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**LEPU BIOPHARMA CO., LTD.**  
**樂普生物科技股份有限公司**

*(A joint stock company incorporated in the People's Republic of China with limited liability)*  
**(Stock Code: 2157)**

**PROPOSED ISSUE OF A SHARES AND LISTING ON THE SCI-TECH  
BOARD AND OTHER ANCILLARY RESOLUTIONS  
AND  
PROPOSED AMENDMENTS TO THE ARTICLES ANCILLARY TO THE  
PROPOSED ISSUE OF A SHARES  
AND  
UNCOVERED DEFICIT OF THE COMPANY AMOUNTING TO MORE  
THAN ONE-THIRD OF THE TOTAL SHARE CAPITAL OF THE COMPANY**

**PROPOSED ISSUE OF A SHARES**

The Company proposed to apply to the relevant regulatory authorities in the PRC for the allotment and issue of not more than 414,861,209 A Shares and proposed to apply to the Shanghai Stock Exchange for the listing of, and permission to deal in, the A Shares on the Sci-Tech Board.

The Issue of A Shares will be subject to, among other things, the approval by the Shareholders by way of special resolutions at the EGM and Class Meetings, as well as the approvals by the CSRC and the Shanghai Stock Exchange.

**OTHER ANCILLARY RESOLUTIONS RELATING TO THE PROPOSED ISSUE OF A SHARES**

Other relevant resolutions in connection with the Issue of A Shares were also passed at respective meetings of the Board of Directors. Details of these resolutions are set out in the paragraph headed "Other resolutions relating to the Issue of A Shares" below.

**PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

In view of the proposed Issue of A Shares and listing on the Sci-Tech Board, the Company intends to amend the Articles.

The proposed amendments to the Articles would form part of the listing application materials to be submitted to the CSRC and the Shanghai Stock Exchange for the Issue of A Shares and listing on the Sci-Tech Board. Upon consideration and approval of the proposed amendments to the Articles by the Shareholders at the EGM and the Class Meetings by way of special resolutions and after the completion of the Issue of A Shares and listing on the Sci-Tech Board, the proposed amendments to the Articles shall come into effect.

## **UNCOVERED DEFICIT OF THE COMPANY AMOUNTING TO MORE THAN ONE-THIRD OF THE TOTAL SHARE CAPITAL OF THE COMPANY**

An ordinary resolution will be proposed at the EGM to consider and approve the uncovered deficit of the Company amounting to more than one-third of its total share capital of the Company.

### **GENERAL**

The Company will, at the EGM and the Class Meetings, seek the Shareholders' approval on: (1) the special resolution on the Issue of A Shares and listing on the Sci-Tech Board; (2) the special resolution on authorizing the Board of Directors and persons authorized by it to fully handle matters in connection with the Issue of A Shares and the listing on the Sci-Tech Board; (3) the special resolution on the projects to be funded by the proceeds raised from the Issue of A Shares and feasibility analysis; (4) the special resolution on the Company's Share price stabilization plan within three years after the Company's initial public offering of A Shares and listing on the Sci-Tech Board; (5) the special resolution on the three-year dividend distribution plan for Shareholders after the initial public offering of A Shares and listing on the Sci-Tech Board; (6) the special resolution on the recovery measures of dilution on immediate return by the Company's initial public offering of A Shares; (7) the special resolution on the undertakings and restraining measures relating to the Company's Issue of A Shares and listing on the Sci-Tech Board; (8) the special resolution on the vesting of accumulated undistributed profits or accumulated uncovered losses prior to the Issue of A Shares; (9) the special resolution on the use of proceeds raised in previous offering; (10) the ordinary resolution on the engagement of intermediaries in relation to the Issue of A Shares; (11) the special resolution on the proposed amendments to the Articles in respect of the Issue of A Shares; (12) the ordinary resolution on the amendments to the "Rules of Procedures for the Meeting of Shareholders"; (13) the ordinary resolution on the amendments to the "Rules of Procedures for the Meeting of Board of Directors"; (14) the ordinary resolution on the amendments to the "Rules of Procedures for the Meeting of Supervisory Committee"; (15) the ordinary resolution on the amendments to and/or formulation of internal governance policies relating to the Company's Issue of A Shares and listing on the Sci-Tech Board, including the "Management Policy for Raised Proceeds", the "Terms of Reference for the Independent Non-Executive Directors", the "Management Policy for Related (Connected) Transactions", and the "Management Policy on External Guarantees"; (16) the special resolution on the confirmation of the Company's related party transactions from January 1, 2019 to June 30, 2022; (17) the ordinary resolution on uncovered deficit of the Company amounting to more than one-third of the total share capital of the Company.

A circular containing, among other things, the above matters, a notice of the EGM, and notices of the Class Meetings respectively will be despatched to the Shareholders in due course.

