In such event, the Offeror intends to exercise its right to compulsorily acquire all the Offer Shares not acquired under the Offer.

In addition, pursuant to Section 215(3) of the Companies Act, Dissenting Shareholders have the right under and subject to Section 215(3) of the Companies Act, to require the Offeror to acquire their Shares at the Offer Price in the event that the Offeror, its related corporations or their respective nominees acquire, pursuant to the Offer, such number of Shares which, together with treasury shares and the Shares held by the Offeror, its related corporations or their respective nominees, comprise 90 per cent. or more of the total number of shares in the Company. Dissenting Shareholders who wish to exercise such right are advised to seek their own independent legal advice.

- 9.2 Listing Status.** The Offeror intends to make a request to delist the Company from the ASX in accordance with ASX Listing Rule 17.14, if the Offeror is entitled to exercise its right of compulsory acquisition under Section 215(1) of the Companies Act. It is expected that the ASX will, after reviewing the request for delisting, advise on the date on which the Company will be removed from the official list of the ASX, and any conditions that are required to be met in order for delisting of the Company to occur.

The Offeror is of the view that the delisting and privatisation of the Company will provide the Offeror and the Company with greater control and management flexibility in the implementation of strategic initiatives and/or operational changes in the business, as well as dispense with compliance costs associated with the maintenance of its listed status.

10. DISCLOSURE OF SHAREHOLDINGS AND DEALINGS

- 10.1 Holdings and Dealings in Relevant Securities.** As at the Offer Announcement Date, based on the latest information available to the Offeror, none of (i) the Offeror; (ii) the Offeror Director; (iii) SAC Capital and (iv) any other person presumed to be acting in concert with the Offeror (collectively, the “**Relevant Parties**”):

10.1.1 owns, controls or has agreed (other than pursuant to the ABO Agreement and the Undertaking) to acquire any (i) Shares, (ii) securities which carry voting rights in the Company or (iii) convertible securities, warrants, options, awards or derivatives in respect of the Shares or securities which carry voting rights in the Company (collectively, the “**Relevant Securities**”); or

10.1.2 has dealt for value in any Relevant Securities during the three-month period immediately preceding the Pre-Conditional Offer Announcement Date and up to the Offer Announcement Date.

- 10.2 Other Arrangements.** As at the Offer Announcement Date, based on the latest information available to the Offeror and save as disclosed in paragraphs 4 and 5 above, none of the Relevant Parties has:

10.2.1 entered into any arrangement (whether by way of option, indemnity or otherwise) in relation to any Shares or the shares of the Offeror which might be material to the Offer;

10.2.2 received any irrevocable commitment from any party to accept the Offer in respect of any Relevant Securities;

- 10.2.3 granted any security interest in respect of any Relevant Securities in favour of any other person, whether through a charge, pledge or otherwise;
- 10.2.4 borrowed any Relevant Securities from any other person (excluding those which have been on-lent or sold); or
- 10.2.5 lent any Relevant Securities to any other person.

11. CONFIRMATION OF FINANCIAL RESOURCES

SAC Capital, the financial adviser to the Offeror in connection with the Offer, confirms that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Offer by the Shareholders on the basis of the Offer Price.

12. DESPATCH OF OFFER DOCUMENT

The Offer Document setting out the terms and conditions of the Offer and enclosing the relevant form(s) of acceptance of the Offer will be despatched to Shareholders, which may be on a date earlier than 14 days after the Offer Announcement Date⁹, provided that there may be restrictions on sending the Offer Document to any overseas jurisdictions as disclosed in paragraph 13 of this Offer Announcement.

13. OVERSEAS SHAREHOLDERS

This Offer Announcement does not constitute an offer to sell or the solicitation of an offer to subscribe for, sell or buy any security, nor is it a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of the securities referred to in this Offer Announcement in any jurisdiction in contravention of applicable law. The Offer is not being proposed in any jurisdiction in which the introduction or implementation of the Offer would not be in compliance with the laws of such jurisdiction.

The Offer will be made solely by the Offer Document and the relevant form(s) of acceptance accompanying the Offer Document, which will contain the full terms and conditions of the Offer, including details of how the Offer may be accepted.

For the avoidance of doubt, the Offer will be open to all Shareholders holding Shares, including those to whom the Offer Document and relevant form(s) of acceptance may not be sent.

The release, publication or distribution of this Offer Announcement in certain jurisdictions may be restricted by law and therefore persons in any such jurisdictions into which this Offer Announcement is released, published or distributed should inform themselves about and observe such restrictions.

⁹ As at the Offer Announcement Date, based on the latest information available to the Offeror, the SIC has confirmed that the Offer Document may be despatched on a date earlier than 14 days after the Offer Announcement Date.

Copies of this Offer Announcement and any formal documentation relating to the Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any jurisdiction where the making of or the acceptance of the Offer would violate the law of that jurisdiction (the “**Restricted Jurisdiction**”) and will not be capable of acceptance by any such use, instrumentality or facility within any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction.

The availability of the Offer to Shareholders whose addresses are outside Singapore, Australia or Poland (the “**Overseas Persons**”) may be affected by the laws of the relevant overseas jurisdictions. Accordingly, Overseas Persons should inform themselves about, and observe, any applicable legal requirements in their own jurisdictions.

14. RESPONSIBILITY STATEMENT

The Offeror Director has taken all reasonable care to ensure that the facts stated and all opinions expressed in this Offer Announcement are fair and accurate and that there are no other material facts not contained in this Offer Announcement, the omission of which would make any statement in this Offer Announcement misleading, and that he accepts responsibility accordingly.

Where any information in this Offer Announcement has been extracted or reproduced from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Offeror Director has been to ensure through reasonable enquiries that such information has been accurately and correctly extracted from such sources and/or, as the case may be, reflected or reproduced in this Offer Announcement in its proper form and context.

Issued by
SAC CAPITAL PRIVATE LIMITED

For and on behalf of
YIFAN INTERNATIONAL PHARMACEUTICAL CO., LIMITED

3 July 2018

Forward-Looking Statements

All statements other than statements of historical facts included in this Offer Announcement are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as “seek”, “expect”, “anticipate”, “estimate”, “believe”, “intend”, “project”, “plan”, “strategy”, “forecast”, “targets” and similar expressions or future or conditional verbs such as “will”, “would”, “shall”, “should”, “could”, “may” and “might”. These statements reflect the Offeror’s current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results or outcomes may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements, and none of the Offeror or SAC Capital undertakes any obligation to update publicly or revise any forward-looking statements, subject to compliance with all applicable laws and regulations and/or any other regulatory or supervisory body or agency.

Any inquiries relating to the Offer should be directed during office hours to:

Mr. Bernard Lim / Ms. Chow You Yah / Mr. Tan Kian Tiong
Director / Partner / Manager

SAC Capital Private Limited

1 Robinson Road
#21-02 AIA Tower
Singapore 048542
Tel: +65 6221 5590
Fax: +65 6221 5597