

ANNOUNCEMENT OF FINAL OFFER PRICE AND ALLOTMENT RESULTS

SUMMARY

Net Proceeds from the Global Offering

- Based on the final Offer Price of HK\$60.60 per Offer Share, the net proceeds from the Global Offering to be received by the Company, after deduction of the underwriting fees and commissions and estimated expenses payable by the Company in connection with the Global Offering, are estimated to be approximately HK\$1,258.9 million (assuming the Over-allotment Option is not exercised). The estimated total listing expenses (assuming that the Over-allotment Option is not exercised) are approximately HK\$101.4 million, or 7.5% of the gross proceeds of the Global Offering, comprising HK\$54.5 million underwriting fees, HK\$35.3 million fees and expenses of legal advisors and Reporting Accountants and HK\$11.6 million other fees and expenses. The Company intends to use the net proceeds from the Global Offering in the manner as set out in the paragraph headed “Net Proceeds from the Global Offering” in this announcement.
- If the Over-allotment Option is exercised in full, the Company will receive additional net proceeds of approximately HK\$195.9 million for 3,366,900 additional Offer Shares to be issued and allotted upon the exercise of the Over-allotment Option, which will be allocated on a pro rata basis according to the use of proceeds as set out in the paragraph headed “Net Proceeds from the Global Offering” in this announcement.

APPLICATIONS AND INDICATIONS OF INTEREST RECEIVED

Hong Kong Public Offering

- The Hong Kong Offer Shares initially offered under the Hong Kong Public Offering have been slightly over-subscribed. A total of 2,846 valid applications have been received pursuant to the Hong Kong Public Offering through the **White Form eIPO** service and giving **electronic application instructions** to HKSCC for a total of 2,847,400 Hong Kong Offer Shares, representing approximately 1.27 times of the total number of 2,244,700 H Shares initially available for subscription under the Hong Kong Public Offering.
- As the over-subscription in the Hong Kong Public Offering is less than 15 times, no reallocation of Offer Shares has been effected from the International Offering to the Hong Kong Public Offering.
- The final number of Offer Shares under the Hong Kong Public Offering is 2,244,700 Offer Shares, representing approximately 10% of the total number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option), and being allocated to 2,385 successful applicants under the Hong Kong Public Offering, among which 1,495 applicants have been allotted one board lot of Offer Shares totalling 149,500 H Shares.

International Offering

- The Offer Shares initially offered under the International Offering have been moderately over-subscribed, representing approximately 3.4 times of the total number of Offer Shares initially available under the International Offering. The final number of Offer Shares allocated to the placees under the International Offering is 20,201,400 H Shares, representing approximately 90.0% of the total number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option). There has been an over-allocation of 3,366,900 Offer Shares and there are a total of 126 placees under the International Offering, among which 81 placees have been allotted five or fewer board lots of Offer Shares totalling 10,000 H Shares and 62 placees have been allotted one board lot of Offer Shares totalling 6,200 H Shares.

Cornerstone Investors

- Based on the final Offer Price of HK\$60.60 per Offer Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%), pursuant to the relevant cornerstone investment agreements, the Company's Cornerstone Investors have subscribed for a total of 8,677,000 H Shares, representing in aggregate (a) approximately 38.7% of the Offer Shares pursuant to the Global Offering (assuming the Over-allotment Option is not exercised), (b) approximately 14.3% of the H Shares in issue upon completion of the Global Offering (assuming the Over-allotment Option is not exercised) and (c) 4.0% of our total issued share capital upon completion of the Global Offering (assuming the Over-allotment Option is not exercised). Please refer to the section headed "Cornerstone Investors – The Cornerstone Placing" in the Prospectus for further details of the Cornerstone Investors.
- We have applied to the Stock Exchange for, and the Stock Exchange has granted us, a waiver and consent under Rules 9.09(b) and 10.04 of the Listing Rules and Paragraph 5(2) of the Placing Guidelines under Appendix 6 of the Listing Rules (the "**Placing Guidelines**") to allow Kelun International, a wholly-owned subsidiary of Kelun Pharmaceutical, our Controlling Shareholder, to subscribe for H Shares in the Global Offering as a Cornerstone Investor.
- Please refer to the section headed "Cornerstone Investors" in the Prospectus for further details of the Cornerstone Investors.

Placing of Offer Shares to an Existing Shareholder and Close Associates of Certain Existing Shareholders under Paragraph 5(2) of the Placing Guidelines

- Under the International Offering, a total of 3,782,700 Offer Shares were allocated to Kelun International, a Cornerstone Investor and a wholly-owned subsidiary of Kelun Pharmaceutical, our Controlling Shareholder, representing (i) 16.9% of the Offer Shares under the Global Offering; and (ii) 1.8% of the total issued share capital of the Company immediately upon completion of the Global Offering (assuming the Over-allotment Option is not exercised). Immediately upon completion of the Global Offering (assuming the Over-allotment Option is not exercised), Kelun Pharmaceutical will in aggregate hold 69.2% of the total voting rights of the Company.
- Under the International Offering, a total of 480,000 Offer Shares were allocated to LAV, close associates of two existing Shareholders (namely LAV Kecheng and Suzhou Likang), representing (i) 2.14% of the Offer Shares under the Global Offering; and (ii) 0.22% of the total issued share capital of the Company immediately upon completion of the Global Offering (assuming the Over-allotment Option is not exercised). Immediately upon completion of the Global Offering (assuming the Over-allotment Option is not exercised), LAV, LAV Kecheng and Suzhou Likang will in aggregate hold 0.76% of the total issued share capital of the Company.