## **PROPOSED ISSUE OF A SHARES AND LISTING ON THE SCI-TECH BOARD**

### **I. PROPOSED ISSUE OF A SHARES**

The Board of Directors is pleased to announce that at a meeting of the Board held on September 1, 2022, the Company proposed to apply to the relevant regulatory authorities in the PRC for the allotment and issue of not more than 414,861,209 A Shares and proposed to apply to the Shanghai Stock Exchange for the listing of, and permission to deal in, the A Shares on the Sci-Tech Board.

The Issue of A Shares will be subject to, among other things, the approval by the Shareholders by way of special resolutions at the EGM and the Class Meetings, as well as the approvals by the CSRC and the Shanghai Stock Exchange.

#### **Details of the proposed Issue of A Shares**

***i. Class of new Shares to be issued***

RMB ordinary Shares (A Shares).

***ii. Nominal value of new Shares to be issued***

RMB1.00 each.

***iii. Issue size***

The Company proposes to issue not more than 414,861,209 new A Shares (excluding the number of A Shares to be issued pursuant to the over-allotment option), representing approximately 25% of the issued Shares of the Company as of the date of this announcement, which shall be not less than 10% of the enlarged share capital upon completion of the Issue of A Shares and not more than 20% of the enlarged issued Shares upon completion of the Issue of A Shares (excluding the number of A Shares to be issued pursuant to the over-allotment option). The Issue of A Shares only involves issue of new Shares, and will not involve sale of Shares by existing Shareholders. The Issue of A Shares can adopt the over-allotment option, which shall not exceed 15% of the Shares initially available under the Issue of A Shares. The final issue size will be determined by the Board after consultation with the lead underwriter according to the authorization (if granted at the EGM and the Class Meetings) and be subject to final number of A Shares registered by the CSRC.

***iv. Target subscribers***

Qualified price consultation participants, PRC natural persons, legal persons, securities investment funds and other investors who fulfill the relevant rules and requirements relating to the Sci-Tech Board published by the Shanghai Stock Exchange and the CSRC (excluding those in respect of which subscription has been prohibited by laws, regulations and regulatory documents of the PRC).

Before proceeding with the Issue of A Shares, the Company will also ascertain whether such target subscribers are connected persons of the Company. In the event that such target subscribers are connected persons of the Company and the Company decides to allot and issue the A Shares to such target subscribers, the Company will comply with the requirements under Chapter 14A of the Listing Rules in advance.

**v. *Pricing methodology***

The issue price for the A Shares will be determined by the Company (on the basis of Shareholders' authorization) and the lead underwriter on the basis of the results of the enquiry from the price consultation participants who meet the conditions stipulated by the CSRC in accordance with applicable laws and regulations, or by other pricing methods recognized by the CSRC and the Shanghai Stock Exchange.

Based on the PRC Company Law, the issue price of the A Shares shall not be lower than the nominal value of the Shares of the Company, i.e. RMB1.00 per Share. There is no other legal or regulatory requirements stipulating the price floor in the Issue of A Shares. As at June 30, 2022, the net asset value per Share of the Company was RMB0.75. The Company does not intend to issue the A Shares at a price lower than the latest audited net asset value per Share prior to the proposed Issue of A Shares.

As at the Latest Practicable Date, the closing price per H Share as quoted on the Stock Exchange is HK\$7.07 per H Share.

**vi. *Method and schedule of issuance***

The Issue of A Shares will be conducted through a combination of off-line placement to the price consultation participants and offering by way of on-line capital subscription pricing offering to public investors at fixed price, or any other offering methods approved by the CSRC or Shanghai Stock Exchange (including but not limited to placing of Shares to strategic investors). The Issue of A Shares shall be conducted within 12 months after the CSRC agrees to register the issuance. The amount of A Shares offered in off-line placement and on-line offering respectively would be determined by the Board of Directors (as authorized by the Shareholders) in accordance with actual circumstances of the offering.

**vii. *Method of underwriting***

The Issue of A Shares will be underwritten by the lead underwriter by way of standby commitment.

**viii. *Use of proceeds***

It is proposed that the proceeds raised from the Issue of A Shares will be used for R&D of our new drug products funding, production base establishment, sales network establishment and working capital.

**ix. *Place of listing***

All A Shares will be listed and traded on the Sci-Tech Board.

**x. *Validity period of the resolutions***

The resolutions in respect of the Issue of A Shares will be valid for a period of 24 months from the date of approval at the EGM and the Class Meetings.

