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JOINN LABORATORIES (CHINA) CO., LTD.

北京昭衍新藥研究中心股份有限公司

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

(Stock code: 6127)

REPURCHASE AND CANCELLATION OF THE RESTRICTED A SHARES

Reference is made to the 2021 Incentive Scheme (Draft) (the “**2021 Incentive Scheme (Draft)**”) of JOINN Laboratories (China) Co., Ltd. (the “**Company**”) which became effective on 19 January 2022.

On 19 January 2022, the first extraordinary general meeting of 2022, the first A Share class meeting of 2022 and the first H Share class meeting of 2022, resolved and approved the following resolutions, which were “Proposal on the 2021 Incentive Scheme (Draft) and Its Summary”, “Proposal on Measures for the Evaluation and Management of the Implementation of the 2021 Incentive Scheme” (the “**2021 Incentive Scheme**”), and “Proposal on Requesting a Mandate Granted to the Board at the General Meeting to Deal with Matters Pertaining to the 2021 Incentive Scheme”. The implementation of the 2021 Incentive Scheme was approved and a mandate was granted to the board (the “**Board**”) of directors (the “**Directors**”) of the Company in the general meeting to determine the grant date, grant stock options to the incentive objects when the conditions are met, and deal with all matters necessary for the grant.

The Board hereby announces that, on 27 February 2024, at the first extraordinary general meeting of shareholders of 2024, the first A share class meeting of 2024 and the first H share class meeting of 2024 of the Company, the shareholders have resolved and approved termination of the 2021 Incentive Scheme and repurchase and cancellation of the restricted A shares granted but not yet unlocked.

The relevant matters are described as follows:

PROPOSED PARTIAL REPURCHASE AND CANCELLATION OF THE RESTRICTED A SHARES

I. Reasons for and Number of the Repurchase and Cancellation

In view of the continuous changes in the domestic and overseas macro-economic and market environment, it would be difficult to achieve the designated incentive purpose and effect if the 2021 Incentive Scheme continues to be implemented. In order to better safeguard the interests of the Company, its shareholders and staff and to effectively mobilise the motivation of its core staff, after careful consideration and taking into account the actual situation of the Company, and in accordance with the relevant provisions of the “Measures for the Administration of Equity Incentives of Listed Companies”, the Company has decided to terminate the 2021 Incentive Scheme and to repurchase and cancel the restricted shares granted but not yet released from sales restrictions.

In summary, pursuant to the termination of the 2021 Incentive Scheme, the Company will cancel a total of 411,365 restricted A shares that have not been released from restriction of sale.

II. Repurchase and Cancellation Arrangement

The Company has applied to open a designated account for share repurchase (account number: B882377509) in Shanghai Branch of China Securities Depository and Clearing Corporation Limited and applied to Shanghai Branch of China Securities Depository and Clearing Corporation Limited for the repurchase and transfer of 411,365 restricted A shares granted to the above incentive participants but not yet released from restricted sale. The repurchase price will be RMB42.37 per A share. The repurchase and cancellation of the restricted A shares is expected to be completed on July 11, 2024, and the Company will subsequently complete the relevant industrial and commercial registration modification procedures in accordance with the laws and regulations.

III. Change of Shareholding Structure of the Company after the Repurchase and Cancellation

Nature of Shares	Immediately prior to the restricted A shares repurchase and cancellation		Number of restricted A shares repurchased	Upon completion of the restricted A shares repurchase and cancellation	
	<i>Number of shares</i>	<i>Proportion</i>		<i>Number of shares</i>	<i>Proportion</i>
A Shares:	630,893,493	84.13%	-411,365	630,482,128	84.12%
(i) Shares subject to selling restrictions	411,365	0.05%	-411,365	0	0.00%
(ii) Shares not subject to selling restrictions	630,482,128	84.08%		630,482,128	84.12%
H Shares	118,995,206	15.87%		118,995,206	15.88%
Total	749,888,699	100.000%	-411,365	749,477,334	100.000%

Note: Any discrepancies in the above table between totals and sum of figures listed are due to rounding.

EFFECT OF THE REPURCHASE AND CANCELLATION OF RESTRICTED A SHARES ON THE COMPANY

The repurchase and cancellation of restricted A shares will not have any material impact on the financial position and operating results of the Company and will not affect the diligence of the management of the Company. The management of the Company will continue to work diligently and strive to create value for the shareholders of the Company.

By order of the Board
JOINN Laboratories (China) Co., Ltd.
Feng Yuxia
Chairperson

Hong Kong, July 8, 2024

As at the date of this announcement, the Board comprises Ms. Feng Yuxia as the Chairperson and executive Director, Mr. Zuo Conglin, Mr. Gao Dapeng, Ms. Sun Yunxia and Dr. Yao Dalin as executive Directors, and Mr. Sun Mingcheng, Dr. Zhai Yonggong, Mr. Ou Xiaojie and Mr. Zhang Fan as independent non-executive Directors.