- Under the International Offering, a total of 480,000 Offer Shares were allocated to Gygnus Real, an existing Shareholder, representing (i) 2.14% of the Offer Shares under the Global Offering; and (ii) 0.22% of the total issued share capital of the Company immediately upon completion of the Global Offering (assuming the Over-allotment Option is not exercised). Immediately upon completion of the Global Offering (assuming the Over-allotment Option is not exercised), Gygnus Real will in aggregate hold 0.53% of the total issued share capital of the Company.
- The Company has applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with Rule 10.04 of the Listing Rules and its consent under paragraph 5(2) of the Placing Guidelines to permit the Company to allocate such Offer Shares under the International Offering to LAV and Gygnus Real.

Connect Client Placee with the Consent under Paragraph 5(1) of the Placing Guidelines

- Under the International Offering, a total of 1,690,300 Offer Shares, representing approximately 7.53% of the Offer Shares initially available under the Global Offering, were placed to a connected client of an Overall Coordinator set out below within the meaning of the Placing Guidelines. The Connect Client will hold the Offer Shares on a non-discretionary basis. Details are set out below:

Placee	Overall Coordinator	Relationship with the Overall Coordinator	Number of Offer Shares placed	Approximate percentage of the Offer Shares initially available under the Global Offering ⁽¹⁾⁽²⁾	Approximate percentage of the total issued share capital immediately following the completion of the Global Offering ⁽¹⁾⁽²⁾
CSI Capital Management Limited (“CSI” or the “Connected Client”)	CLSA Limited	CSI is a member of the same group of companies as CLSA Limited	1,690,300	7.53%	0.78%

Notes:

- (1) Assuming the Over-allotment Option is not exercised.
- (2) The percentage figures are subject to rounding adjustments.

- The Company has applied to the Stock Exchange for, and the Stock Exchange has granted to the Company, its consent under paragraph 5(1) of the Placing Guidelines to permit the Company to allocate such Offer Shares in the International Offering to CSI. The Offer Shares placed to CSI are held by CSI on behalf of independent third parties and are in compliance with all the conditions under the consent granted by the Stock Exchange.

Confirmation of Cornerstone Investors, Public Shareholders in the Hong Kong Public Offering and Placees in the International Offering

- To the best knowledge of the Company and save for the fact that one Cornerstone Investor, namely Kelun International as well as four placees, namely LAV STAR Limited, LAV STAR Opportunities Limited, LAV Public Equity Master Fund and Gynrus Real are existing Shareholders and/or close associates of the existing Shareholders of the Company, (i) none of the Offer Shares subscribed for by public Shareholders in the Hong Kong Public Offering and placees in the International Offering has been financed directly or indirectly by the Company, the Directors, Supervisors, chief executive, substantial Shareholders, existing Shareholders or any of their subsidiaries or their respective close associates, and (ii) none of the public Shareholders in the Hong Kong Public Offering and placees in the International Offering who has subscribed for the Offer Shares is accustomed to taking instructions from the Company, the Directors, Supervisors, chief executive, substantial Shareholders, existing Shareholders or any of their subsidiaries or their respective close associates in relation to the acquisition, disposal, voting or other disposition of the H Shares registered in their name or otherwise held by them.
- Save as disclosed in the sections headed “International Offering – Cornerstone Investors”, “International Offering – Connected Client Placee with the Consent under Paragraph 5(1) of Placing Guidelines” and “International Offering – Placing of Offer Shares to an Existing Shareholder and Close Associates of Certain Existing Shareholders under Paragraph 5(2) of Placing Guidelines” of this announcement, to the best knowledge, information and belief of the Directors, no Offer Shares placed by or through the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners or the Underwriters under the Global Offering have been placed with applicants who are core connected persons (as defined in the Listing Rules) or Directors of the Company, or to any connected clients (as set out in paragraph 5(1) of the Placing Guidelines), or persons set out in paragraph 5(2) of the Placing Guidelines, whether in their own names or through nominees.
- The Directors confirm that (a) no placee will, individually, be placed more than 10% of the enlarged issued share capital of the Company immediately after the Global Offering; (b) there will not be any new substantial shareholder (as defined in the Listing Rules) of the Company immediately after the Global Offering; (c) the number of H Shares in public hands will satisfy the minimum percentage prescribed in the conditions imposed in the waiver granted by the Stock Exchange from strict compliance with Rule 8.08(1)(b) of the Listing Rules; (d) the three largest public shareholders of the Company do not hold more than 50% of the H Shares in public hands at the time of Listing in compliance with Rules 8.08(3) and 8.24 of the Listing Rules; and (e) there will be at least 300 Shareholders at the time of Listing in compliance with Rule 8.08(2) of the Listing Rules.

Over-allotment Option

In connection with the Global Offering, we have granted the Over-allotment Option to the International Underwriters, exercisable by the Overall Coordinators (for themselves and on behalf of the International Underwriters), at any time from the date of the International Underwriting Agreement to Thursday, August 3, 2023, being the 30th day after the last day for lodging applications under the Hong Kong Public Offering, to require us to allot and issue up to an aggregate of 3,366,900 additional Offer Shares, representing not more than 15% of the total number of Offer Shares initially available under the Global Offering, at the Offer Price to cover the over-allocation in the International Offering. There has been an over-allocation of 3,366,900 Offer Shares in the International Offering. Such over-allocation may be covered by exercising the Over-allotment Option in full or in part or by making purchases in the secondary market or a combination of these means. In the event the Over-allotment Option is exercised, an announcement will be made on the Stock Exchange's website at www.hkexnews.hk and the Company's website at <http://kelun-biotech.com>. As of the date of this announcement, the Over-allotment Option has not been exercised.