**II. OTHER RESOLUTIONS RELATING TO THE PROPOSED ISSUE OF A SHARES**

Other relevant resolutions in connection with the Issue of A Shares will be proposed for Shareholders' approval at the forthcoming EGM and Class Meetings (where appropriate). The following summarizes the main contents of the relevant resolutions:

**i. *The resolution on the Issue of A Shares and listing on the Sci-Tech Board***

The Company intends to apply for the Issue of A Shares and listing on the Sci-Tech Board in the scope set out under the paragraph headed "Proposed Issue of A Shares – Details of the proposed Issue of A Shares" above.

**ii. The resolution on authorizing the Board of Directors and persons authorized by it to fully handle matters in connection with the Issue of A Shares and the listing on the Sci-Tech Board**

In order to ensure the smooth progress of the relevant matters relating to the Company's Issue of A Shares and listing, a proposal will be submitted to the Shareholders at the EGM and Class Meetings to authorize the Board of Directors and persons authorized by it to fully handle such matters in connection with the Issue of A Shares and the listing on the Sci-Tech Board. The authorization proposed to be granted to the Board shall include without limitation:

1. The formulation, implementation, and adjustment of the specific proposals for the Issue of A Shares and listing on the Sci-Tech Board, including but not limited to specific matters such as the decision on whether any placing is made to strategic investors or the adoption of the over-allotment option, in accordance with laws and regulations, the relevant requirements of securities regulatory authorities, and the resolutions passed by the Shareholders at the EGM and Class Meetings.
2. The filing of application for the Issue of A Shares and listing on the Sci-Tech Board to the CSRC and the Shanghai Stock Exchange, and the response to comments from the CSRC and the Shanghai Stock Exchange.
3. The determination of the specific details of the Issue of A Shares and listing on the Sci-Tech Board including the schedule of issuance, issue size, method of issuance, issue price and pricing methodology, target subscribers, and method of subscription in accordance with the requirements of securities regulatory authorities and the actual circumstances of the securities market.
4. The appropriate adjustments to be made to the investment projects to be funded by the proceeds raised and the investment amount according to the implementation process of the Issue of A Shares, market conditions, relevant policies and requirements of the relevant securities regulatory authorities. The determination of the progress of investment projects to be funded by the proceeds raised, the allocation of funds when applying the proceeds raised, and entering into material contracts relating to the operational process of the investment projects.
5. The appropriate adjustment to the specific matters relating to the Issue of A Shares and listing on the Sci-Tech Board within the effective period for the Issue of A Shares, including the amendment and submission of listing application materials as required by a change of policies or market circumstances, and unless such change involves matters that would necessitate authorization at another general meeting pursuant to relevant laws, regulations and the Articles.
6. Undertaking reporting and procedural work to the relevant government authorities in relation to the Issue of A Shares and listing on the Sci-Tech Board, including but not limited to the application for approval, registration, filing, or consent to the relevant government authorities, regulatory authorities, stock exchanges, securities registration and settlement organizations, as well as the signing, execution, amendment, and completion of all necessary documents in relation to the Issue of A Shares.

7. After the completion of the Issue of A Shares and listing on the Sci-Tech Board, the amendments of the Articles, capital verification, commercial registration changes and relevant approvals, registrations and filings.
8. After the completion of the Issue of A Shares and listing on the Sci-Tech Board, in accordance with the undertakings of each Shareholder, handling matters of registration and settlement of shareholdings at the China Securities Depository and Clearing Co., Ltd., including but not limited to the depository, registration, circulation and lock-up of Shares.
9. The authorization to handle matters in relation to the opening of the depository account for the funds raised.
10. To the extent permitted by relevant laws, regulations, requirements of relevant securities regulatory authorities and resolutions of the EGM and Class Meetings, the handling of other matters considered to be necessary for the Issue of A Shares and listing on the Sci-Tech Board.

The above authorization, if approved, shall be valid for a period of 24 months from the date of approval at the EGM and the Class Meetings.

**iii. The resolution on the investment projects to be funded by the proceeds raised from the Issue of A Shares and feasibility analysis**

It is proposed that the net proceeds raised from the Issue of A Shares will be used for the following projects (the “**Projects**”):

<b>No.</b>	<b>Project Name</b>	<b>Proposed investment amount from proceeds raised (RMB)</b>
1	R&D of our new drug products funding	1,500,000,000
2	Production base establishment	180,000,000
3	Sales network establishment	150,000,000
4	Working capital	670,000,000
	<b>Total</b>	<b>2,500,000,000</b>

The Company will strictly comply with the relevant regulations to manage and use the proceeds raised from the Issue of A Shares. Before the completion of the Issue of A Shares, the Company may make an initial investment with self-financing according to its actual operational needs, and after the proceeds raised are in place, the Company can replace self-financing with the proceeds raised from the Issue of A Shares.

