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## 上海復旦張江生物醫藥股份有限公司

**Shanghai Fudan-Zhangjiang Bio-Pharmaceutical Co., Ltd.\***

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

**(Stock code:1349)**

### INSIDE INFORMATION

#### PRELIMINARY PRICE CONSULTATION PERIOD OF ISSUE OF A SHARES AND SUMMARY OF PRINCIPAL PROVISIONS OF A SHARES PROSPECTUS

This announcement is made by Shanghai Fudan-Zhangjiang Bio-Pharmaceutical Co., Ltd.\* (the “**Company**”) 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, of the Laws of Hong Kong).

References are made to the announcements of the Company dated 8 March 2019, 12 March 2019, 26 April 2019, 7 May 2019, 13 May 2019, 21 June 2019, 31 July 2019, 29 August 2019, 2 September 2019, 29 September 2019, 10 October 2019, 20 October 2019, 27 October 2019, 31 October 2019, 19 March 2020, 20 March 2020, 25 March 2020, 3 April 2020, 13 April 2020, 14 May 2020 and 18 May 2020 and the circulars of the Company dated 12 March 2019, 4 April 2019, 6 June 2019 and 4 March 2020 containing, among other things, related matters of the proposed initial public offering of A Shares and listing on the Sci-Tech Innovation Board of the Shanghai Stock Exchange (the “**Shanghai Stock Exchange**”) by the Company (the “**Issue of A Shares**”). Unless otherwise defined, capitalized terms used in this announcement shall have the meanings as defined in the above announcements and circulars.

## I. PRELIMINARY PRICE CONSULTATION PERIOD OF ISSUE OF A SHARES

As disclosed in the announcement of the Company dated 14 May 2020, the CSRC has approved the Company's application for the registration of the Issue of A Shares. In accordance with the requirements of applicable PRC laws and regulations, the Company and the joint lead underwriters will conduct a preliminary price consultation with the target price consultation participants in accordance with the PRC laws and regulations in the PRC on the preliminary price consultation day (i.e. 3 June 2020) from 9:30 a.m. to 3:00 p.m. in order to determine the issue price range. The issue price will be determined within the issue price range through the cumulative tender price consultation with the consultation participants that provide a valid price quote from 9:30 a.m. to 3:00 p.m. on 8 June 2020. Further announcement(s) will be made by the Company as soon as the final size and issue price of the Issue of A Shares are determined.

## II. SUMMARY OF PRINCIPAL PROVISIONS OF A SHARES PROSPECTUS

The full text of the A Shares prospectus (the "A Shares Prospectus") published in Chinese by the Company in relation to the Issue of A Shares and the relevant appendix are published on the website of Shanghai Stock Exchange ([www.sse.com.cn](http://www.sse.com.cn)) on 29 May 2020.

The following is a summary of principal provisions of A Shares Prospectus:

### 1. Summary of the Issue of A Shares

(i)	Class of shares:	RMB ordinary shares (A Shares)
(ii)	Nominal value of shares:	RMB0.10
(iii)	Numbers of shares to be issued:	120,000,000 shares, representing 11.51% of the total share capital of the Company after the Issue of A Shares. The Issue of A Shares is a public offering of new Shares of the Company and no public offering of shares from the Company's shareholders is arranged.
(iv)	Issue price per share:	RMB[*]
(v)	Price earnings ratio of the Issue of A Shares:	[*] times (the earning per share is calculated by dividing the lower of the audited net profit for [*] before or after deducting the non-recurring profit or loss by the total capital of the Company after the Issue of A Shares)

(vi)	Net asset per share before the Issue of A Shares	RMB1.01 (calculated by dividing the audited net assets attributable to the shareholders of the parent company as at 31 December 2019 by the total number of shares of the Company before the Issue of A Shares)
(vii)	Estimated net asset per share after the Issue of A Shares	RMB[*] (calculated by dividing the audited net assets attributable to the shareholders of the parent company as at [*] plus the net proceeds from the Issue of A Shares by the total number of shares of the Company after the Issue of A Shares)
(viii)	Price-to-book ratio of the Issue of A Shares:	[*] times (calculated by the estimated net asset per share after the Issue of A Shares)
(ix)	Method of issuance:	After the preliminary consultation determines the issue price range, the issue price will be determined through cumulative tender price consultation: the Issue of A Shares adopts a combination of targeted placement to strategic investors, offline consultation to qualified investors for placement, and the online issue at a fixed price to the public investors holding the market value of non-restricted A shares in the Shanghai market.
(x)	Target subscribers:	Qualified strategic investors, price consultation participants and domestic natural persons, legal persons and other investors in the Sci-Tech Innovation Board that have set up stock accounts on the Shanghai Stock Exchange and opened trading on the Sci-Tech Innovation Board, except for those prohibited by laws, regulations and business guidelines of the Shanghai Stock Exchange
(xi)	Method of underwriting:	Standby underwriting
(xii)	Total proceeds:	RMB[*]
(xiii)	Net proceeds:	RMB[*]
(xiv)	Estimated issue expense:	The total cost of the Issue is RMB[*], of which: the total sponsor and underwriting fees are charged at 6.5% of the total proceeds raised

		plus RMB8 million, auditing fees of RMB9.5 million, legal expenses of approximately RMB6 million, information disclosure fees of RMB4.67 million and issuance procedures expenses of RMB1.81 million. The above fees exclude VAT, and various fees may be adjusted in accordance with the results of the Issue.
(xv)	Proposed listing of stock exchange and listing board:	Sci-Tech Innovation Board of the Shanghai Stock Exchange