Lock-up Undertakings

The Company, all existing Shareholders and the Cornerstone Investors of the Company are subject to certain lock-up undertakings as set out in the paragraph headed "Lock-up Undertakings" in this announcement.

Results of Allocations

The Offer Price, the level of indications of interest in the International Offering, the results of allocations and the Hong Kong identity card/passport/Hong Kong business registration numbers of successful applicants under the Hong Kong Public Offering will be available at the times and date and in the manner specified below:

- in the announcement to be posted on the Company's website at <http://kelun-biotech.com> and the Stock Exchange's website at www.hkexnews.hk by no later than 9:00 a.m. on Monday, July 10, 2023. Please note that the list of identification document numbers in this announcement may not be a complete list of successful applicants since only successful applicants whose identification document numbers are provided to HKSCC by CCASS Participants are disclosed. Applicants with beneficial names only but not identification document numbers are not disclosed due to personal privacy issue as elaborated below. Applicants who applied for the Offer Shares through their brokers can consult their brokers to enquire about their application result;
- from the designated results of allocations website at www.iporeresults.com.hk (alternatively: English <https://www.eipo.com.hk/en/Allotment>; Chinese <https://www.eipo.com.hk/zh-hk/Allotment>) with a "search by ID" function on a 24 hour basis from 8:00 a.m. on Monday, July 10, 2023 to 12:00 midnight on Sunday, July 16, 2023; and
- from the allocation results telephone enquiry line by calling +852 2862 8555 between 9:00 a.m. and 6:00 p.m. on Monday, July 10, 2023, Tuesday, July 11, 2023, Wednesday, July 12, 2023, and Thursday, July 13, 2023.

This announcement contains a list of identification document numbers. Identification document numbers shown in the section headed “Results of Applications Made by **White Form eIPO**” refer to Hong Kong identity card numbers/passport numbers/Hong Kong business registration numbers/certificate of incorporation numbers/beneficial owner identification codes (if such applications are made by nominees as agent for the benefit of another person) whereas those displayed in the section headed “Results of Applications Made by Giving **Electronic Application Instructions** to HKSCC via CCASS” are provided by CCASS Participants via CCASS. Therefore, the identification document numbers shown in the two sections are different in nature.

Since applications are subject to personal information collection statements, beneficial owner identification codes displayed in the sections headed “Results of Applications Made by **White Form eIPO**” and “Results of Applications Made by Giving **Electronic Application Instructions** to HKSCC via CCASS” are redacted and not all details of applications are disclosed in this announcement.

Despatch/Collection of H Share Certificates/e-Refund Payment Instructions/Refund Checks

- Applicants who applied for 1,000,000 Hong Kong Offer Shares or more through the **White Form eIPO** service and who have been wholly successfully or partially successfully allocated Hong Kong Offer Shares and are eligible to collect H Share certificates in person may collect H Share certificates from the H Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong from 9:00 a.m. to 1:00 p.m. on Monday, July 10, 2023, or such other date or place as notified by the Company in the newspapers as the date of despatch/collection of H Share certificates/e-Refund payment instructions/refund cheques.
- H Share certificates for the Hong Kong Offer Shares allotted to applicants who applied for less than 1,000,000 Hong Kong Offer Shares through the **White Form eIPO** service are expected to be despatched to those entitled to the address specified in the relevant application instructions through the **White Form eIPO** service by ordinary post at their own risk on or before Monday, July 10, 2023.
- H Share certificates for the Hong Kong Offer Shares allocated to applicants who applied through the **White Form eIPO** service which are either not eligible for personal collection or which are eligible but are not collected in person by 1:00 p.m. on Monday, July 10, 2023, are expected to be despatched by ordinary post to those entitled to them at their own risk on or before Monday, July 10, 2023.
- Wholly or partially successful applicants who applied by giving **electronic application instructions** to HKSCC via CCASS will have their H Share certificates issued in the name of HKSCC Nominees Limited and deposited into CCASS for credit to their CCASS Investor Participant stock accounts or the stock accounts of their designated CCASS Participants who gave **electronic application instructions** on their behalf on Monday, July 10, 2023.
- Applicants who applied through a designated CCASS Participant (other than a CCASS Investor Participant) should check the number of Hong Kong Offer Shares allocated to them with that CCASS Participant.

- Applicants who applied as a CCASS Investor Participant by giving **electronic application instructions** to HKSCC via CCASS should check and report any discrepancies to HKSCC before 5:00 p.m. on Monday, July 10, 2023 or such other date as shall be determined by HKSCC or HKSCC Nominees. Applicants who applied as a CCASS Investor Participant by giving **electronic application instructions** to HKSCC via CCASS may also check the results of their applications and the amount of refund monies payable to them via the CCASS Phone System and the CCASS Internet System (under the procedures contained in HKSCC's "An Operating Guide for Investor Participants" in effect from time to time) immediately after the crediting of the Hong Kong Offer Shares to the CCASS Investor Participants stock accounts and the crediting of the refund monies to the CCASS Investor Participants bank accounts. HKSCC will also make available to the CCASS Investor Participants an activity statement showing the number of Hong Kong Offer Shares credited to their stock accounts and the refund amount credited to their respective designated bank accounts (if any).
- Applicants who applied through the **White Form eIPO** service and paid the application monies from a single bank account will have refund monies (if any) despatched to their application payment accounts in the form of e-Refund payment instructions on Monday, July 10, 2023. Applicants who applied through the **White Form eIPO** service and paid the application monies from multiple bank accounts will have refund monies (if any) despatched to the addresses specified on their **White Form eIPO** applications in the form of refund check(s) in favour of the applicant (or, in the case of joint applications, the first-named applicant) by ordinary post at their own risk on or before Monday, July 10, 2023.
- Refund monies for applicants who have applied by giving **electronic application instructions** to HKSCC via CCASS are expected to be credited to the relevant applicants' designated bank accounts or the designated bank accounts of their brokers or custodians on Monday, July 10, 2023.
- H Share certificates will only become valid certificates of title at 8:00 a.m. on the Listing Date which is expected to be Tuesday, July 11, 2023, provided that the Global Offering has become unconditional in all respects at or before that time and the right of termination described in the section headed "Underwriting – Underwriting Arrangements and Expenses – Hong Kong Public Offering – Hong Kong Underwriting Agreement – Grounds for Termination" in the Prospectus has not been exercised.
- The Company will not issue any temporary documents of title in respect of the Offer Shares and will not issue any receipt for application monies received.