**iv. The resolution on the Company’s share price stabilization plan within three years after the Company’s initial public offering of A Shares and listing on the Sci-Tech Board**

Pursuant to the “Opinions on Further Promoting IPO System Reform” (《關於進一步推進新股發行體制改革的意見》) issued by the CSRC, the Company proposes to adopt the “Plan for Stabilization of Price of A Shares within Three Years After the Initial Public Offering of A Shares and Listing on the Sci-Tech Board”.

**v. The resolution on the three-year dividend distribution plan for Shareholders after the initial public offering of A Shares and listing on the Sci-Tech Board**

Pursuant to the PRC Company Law, the PRC Securities Law, the “Notice on Further Implementation of Matters Relating to Distribution of Cash Dividends for Listed Companies” (《關於進一步落實上市公司現金分紅有關事項的通知》), the “Regulatory Guidelines for Listed Companies No. 3 – Cash Dividend of Listed Companies” (《上市公司監管指引第3號 – 上市公司現金分紅》) and other laws, regulations, and regulatory documents, the Company proposes to adopt the “Three-Year Dividend Distribution Plan for Shareholders after the Initial Public Offering of A Shares and Listing on the Sci-Tech Board”.

**vi. The resolution on the recovery measures of dilution on immediate return by the initial public offering of A Shares**

Pursuant to the “Opinions of the General Office of the State Council on Further Strengthening the Protection of the Lawful Rights and Interests of Small and Medium-sized Investors in the Capital Market” (《國務院辦公廳關於進一步加強資本市場中小投資者合法權益保護工作的意見》), the “Guidance on matters relevant to Dilution of Current Returns by Initial Public Offering, Refinancing and Material Assets Reorganization” (《關於首發及再融資、重大資產重組攤薄即期回報有關事項的指導意見》) issued by the CSRC and other relevant regulations, the Company proposes to adopt the “Recovery Measures of Dilution on Immediate Return by the Company’s Initial Public Offering of A Shares”.

**vii. The resolution on the undertakings and restraining measures relating to the Company’s Issue of A Shares and listing on the Sci-Tech Board**

A special resolution will be proposed at the EGM and the Class Meetings to consider and approve the undertakings and restraining measures relating to the Issue of A Shares and listing on the Sci-Tech Board. The undertakings and restraining measures are as follows:

- a) Undertakings in relation to the Stabilization of Price of A Shares within Three Years After the Initial Public Offering of A Shares and Listing on the Sci-Tech Board;
- b) Undertaking in relation to the Recovery Measures of Dilution on Immediate Return by the Company’s Initial Public Offering of A Shares;
- c) Undertaking in relation to the Profit Distribution Policy After the Initial Public Offering of A Shares and Listing on the Sci-Tech Board; and

d) Undertaking for Non-compliance of the Public Undertaking and Restraining Measures.

**viii. The resolution on the vesting of accumulated profit distribution and the plan for undertaking unrecovered losses prior to the Issue of A Shares**

If the Issue of A Shares and listing on the Sci-Tech Board are approved by the CSRC and the Shanghai Stock Exchange and implemented, the accumulated undistributed profits or accumulated uncovered loss before the Issue of A Shares and listing on the Sci-Tech Board will be shared between the new and existing Shareholders.

**ix. The resolution on the use of proceeds raised in previous offering**

In accordance with the PRC Company Law and the requirements of other applicable laws, regulations and regulatory documents, as of June 30, 2022, the Company used approximately RMB45.14 million from the net proceeds raised in the Global Offering.

**x. The resolution on the engagement of intermediaries**

The Company intends to engage professional intermediaries for advising on the Issue of A Shares and listing on the Sci-Tech Board and further authorize the Board of Directors to determine the remunerations of such intermediates, including but not limited to Haitong Securities Co., Ltd. (海通證券股份有限公司) as the sponsor/lead underwriter, Zhong Lun Law Firm (北京市中倫律師事務所) as the legal adviser to the Company as to PRC laws, and PricewaterhouseCoopers Zhong Tian LLP (普華永道中天會計師事務所(特殊普通合夥)) as the auditor, for the Issue of A Shares and listing on the Sci-Tech Board.

**xi. The proposed amendments to the Articles in respect of the Issue of A Shares**

In view of the proposed Issue of A Shares and listing on the Sci-Tech Board, and in accordance with relevant requirements of laws, regulations and regulatory documents, including the PRC Company Law, the PRC Securities Law, the “Rules Governing the Listing of Securities on the Science and Technology Innovation Board of the Shanghai Stock Exchange” (《上海證券交易所科創板股票上市規則》), the “Guidelines for Articles of Association of Listed Companies” (《上市公司章程指引》), the “Governance Standard of the Listed Companies” (《上市公司治理準則》), and the “Regulatory Guidelines for Listed Companies No. 3 – Cash Dividend of Listed Companies” (《上市公司監管指引第3號 – 上市公司現金分紅》), the Company intends to amend the Articles. Full version of the proposed amendments to the Articles will be sent out in the appendix to the circular to be despatched to the Shareholders in respect of the EGM and the Class Meetings.