## 2. Use of Proceeds

As approved by the 2018 annual general meeting and class meetings of the Company held on 26 April 2019, the 2019 annual general meeting and class meetings held on 30 March 2020, the proceeds from the Issue of A Shares (after deducting the issue expenses) will be used for the following projects:

*Unit: RMB 0,000*

No.	Project Name	Implementing Entity	Investment Amount by the Proceeds
1	The Registration Project of Hemoporfin in the United States (海姆泊芬美國註冊項目)	The Company	23,000.00
2	The Innovational Research and Sustainable Development Project in Relation to Biological Medicine (生物醫藥創新研發持續發展項目)	The Company	24,000.00
3	The Project in Relation to Acquisition of Minor Equity Interests in Taizhou Fudan-Zhangjiang Pharmaceutical Co., Ltd.* (收購泰州復旦張江藥業有限公司少數股權項目)	The Company	18,000.00
<b>Total</b>			<b>65,000.00</b>

In the event that the proceeds raised from the Issue of A Shares fail to meet the capital requirements of the proposed investment projects to be invested as set out above, the Company will resolve the shortfall by way of self-financing. In the event that the actual proceeds from the Issue of A Shares exceed the needs of the investment projects to be

invested, the Company will use the excess amount of proceeds to finance the development and sales in relation to the principal business in accordance with the capital position and requirements of the relevant proceeds management regulations. Prior to the completion of the Issue of A Shares, the Company will, according to its operational needs, make early capital contributions from its own funds to the above projects. After the proceeds are in place, the Company will use the proceeds to replace its own funds previously used in the investment projects in accordance with the requirements of the relevant regulations.

### 3. Effects of the Issue of A Shares on Shareholding Structure of the Company

The total share capital of the Company before the Issue of A Shares was 923,000,000 shares. The Company will issue not exceeding 120,000,000 A Shares, and total share capital will not exceed 1,043,000,000 shares after the Issue of A Shares. Assuming that the number of issued A Shares to be issued is 120,000,000, the shareholding structure of the Company before and after the Issue of A Shares is as follows:

	Before the completion of the Issue of A Shares		After the completion of the Issue of A Shares	
	<i>Number of Shares (ten thousand Shares)</i>	<i>Approximate percentage (%)</i>	<i>Number of Shares (ten thousand Shares)</i>	<i>Approximate percentage (%)</i>
<b>Domestic Shares</b>				
Shanghai Pharmaceuticals Holding Co., Ltd. (“ <b>Shanghai Pharmaceuticals</b> ”)	13,957.86	15.12	13,957.86	13.38
China New Enterprise Investment Fund II	15,689.29	17.00	15,689.29	15.04
Yang Zong Meng	8,000.00	8.67	8,000.00	7.67
Wang Hai Bo	5,788.64	6.27	5,788.64	5.55
Shanghai Fudan Asset Management Co., Ltd.	3,063.63	3.32	3,063.63	2.94
Shanghai Zhiyuan Investment Center LP	2,616.00	2.83	2,616.00	2.51

Su Yong	2,231.29	2.42	2,231.29	2.14
Zhao Da Jun	1,926.07	2.09	1,926.07	1.85
Shanghai Dayuan Investment Center LP	1,590.00	1.72	1,590.00	1.52
Shanghai Chengyuan Investment Center LP	1,247.00	1.35	1,247.00	1.20
Li Jun	721.53	0.78	721.53	0.69
Shanghai Pudong Technology Investment Co., Ltd.	656.24	0.71	656.24	0.63
Fang Jing	565.46	0.61	565.46	0.54
Zhang Man Juan	87.00	0.09	87.00	0.08
Zhou Ming	80.00	0.09	80.00	0.08
Lu Rong	80.00	0.09	80.00	0.08
<b>H Shares</b>	34,000.00	36.84	34,000.00	32.60
<b>Proposed Issue of A Shares</b>			12,000.00	11.51
<b>Proposed Public Offering of A Shares</b>			-	-
<b>Total</b>	92,300.00	100.00	104,300.00	100.00

*Note: Prior to the Issue of A Shares, Shanghai Pharmaceuticals held 70,564,000 H Shares; the aggregate number of domestic shares and H shares held by Shanghai Pharmaceutical accounts for 22.77% of the total share capital of the Company. After the Issue of A Shares, Shanghai Pharmaceuticals' holding of Domestic Shares and H Shares of the Company accounts for 20.15% of the total share capital.*

The English version of the summary of the principal provisions of the A Shares Prospectus mentioned above is an unofficial translation of the text. If there is any inconsistency, the Chinese version shall prevail.

**This announcement is for information purposes only and does not constitute an invitation or an offer to acquire, purchase or subscribe for the securities of the Company. The Company will inform the Shareholders and potential investors of the further development of the Issue of A Shares in accordance with the Listing Rules and applicable laws and regulations.**

By order of the Board

**Wang Hai Bo**

*Chairman*

As at the date on the publication of this announcement, the Board comprises:

Mr. Wang Hai Bo (Executive Director)

Mr. Su Yong (Executive Director)

Mr. Zhao Da Jun (Executive Director)

Mr. Shen Bo (Non-executive Director)

Ms. Yu Xiao Yang (Non-executive Director)

Mr. Zhou Zhong Hui (Independent Non-executive Director)

Mr. Lam Yiu Kin (Independent Non-executive Director)

Mr. Xu Qing (Independent Non-executive Director)

Mr. Yang Chun Bao (Independent Non-executive Director)

Shanghai, the PRC

29 May 2020

*\* For identification purpose only*