Public Float

Immediately following completion of the Global Offering and before the exercise of the Over-allotment Option, (i) the number of H Shares in public hands will be 45,057,571 H Shares, representing approximately 20.88% of the total issued share capital of the Company which satisfies the minimum percentage prescribed in the conditions imposed in the waiver granted by the Stock Exchange from strict compliance with Rule 8.08(1) of the Listing Rules, and (ii) the Company will comply with Rule 18A.07 of the Listing Rules that a portion of the total number of the Company's issued shares with a market capitalization of at least HK\$375 million will be held by the public at the time of Listing.

Commencement of Dealings

H Share certificates for the Hong Kong Offer Shares will only become valid evidence of title provided that (i) the Global Offering has become unconditional in all respects and (ii) neither of the Underwriting Agreements has been terminated in accordance with their terms prior to 8:00 a.m. on the Tuesday, July 11, 2023. Investors who trade H Shares on the basis of publicly available allocation details prior to the receipt of H Share certificates or prior to the H Share certificates becoming valid do so at their own risk.

Assuming that the Global Offering becomes unconditional in all respects at or before 8:00 a.m. on Tuesday, July 11, 2023 (Hong Kong time), dealings in the H Shares on the Main Board of the Stock Exchange are expected to commence at 9:00 a.m. on Tuesday, July 11, 2023 (Hong Kong time). H Shares will be traded in board lots of 100 H Shares each. The stock code of the H Shares is 6990.

In view of the high concentration of shareholding in a small number of H Shareholders, H Shareholders and prospective investors should be aware that the price of the H Shares could move substantially even with a small number of H Shares traded, and should exercise extreme caution when dealing in H Shares.

NET PROCEEDS FROM THE GLOBAL OFFERING

Based on the final Offer Price of HK\$60.60 per Offer Share, the net proceeds from the Global Offering to be received by the Company, after deduction of underwriting fees and commissions and estimated expenses payable by the Company in connection with the Global Offering, are estimated to be approximately HK\$1,258.9 million (assuming the Over-allotment Option is not exercised). The estimated total listing expenses (assuming that the Over-allotment Option is not exercised) are approximately HK\$101.4 million, or 7.5% of the gross proceeds of the Global Offering, comprising HK\$54.5 million underwriting fees, HK\$35.3 million fees and expenses of legal advisors and Reporting Accountants and HK\$11.6 million other fees and expenses.

The Company intends to apply the net proceeds as follows:

- 45.0%, or approximately HK\$566.5 million will be used for the research, development and commercialization of our Core Products, namely, SKB264 and A166;
- 30.0%, or approximately HK\$377.7 million will be used for the research, development and commercialization of our other key products;
- 12.0%, or approximately HK\$151.1 million will be used to fund the continued development of our technology platforms, advance our other existing pipeline assets, and explore and develop new drug candidates;
- 8.0%, or approximately HK\$100.7 million will be used to fund the expansion of our manufacturing capabilities and quality control system to support the anticipated commercialization of our late-stage assets; and
- 5.0%, or approximately HK\$62.9 million, will be used for working capital and other general corporate purposes.

If the Over-allotment Option is exercised in full, the Company will receive additional net proceeds of approximately HK\$195.9 million for 3,366,900 additional Offer Shares to be issued and allotted upon the exercise of the Over-allotment Option. In the event that the Over-allotment Option is exercised in full, the Company intends to adjust its allocation of the net proceeds for the above purposes on a pro rata basis. For further information, please refer to the section headed “Future Plans and Use of Proceeds” in the Prospectus.

APPLICATIONS AND INDICATIONS OF INTEREST RECEIVED IN THE HONG KONG PUBLIC OFFERING

The Hong Kong Offer Shares initially available under the Hong Kong Public Offering have been slightly over-subscribed. At the close of the application lists at 12:00 noon on Tuesday, July 4, 2023, a total of 2,846 valid applications have been received pursuant to the Hong Kong Public Offering through the **White Form eIPO** service and giving **electronic application instructions** to HKSCC for a total of 2,847,400 Hong Kong Offer Shares, representing approximately 1.27 times of the total number of 2,244,700 Hong Kong Offer Shares initially available for subscription under the Hong Kong Public Offering, among which:

- 2,838 valid applications in respect of a total of 2,127,400 Hong Kong Offer Shares were for the Hong Kong Public Offering with an aggregate subscription amount based on the maximum Offer Price of HK\$72.80 per Offer Share (excluding brokerage of 1.0%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%) of HK\$5 million or less, representing approximately 1.90 times of the 1,122,400 Hong Kong Offer Shares initially comprised in Pool A; and
- 8 valid applications in respect of a total of 720,000 Hong Kong Offer Shares were for the Hong Kong Public Offering with an aggregate subscription amount based on the maximum Offer Price of HK\$72.80 per Offer Share (excluding brokerage of 1.0%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%) of more than HK\$5 million, representing approximately 0.64 times of the 1,122,300 Hong Kong Offer Shares initially comprised in Pool B.