The proposed amendments to the Articles would form part of the listing application materials to be submitted to the CSRC and the Shanghai Stock Exchange for the Issue of A Shares and listing on the Sci-Tech Board. Upon consideration and approval of the proposed amendments to the Articles by the Shareholders at the EGM and the Class Meetings by way of special resolutions and after the completion of the Issue of A Shares and listing on the Sci-Tech Board, the proposed amendments to the Articles shall come into effect.

The Articles are prepared and written in Chinese without a formal English version. As such, any English translation shall be for reference only. In the event of any inconsistency, the Chinese version shall prevail. After the proposed amendments to the Articles comes into effect, the full text of the revised Articles will be published on the websites of the Stock Exchange and the Company.

**xii. The resolution on the amendments to the “Rules of Procedures for the Meeting of Shareholders”**

In accordance with relevant laws and regulations of the CSRC and the Shanghai Stock Exchange, the Company proposes to amend the “Rules of Procedures for the Meeting of Shareholders”.

**xiii. The resolution on the amendments to the “Rules of Procedures for the Meeting of the Board of Directors”**

In accordance with relevant laws and regulations of the CSRC and the Shanghai Stock Exchange, the Company proposes to amend the “Rules of Procedures for the Meeting of the Board of Directors”.

**xiv. The resolution on the amendments to the “Rules of Procedures for the Meeting of Supervisory Committee”**

In accordance with relevant laws and regulations of the CSRC and the Shanghai Stock Exchange, the Company proposes to amend the “Rules of Procedures for the Meeting of Supervisory Committee”.

**xv. The resolution on the amendments to and/or formulation of the internal governance policies of the Company**

In accordance with relevant laws and regulations of the CSRC and the Shanghai Stock Exchange, the Company proposes to formulate the following in addition to the current internal governance framework:

1. the “Management Policy for Raised Proceeds”; and
2. the “Terms of Reference for the Independent Non-Executive Directors”.

The Company also intends to amend the following internal governance policies:

1. the “Management Policy for Related (Connected) Transactions”; and
2. the “Management Policy on External Guarantees”.

The Board of Directors agreed to propose to the Shareholders at the EGM and Class Meetings to authorize the Board of Directors and its authorized persons to adopt, adjust and amend the above internal governance policies, which will become effective from the date of completion of the Issue of A Shares and listing on the Sci-Tech Board, in accordance with the provisions of the relevant laws, regulations and regulatory documents, and the requirements and suggestions from the relevant domestic and overseas government authorities and regulatory institutions, and taking into consideration the actual situation of the Issue of A Shares and listing on the Sci-Tech Board.

**xvi. The resolution on the confirmation of the Company’s related party transactions from January 1, 2019 to June 30, 2022**

In accordance with the PRC Company Law, the PRC Securities Law, the “Rules Governing the Listing of Securities on the Science and Technology Innovation Board of the Shanghai Stock Exchange” (《上海證券交易所科創板股票上市規則》), and other laws and regulations related to domestic listing and the rules for the identification of “related parties” and “related transactions”, the Company has conducted a review of the transactions entered into with related parties during the reporting period (from January 1, 2019 to June 30, 2022) by the Company and its subsidiaries within the scope of the Company’s consolidated financial statements.

The Company considered that the related party transactions during the reporting period were conducted due to normal operational needs with necessity and reasonableness. The Company has complied with the principles of fairness with respect to its related party transactions during the reporting period and entered into such related party transactions voluntarily. The pricing of such related party transactions was fair, reasonable, did not diminish the interest of the Company and its Shareholders and did not cause any negative impact to the independence of the Company.

**xvii. The resolution on uncovered deficit of the Company amounting to more than one-third of the total share capital of the Company**

According to the audit report of PricewaterhouseCoopers Zhong Tian LLP (普華永道中天會計師事務所(特殊普通合夥)), as at December 31, 2021, the share capital of the Company was RMB1,531,669,838, and according to the audited consolidated financial statement, the accumulated loss of the Company was RMB1,642,437,852.85. In accordance with the relevant provisions of the PRC Company Law, the uncovered losses of the Company amount to more than one-third of the total share capital of the Company and will be considered at the EGM.

**III. REASONS FOR THE PROPOSED ISSUE OF A SHARES AND LISTING ON THE SCI-TECH BOARD**

In order to further accelerate the Company’s development and improve its comprehensive competitiveness, the Company considers that the proposed listing on the Sci-Tech Board meets the needs of the Company and would be beneficial to the Company and its Shareholders as a whole.

### ***Benefits of becoming a dual listed company***

The Issue of A Shares and listing on the Sci-Tech Board would enhance the reputation and influence of the Company by achieving listing statuses in both the PRC and Hong Kong stock markets. The Company would also have access to an established platform in the PRC capital market and broaden its capital base and financing channels. In addition to the compliance with the Listing Rules, the Company and its internal control framework also have to meet the requirements under the “Rules Governing the Listing of Securities on the Science and Technology Innovation Board of the Shanghai Stock Exchange” (《上海證券交易所科創板股票上市規則》) and other laws and regulations related to a domestically listed company following the Issue of A Shares and listing on the Sci-Tech Board. Therefore, the Company would be able to maintain and optimize its corporate governance in its management structures and internal control procedures and continue to ensure effective accountability.

### ***Enabling the Company to pursue further R&D and commercialization of its pipeline products***

The Company is innovation-driven and dedicated to developing safe, effective and accessible drugs to enhance the life quality of patients and address unmet significant clinical needs in oncology therapeutics. As of June 30, 2022, Company has one clinical/commercialization-stage drug candidate, seven clinical-stage drug candidates (including one of them co-developed through a joint venture), three pre-clinical drug candidates and two clinical-stage combination therapies of the candidates in the pipeline. As disclosed in the Company’s announcement dated July 22, 2022, one of the drug candidates has also recently obtained marketing approval in relation to one of its targeted indications. As the Company maintains the rapid growth momentum and is marching towards the commercialization stage, in addition to the proceeds raised from the Global Offering, the Issue of A Shares would provide the Company with additional capital and allow the Company to pursue further research and development and commercialization of its pipeline products.

## **IV. EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY**

Upon completion of the issue and listing of A Shares, all of the then existing Domestic Shares will be converted into A Shares and be listed on the Sci-Tech Board. Such converted A Shares will be deposited in China Securities Depository and Clearing Co., Ltd. and subject to lock-up periods as required under relevant PRC laws and regulations.

	<b>As at the date of this announcement</b>	<b>Immediately after the completion of the Issue of A shares</b>
<b>Controlling Shareholder</b>		
(1) Domestic Shares	—	—
(2) H Shares	658,591,549	658,591,549
(3) A Shares to be converted from Domestic Shares	—	—

	<b>As at the date of this announcement</b>	<b>Immediately after the completion of the Issue of A shares</b>
<b>subtotal</b>	658,591,549 (39.69% of the total issued Shares)	658,591,549 (31.75% of the total issued Shares)
<b>Other Shareholders</b>		
(1) Domestic Shares	54,268,364	–
(2) H Shares	946,584,925	946,584,925
(3) A Shares to be converted from Domestic Shares	–	54,268,364
<b>New A Shares proposed to be issued</b>	–	414,861,209
<b>Total</b>	<u>1,659,444,838</u>	<u>2,074,306,047</u>

Assuming a maximum of 414,861,209 A Shares are issued, no core connected person (as defined under the Listing Rules) will subscribe for any A Shares under the Issue of A Shares and all existing Domestic Shares will be converted into A Shares following the completion of the Issue of A Shares, it is expected that a total of 1,164,877,392 Shares of the Company, representing 56.16% of the then total issued Shares of the Company will be held by the public (including H Shares and A Shares held by the public but excluding any Shares held by the Company's substantial Shareholders, Directors, Supervisors, chief executive and their respective close associates) following the completion of the Issue of A Shares. As such, the Company would still be able to meet the minimum requirement on public float percentage under the Listing Rules. The Company will closely monitor the shareholdings of the Controlling Shareholder and other core connected persons to monitor its public float percentage (including H Shares and A Shares held by the public) to maintain the minimum percentage of listed securities as prescribed by Rule 8.08(1) of the Listing Rules at all times in public hands. The Company will also ensure its compliance with relevant requirements on public float as stipulated under the Listing Rules and will promptly notify the Stock Exchange of any changes in the Company's public float.

## V. FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

On February 23, 2022, the Company issued 126,876,000 new H Shares at HK\$7.13 per H Share for total net proceeds of approximately HK\$804.2 million by way of initial public offering of the Company on the Stock Exchange.

On March 17, 2022, as part of the Global Offering, the over-allotment option was partially exercised and the Company issued an aggregate of 899,000 H Shares at HK\$7.13 per H Share for total net proceeds of approximately HK\$6.22 million.

The total net proceeds from the Global Offering (after deducting underwriting fee and relevant listing expenses and taking into account the net proceeds from the over-allotment option) was approximately HK\$810.42 million (equivalent to approximately RMB657.60 million). The intended use of net proceeds from the Global Offering has been disclosed in the section headed "Future Plans and Use of Proceeds" in the Prospectus, and the Group intends to continue to utilize the net proceeds raised from the Global Offering in accordance with such plans.