No application was rejected due to invalid application. 2 multiple or suspected multiple applications were identified and rejected. No application was rejected due to dishonored payments. No application for more than 1,122,300 Hong Kong Offer Shares (being 50% of the Hong Kong Offer Shares initially available under the Hong Kong Public Offering) was identified.

As the over-subscription in the Hong Kong Public Offering is less than 15 times, no reallocation of Offer Shares has been effected from the International Offering to the Hong Kong Public Offering. The final number of Offer Shares under the Hong Kong Public Offering is 2,244,700 Offer Shares, representing approximately 10% of the total number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option), and being allocated to 2,385 successful applicants under the Hong Kong Public Offering, among which 1,495 applicants have been allotted one board lot of Offer Shares totalling 149,500 H Shares.

The Offer Shares offered in the Hong Kong Public Offering were conditionally allocated on the basis set out in the paragraph headed “Basis of Allocation under the Hong Kong Public Offering” below.

INTERNATIONAL OFFERING

On July 4, 2023, our Company, Kelun Pharmaceutical, Mr. LIU Gexin, the Joint Sponsors, the Overall Coordinators and the International Underwriters (namely, Goldman Sachs (Asia) L.L.C., CLSA Limited, Citigroup Global Markets Limited, ICBC International Securities Limited and BOCOM International Securities Limited) entered into the International Underwriting Agreement in respect of the International Offering.

The Offer Shares initially offered under the International Offering have been moderately over-subscribed, representing approximately 3.4 times of the total number of Offer Shares initially available under the International Offering. The final number of Offer Shares allocated to the placees under the International Offering is 20,201,400 H Shares, representing approximately 90.0% of the total number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option). There has been an over-allocation of 3,366,900 Offer Shares and there are a total number of 126 placees under the International Offering, among which 81 placees have been allotted five or fewer board lots of the Offer Shares totalling 10,000 H Shares and 62 placees have been allotted one board lot of the Offer Shares totalling 6,200 H Shares.

Cornerstone Investors

Based on the final Offer Price of HK\$60.60 per Offer Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%) and pursuant to the relevant Cornerstone Investment Agreements as disclosed in the section headed “Cornerstone Investors – The Cornerstone Placing” in the Prospectus, the number of Offer Shares subscribed for by the Cornerstone Investors is determined as set out below:

	Investment Amount ⁽¹⁾ (\$U.S. in million)	Number of Offer Shares (rounded down to nearest whole board lot of 100 H Shares)	Approximate % of H Shares in issue immediately following the completion of Global Offering ⁽²⁾	Approximately % of ownership immediately following the completion of Global Offering ⁽²⁾
RTW Funds ⁽³⁾	15,000,000	1,934,400	3.2%	0.9%
Laurion Capital Master Fund	7,286,000	939,600	1.5%	0.4%
TruMed	7,286,000	939,600	1.5%	0.4%
CUAM	8,380,356 ⁽⁴⁾	1,080,700	1.8%	0.5%
Kelun International	29,331,248 ⁽⁴⁾	3,782,700	6.2%	1.8%
Total	67,283,604	8,677,000	14.3%	4.0%

Notes:

- (1) Exclusive of brokerage, the SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy, and to be converted to Hong Kong dollars based on the exchange rate as disclosed in the Prospectus.
- (2) Assuming the Over-allotment Option is not exercised.
- (3) According to an announcement dated June 27, 2023 made by RTW Venture Fund Limited, RTW Venture Fund Limited has changed its name to RTW Biotech Opportunities Ltd.
- (4) With respect to the Cornerstone Investors whose original investment amount is made in RMB, the relevant USD equivalent is calculated using the exchange rate as disclosed in the Prospectus.

We have applied to the Stock Exchange for, and the Stock Exchange has granted us, a waiver from strict compliance with the requirements under Rules 9.09(b) and 10.04, and a consent under paragraph 5(2) of Appendix 6 of the Listing Rules, to allow Kelun International, a wholly-owned subsidiary of Kelun Pharmaceutical, our Controlling Shareholder, to subscribe for the H Shares in the Global Offering as a Cornerstone Investor.

To the best knowledge of our Company and save for the fact that Kelun International is a wholly-owned subsidiary of Kelun Pharmaceutical, our Controlling Shareholder,

- (i) each of the Cornerstone Investors is an Independent Third Party and is not the Company's connected person (as defined in the Listing Rules);
- (ii) none of the Cornerstone Investors is accustomed to taking instructions from the Company, the Directors, Supervisors, chief executive, substantial Shareholders, existing Shareholders or any of their respective subsidiaries or their respective close associates;
- (iii) none of the subscription of the relevant Offer Shares by any of the Cornerstone Investors is financed directly or indirectly by the Company, the Directors, Supervisors, chief executive, substantial Shareholders, existing Shareholders or any of their respective subsidiaries or their respective close associates; and
- (iv) each Cornerstone Investor will be utilizing their proprietary funding or the proprietary funding of the funds under their management, as appropriate, as their source of funding for the subscription of the Offer Shares.

There are no side arrangements or agreements between our Group and the Cornerstone Investors or any benefit, direct or indirect, conferred on the Cornerstone Investors by virtue of or in relation to the Cornerstone Placing, other than a guaranteed allocation of the relevant Offer Shares at the Offer Price.

The Offer Shares to be subscribed by the Cornerstone Investors will rank *pari passu* in all respect with the fully paid Shares in issue and will count towards the public float of the Company (other than the Offer Shares subscribed for by Kelun International) under Rule 8.08 of the Listing Rules and will not be counted towards the public float of our Company for the purpose of Rule 18A.07 of the Listing Rules. Immediately following the completion of the Global Offering, none of the Cornerstone Investors (other than Kelun International) will become a substantial Shareholder of the Company. The Cornerstone Investors or their close associates will not, by virtue of their cornerstone investments, have any Board representation in our Company. Other than a guaranteed allocation of the relevant Offer Shares at the final Offer Price, the Cornerstone Investors do not have any preferential rights in the Cornerstone Investment Agreements compared with other public Shareholders.

Each of the Cornerstone Investors has agreed that it will not, whether directly or indirectly, at any time during the period of six months from and including the Listing Date (the “**Lock-up Period**”), dispose of any of the Offer Shares they have purchased pursuant to the relevant Cornerstone Investment Agreements, save for certain limited circumstances, such as transfers to any of its wholly-owned subsidiaries who will be bound by the same obligations of such Cornerstone Investor, including the Lock-up Period restriction.

Please refer to the section headed “Cornerstone Investors – The Cornerstone Placing” in the Prospectus for further details.

Connected Client Placee with the Consent under Paragraph 5(1) of Placing Guidelines

Certain Offer Shares were placed to one placee who is a connected client of an Overall Coordinator within the meaning of the Placing Guidelines. The Company has applied to the Stock Exchange for, and the Stock Exchange has granted, its consent under paragraph 5(1) of the Placing Guidelines to permit the Company to allocate such Offer Shares as set out below.

Placee	Overall Coordinator	Relationship with the Overall Coordinator	Number of Offer Shares placed	Approximate percentage of the Offer Shares initially available under the Global Offering ⁽¹⁾⁽³⁾	Approximate percentage of the total issued share capital immediately following the completion of the Global Offering ⁽¹⁾⁽³⁾
CSI Capital Management Limited (“CSI”) ⁽²⁾	CLSA Limited	CSI is a member of the same group of companies as CLSA	1,690,300	7.53	0.78

Note:

- (1) Assuming that the Over-allotment Option is not exercised.
- (2) CSI will act as the single counterparty of a back-to-back total return swap transaction (the “**CSI Back-to-back TRS**”) to be entered into by CSI in connection with a total return swap order (the “**CSI Client TRS**”) placed by its ultimate clients (the “**CSI Ultimate Clients**”), by which CSI will pass the full economic exposure of the Offer Shares placed to CSI (the “**CSI Offer Shares**”) to the CSI Ultimate Clients, meaning in effect, CSI will hold the beneficial interest of the CSI Offer Shares on behalf of the CSI Ultimate Clients on a non-discretionary basis. CSI will hold the legal title and beneficial interest in the CSI Offer Shares, but will contractually agree to pass on the full economic exposure and return of the CSI Offer Shares to the CSI Ultimate Clients. The CSI Ultimate Clients may exercise an early termination right to early terminate the CSI Client TRS at any time from the trade date of the CSI Client TRS which should be on or after the date on which the CSI Offer Shares are listed on the Stock Exchange. Upon the final maturity or early termination of the CSI Client TRS by the CSI Ultimate Clients, CSI will dispose of the CSI Offer Shares on the secondary market and the CSI Ultimate Clients will receive a final termination amount of the CSI Back-to-back TRS which should have taken into account all the economic returns or economic loss in relation to the CSI Offer Shares and the fixed amount of transaction fees of the CSI Back-to-back TRS and the CSI Client TRS. CSI will not exercise the voting right of the CSI Offer Shares during the tenor of the CSI Back-to-back TRS.
- (3) The percentage figures are subject to rounding adjustments.

Placing of Offer Shares to an Existing Shareholder and Close Associates of Certain Existing Shareholders under Paragraph 5(2) of the Placing Guidelines

Certain Offer Shares were placed to an Existing Shareholder and Close Associates of Certain Existing Shareholders. The Company has applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with Rule 10.04 of the Listing Rules and its consent under paragraph 5(2) of the Placing Guidelines to permit the Company to allocate such Offer Shares as set out below.

Placee	Relationship with the Company	Current shareholding in the Company held by itself or its associate (Approximate % of the Company's issued share capital)	Number of Shares to be subscribed under the Global Offering (Approximate % of the total Offer Shares initially available under the Global Offering) ⁽¹⁾	Approximate percentage of Shares held by itself or its close associate of the Company's issued share capital immediately following the completion of the Global Offering ⁽¹⁾
Kelun International	A wholly-owned subsidiary of Kelun Pharmaceutical, our Controlling Shareholder	145,555,685 (75.27%)	3,782,700 (16.9%)	69.2%
LAV Star Limited, LAV Star Opportunities Limited and LAV Public Equity Master Fund (collectively, "LAV")	LAV are close associates of two existing Shareholders, namely LAV Kecheng and Suzhou Likang, which hold 0.40% and 0.20% of the total issued share capital of the Company, respectively	1,157,778 (0.60%)	480,000 (2.14%)	0.76%
Gygnus Real	Gygnus Real Company is an existing Shareholder holding 0.35% of the total issued share capital of the Company	672,184 (0.35%)	480,000 (2.14%)	0.53%

Note:

- (1) Assuming that the Over-allotment Option is not exercised.