As of June 30, 2022, the Company used approximately RMB45.14 million from the proceeds mentioned above. Please refer to the section headed “Proposed Issue of A Shares and listing on the Sci-Tech Board - II. Other Resolutions relating to the Proposed Issue of A Shares - ix. The resolution on the use of proceeds raised in previous offering” for details of the utilization of the net proceeds from the Global Offering.

Apart from the fund-raising activities listed above, the Company has not conducted any fund-raising activities involving the issue of equity securities within the 12 months immediately prior to the date of this announcement.

## **PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

In view of the proposed Issue of A Shares and listing on the Sci-Tech Board, and in accordance with relevant requirements of laws, regulations and regulatory documents, including the PRC Company Law, the PRC Securities Law, the “Rules Governing the Listing of Securities on the Science and Technology Innovation Board of the Shanghai Stock Exchange” (《上海證券交易所科創板股票上市規則》), the “Guidelines for Articles of Association of Listed Companies” (《上市公司章程指引》), the “Governance Standard of the Listed Companies” (《上市公司治理準則》), and the “Regulatory Guidelines for Listed Companies No. 3 – Cash Dividend of Listed Companies” (《上市公司監管指引第3號 – 上市公司現金分紅》), the Company intends to amend the Articles. Full version of the proposed amendments to the Articles will be sent out in the appendix to the circular to be despatched to the Shareholders in respect of the EGM and the Class Meetings.

The proposed amendments to the Articles would form part of the listing application materials to be submitted to the CSRC and the Shanghai Stock Exchange for the Issue of A Shares and listing on the Sci-Tech Board. Upon consideration and approval of the proposed amendments to the Articles by the Shareholders at the EGM and the Class Meetings by way of special resolutions and after the completion of the Issue of A Shares and listing on the Sci-Tech Board, the proposed amendments to the Articles shall come into effect.

The Articles are prepared and written in Chinese without a formal English version. As such, any English translation shall be for reference only. In the event of any inconsistency, the Chinese version shall prevail. After the proposed amendments to the Articles come into effect, the full text of the revised Articles will be published on the websites of the Stock Exchange and the Company.

## **UNCOVERED DEFICIT OF THE COMPANY AMOUNTING TO MORE THAN ONE-THIRD OF THE TOTAL SHARE CAPITAL OF THE COMPANY**

According to the audit report of PricewaterhouseCoopers Zhong Tian LLP (普華永道中天會計師事務所(特殊普通合夥)), as at December 31, 2021, the share capital of the Company was RMB1,531,669,838, and according to the audited consolidated financial statement, the accumulated loss of the Company was RMB1,642,437,852.85. In accordance with the relevant provisions of the PRC Company Law, the uncovered losses of the Company amount to more than one-third of the total share capital of the Company and will be considered at the EGM.

## GENERAL

The Board announces that the EGM and the Class Meetings are scheduled to be convened and held on Friday, September 16, 2022 or any adjournment thereof to consider and, if thought fit, to approve: (1) the special resolution on the Issue of A Shares and listing on the Sci-Tech Board; (2) the special resolution on authorizing the Board of Directors and persons authorized by it to fully handle matters in connection with the Issue of A Shares and the listing on the Sci-Tech Board; (3) the special resolution on the investment projects to be funded by the proceeds raised from the Issue of A Shares and feasibility analysis; (4) the special resolution on the Company's share price stabilization plan within three years after the Company's initial public offering of A Shares and listing on the Sci-Tech Board; (5) the special resolution on the three-year dividend distribution plan for Shareholders after the initial public offering of A Shares and listing on the Sci-Tech Board; (6) the special resolution on the recovery measures of dilution on immediate return by the Company's initial public offering of A Shares; (7) the special resolution on the undertakings and restraining measures relating to the Company's Issue of A Shares and listing on the Sci-Tech Board; (8) the special resolution on the vesting of accumulated profit distribution and the plan for undertaking unrecovered losses prior to the Issue of A Shares; (9) the special resolution on the use of proceeds raised in previous offering; (10) the ordinary resolution on the engagement of intermediaries in relation to the Issue of A Shares; (11) the special resolution on the proposed amendments to the Articles in respect of the Issue of A Shares; (12) the ordinary resolution on the amendments to the "Rules of Procedures for the Meeting of Shareholders"; (13) the ordinary resolution on the amendments to the "Rules of Procedures for the Meeting of Board of Directors"; (14) the ordinary resolution on the amendments to the "Rules of Procedures for the Meeting of Supervisory Committee"; (15) the ordinary resolution on the amendments to and/or formulation of internal governance policies relating to the Company's Issue of A Shares and listing on the Sci-Tech Board, including the "Management Policy for Raised Proceeds", the "Terms of Reference for the Independent Non-Executive Directors", the "Management Policy for Related (Connected) Transactions", and the "Management Policy on External Guarantees"; (16) the special resolution on the confirmation of the Company's related party transactions from January 1, 2019 to June 30, 2022; (17) the ordinary resolution on uncovered deficit of the Company amounting to more than one-third of the total share capital of the Company.