Save as disclosed in the above sections headed “International Offering – Cornerstone Investors”, “International Offering – Connected Client Placee with the Consent under Paragraph 5(1) of Placing Guidelines” and “International Offering – Placing of Offer Shares to an Existing Shareholder and Close Associates of Certain Existing Shareholders under Paragraph 5(2) of Placing Guidelines” of this announcement, to the best knowledge, information and belief of the Directors, no Offer Shares placed by or through the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners or the Underwriters under the Global Offering have been placed with applicants who are core connected persons (as defined in the Listing Rules) or directors of the Company, or to any connected clients (as set out in paragraph 5(1) of the Placing Guidelines), or persons set out in paragraph 5(2) of the Placing Guidelines, whether in their own names or through nominees.

To the best knowledge of the Company and save for the fact that Kelun International, LAV STAR Limited, LAV STAR Opportunities Limited, LAV Public Equity Master Fund and Gynnus Real Company Limited are existing Shareholders and/or close associates of the existing Shareholders of the Company, (i) none of the Offer Shares subscribed by public shareholders in the Hong Kong Public Offering and placees in the International Offering has been financed directly or indirectly by the Company, the Directors, Supervisors, chief executive, substantial Shareholders, existing Shareholders or any of their subsidiaries or their respective close associates, and (ii) none of the public shareholders in the Hong Kong Public Offering and placees in the International Offering who has subscribed for the Offer Shares is accustomed to taking instructions from the Company, the Directors, Supervisors, chief executive, substantial Shareholders, existing Shareholders or any of their subsidiaries or their respective close associates in relation to the acquisition, disposal, voting or other disposition of the Shares registered in their name or otherwise held by them.

Over-allotment Option

In connection with the Global Offering, the Company has granted the Over-allotment Option to the International Underwriters, exercisable by the Overall Coordinators (for themselves and on behalf of the International Underwriters), at any time from the Listing Date to Thursday, August 3, 2023, being the 30th day after the last day for lodging applications under the Hong Kong Public Offering, to require the Company to allot and issue up to an aggregate of 3,366,900 additional Offer Shares, representing approximately 15.0% of the total number of Offer Shares initially available under the Global Offering, at the Offer Price to cover the over-allotments in the International Offering, if any. There has been an over-allocation of 3,366,900 Offer Shares in the International Offering. Such over-allocation may be covered by exercising the Over-allotment Option in full or in part or by making purchases in the secondary market or a combination of these means. In the event the Over-allotment Option is exercised, an announcement will be made on the Stock Exchange’s website at www.hkexnews.hk and the Company’s website at <http://kelun-biotech.com>. As of the date of this announcement, the Over-allotment Option has not been exercised.

LOCK-UP UNDERTAKINGS

The Company, the Pre-IPO Investors and, all the other existing Shareholders and the Cornerstone Investors are subject to lock-up undertakings (the “**Lock-up Undertakings**”) in respect of the Shares. The major terms of the Lock-up Undertakings are as follows:

Name	Class of Shares	Number of Shares held in the Company subject to the Lock-up Undertakings upon the Listing	Percentage of shareholding in the Company subject to the Lock-up Undertakings	Last day subject to the Lock-up Undertakings after Listing ⁽³⁾
<i>The Company (subject to lock-up undertakings pursuant to the Listing Rules and the Hong Kong Underwriting Agreement)</i>	N/A	N/A	N/A	January 11, 2024 ⁽¹⁾
<i>A group of Controlling Shareholders, Pre-IPO Investors and other existing Shareholders (subject to lock-up undertakings pursuant to the Listing Rules, the Hong Kong Underwriting Agreement and applicable PRC laws and regulations, as the case may be)</i>				
Kelun Pharmaceutical	Domestic Shares	115,555,685	53.54%	July 11, 2024 ⁽²⁾
Kelun Huicai	Domestic Shares H Shares to be converted from Domestic Shares	5,250,000 2,250,000	2.43% 1.04%	July 11, 2024 ⁽²⁾
Kelun Huineng	Domestic Shares H Shares to be converted from Domestic Shares	5,250,000 2,250,000	2.43% 1.04%	July 11, 2024 ⁽²⁾
Kelun Huizhi	Domestic Shares H Shares to be converted from Domestic Shares	5,250,000 2,250,000	2.43% 1.04%	July 11, 2024 ⁽²⁾
Kelun Huide	Domestic Shares H Shares to be converted from Domestic Shares	5,250,000 2,250,000	2.43% 1.04%	July 11, 2024 ⁽²⁾
WANG Jingyi	Domestic Shares H Shares to be converted from Domestic Shares	2,850,000 2,850,000	1.32% 1.32%	July 11, 2024 ⁽²⁾
MSD	H Shares to be converted from Unlisted Foreign Shares	13,443,693	6.23%	July 11, 2024 ⁽²⁾