A circular containing, among other things, the above matters, as well as a notice to EGM, notices of the Class Meetings respectively will be despatched to the Shareholders in due course.

### **CLOSURE OF REGISTER OF MEMBERS FOR THE EGM AND THE H SHAREHOLDERS' CLASS MEETING TO BE CONVENED AND HELD ON SEPTEMBER 16, 2022**

As disclosed in the announcement of the Company dated August 1, 2022, for the purpose of determining the H Shareholders who are entitled to attend and vote at the EGM and the H Shareholders' Class Meeting, the register of members of H Shares will be closed from Wednesday, August 17, 2022 to Friday, September 16, 2022 (both days inclusive), during which period no transfer of H Shares will be registered.

**There is no assurance that the Issue of A Shares and/or the listing on the Sci-Tech Board will proceed. Shareholders and investors are advised to exercise caution in dealings in the H Shares.**

Further announcements on significant updates and development in relation to the Proposed Issue of A Shares will be made by the Company in due course, pursuant to the Listing Rules and other applicable laws and regulations. This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities of the Company.

## DEFINITIONS

“A Share(s)”	the ordinary share(s) with a nominal value of RMB1.00 each in the share capital of the Company proposed to be allotted, issued and listed on the Sci-Tech Board
“Articles”	the articles of association of the Company, as amended from time to time
“Board of Directors” or “Board”	the board of Directors of the Company
“China” or the “PRC”	the People’s Republic of China, for the purpose of this announcement, excluding the regions of Hong Kong, Macao Special Administrative Region of the People’s Republic of China and Taiwan
“Class Meetings”	the class meeting of H Shareholders and the class meeting of Domestic Shareholders to be held, the notices of which will be despatched to the Shareholders in due course
“Company”	Lepu Biopharma Co., Ltd. (樂普生物科技股份有限公司), a company incorporated in the PRC with limited liability, the H Shares of which are listed on the Main Board of the Stock Exchange (stock code: 2157)
“Controlling Shareholder”	has the meaning ascribed to it under the Listing Rules and, unless the context requires otherwise, refers to Dr. Pu Zhongjie (蒲忠傑)
“CSRC”	China Securities Regulatory Commission
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi
“Domestic Shareholders”	holders of the Domestic Shares
“EGM”	the 2022 first extraordinary general meeting of the Company to be held, the notice of which will be despatched to the Shareholders in due course
“Global Offering”	as defined in the Prospectus
“Group”	the Company and its subsidiaries
“H Share(s)”	overseas listed foreign share(s) in the ordinary share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and traded in Hong Kong Dollars and listed on the Stock Exchange
“H Shareholders”	holders of the H Shares

“Hong Kong Dollars” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	person(s) or company(ies) and their respective ultimate beneficial owner(s), who/which, to the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, is/are not a connected person of the Company within the meaning ascribed thereto under the Listing Rules
“Issue of A Shares”	the proposed initial public issue of not more than 414,861,209 A Shares, which will be listed on the Sci-Tech Board
“Latest Practicable Date”	August 26, 2022, being the latest practicable date for ascertaining certain information in this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
“PRC Company Law”	the Company Law of the PRC (《中華人民共和國公司法》)
“PRC Securities Law”	the Securities Law of the PRC (《中華人民共和國證券法》)
“Prospectus”	the prospectus of the Company dated February 10, 2022
“R&D”	research and development
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“Sci-Tech Board”	the Sci-Tech Innovation Board of the Shanghai Stock Exchange
“Share(s)”	ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, comprising Domestic Share(s) and H Share(s)
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	the supervisor(s) of the Company
“US” or “the U.S.”	the United States of America, its territories and possessions, any State of the United States, and the District of Columbia

On behalf of the Board  
**Lepu Biopharma Co., Ltd.**  
**Dr. Pu Zhongjie**  
*Chairman of the Board and Executive Director*

Shanghai, the PRC, September 1, 2022

*As at the date of this announcement, the board of directors of the Company comprises Dr. Pu Zhongjie as chairman and executive director, Dr. Sui Ziyue as executive director and chief executive officer, Dr. Hu Chaohong as executive director and co-chief executive officer, Ms. Pu Jue, Mr. Yang Hongbing and Mr. Lin Xianghong as non-executive directors, and Mr. Zhou Demin, Mr. Yang Haifeng and Mr. Fengmao Hua as independent non-executive directors.*