Name	Class of Shares	Number of Shares held in the Company subject to the Lock-up Undertakings upon the Listing	Percentage of shareholding in the Company subject to the Lock-up Undertakings	Last day subject to the Lock-up after Listing ⁽³⁾	Undertakings
Wealthy Linkage	Unlisted Foreign Shares	3,633,914	1.68%	July 11, 2024 ⁽²⁾	
	H Shares to be converted from Unlisted Foreign Shares	3,633,914	1.68%		
Leyue Capital	Unlisted Foreign Shares	1,008,276	0.47%	July 11, 2024 ⁽²⁾	
	H Shares to be converted from Unlisted Foreign Shares	1,008,277	0.47%		
FIIIF	Domestic Shares	7,144,177	3.31%	July 11, 2024 ⁽²⁾	
Ningbo Daoyi	H Shares to be converted from Domestic Shares	4,200,000	1.95%	July 11, 2024 ⁽²⁾	
Kexin Lunda	Domestic Shares	1,160,506	0.54%	July 11, 2024 ⁽²⁾	
	H Shares to be converted from Domestic Shares	1,160,506	0.54%		
Cinda Capital	H Shares to be converted from Domestic Shares	386,835	0.18%	July 11, 2024 ⁽²⁾	
LAV Kecheng	Unlisted Foreign Shares	771,852	0.36%	July 11, 2024 ⁽²⁾	
Suzhou Likang	Domestic Shares	385,926	0.18%	July 11, 2024 ⁽²⁾	
Anling Weijian	Domestic Shares	967,088	0.45%	July 11, 2024 ⁽²⁾	
BOSC Xingling	H Shares to be converted from Domestic Shares	734,987	0.34%	July 11, 2024 ⁽²⁾	

Name	Class of Shares	Number of Shares held in the Company subject to the Lock-up Undertakings upon the Listing	Percentage of shareholding in the Company subject to the Lock-up Undertakings	Last day subject to the Lock-up after Listing ⁽³⁾	Undertakings
Gygnus Real	Unlisted Foreign Shares	134,436	0.06%	July 11, 2024 ⁽²⁾	
	H Shares to be converted from Unlisted Foreign Shares	537,748	0.25%		
Wutong Juke	Domestic Shares	410,690	0.19%	July 11, 2024 ⁽²⁾	
	H Shares to be converted from Domestic Shares	205,345	0.10%		
Chengdu Wenjiang Emerging Industry Venture	H Shares to be converted from Domestic Shares	386,835	0.18%	July 11, 2024 ⁽²⁾	
ZHOU Youcai	H Shares to be converted from Domestic Shares	386,835	0.18%	July 11, 2024 ⁽²⁾	
Gao Ling Liangheng	Domestic Shares	115,778	0.05%	July 11, 2024 ⁽²⁾	
	H Shares to be converted from Domestic Shares	115,778	0.05%		
Longyi Technology	H Shares to be converted from Domestic Shares	193,418	0.09%	July 11, 2024 ⁽²⁾	

Cornerstone Investors (subject to lock-up undertakings pursuant to the Cornerstone Investment Agreements)

RTW Funds	H Shares	1,934,400	0.9%	January 11, 2024 ⁽²⁾
Laurion Capital Master Fund	H Shares	939,600	0.4%	January 11, 2024 ⁽²⁾
TruMed	H Shares	939,600	0.4%	January 11, 2024 ⁽²⁾
CUAM	H Shares	1,080,700	0.5%	January 11, 2024 ⁽²⁾
Kelun International	H Shares	3,782,700	1.8%	January 11, 2024 ⁽²⁾

Notes:

- (1) The Company may issue Shares without any lock-up obligations after the indicated date.
- (2) The Shareholder(s) and Cornerstone Investor(s) may dispose of or transfer Shares without any lock-up obligation after the indicated date.
- (3) Assuming the Over-allotment Option is not exercised.

PUBLIC FLOAT

The Stock Exchange has exercised its discretion under 8.08(1)(d) and has granted the Company a waiver from strict compliance with the requirements of Rule 8.08(1)(a) of the Listing Rules. Therefore, our minimum public float shall be the higher of:

- (i) 20.88% of the total issued share capital of the Company; or
- (ii) such percentage of H Shares to be held by the public immediately after the completion of the Global Offering and the exercise of the Over-allotment Option (if any).

Immediately following completion of the Global Offering and before the exercise of the Over-allotment Option, (i) the number of H Shares in public hands will be 45,057,571 H Shares, representing approximately 20.88% of the total issued share capital of the Company which satisfies the minimum percentage prescribed in the conditions imposed in the waiver granted by the Stock Exchange from strict compliance with Rule 8.08(1) of the Listing Rules, and (ii) the Company will comply with Rule 18A.07 of the Listing Rules that a portion of the total number of the Company's issued shares with a market capitalization of at least HK\$375 million will be held by the public at the time of Listing.

The Directors confirm that (a) no placee will, individually, be placed more than 10% of the enlarged issued share capital of the Company immediately after the Global Offering; (b) there will not be any new substantial shareholder (as defined in the Listing Rules) of the Company immediately after the Global Offering; (c) the number of H Shares in public hands will satisfy the minimum percentage as approved by the Stock Exchange; (d) the three largest public shareholders of the Company do not hold more than 50% of the H Shares in public hands at the time of Listing in compliance with Rules 8.08(3) and 8.24 of the Listing Rules; and (e) there will be at least 300 Shareholders at the time of Listing in compliance with Rule 8.08(2) of the Listing Rules.

BASIS OF ALLOCATION UNDER THE HONG KONG PUBLIC OFFERING

Subject to the satisfaction of the conditions set out in the paragraph headed “Structure and Conditions of the Global Offering – Conditions of the Global Offering” in the Prospectus, 2,385 valid applications made by the public through giving electronic applications instructions to HKSCC via CCASS and through the **White Form eIPO** service will be conditionally allocated on the basis set out below:

Number of H Shares applied for	Number of valid applications	Pool A Basis of allocation/ballot	Approximate percentage allotted of the total number of H Shares applied for
100	1,846	1,385 out of 1,846 to receive 100 Shares	75.03%
200	219	100 Shares plus 109 out of 219 to receive additional 100 Shares	74.89%
300	99	200 Shares plus 24 out of 99 to receive additional 100 Shares	74.75%
400	84	200 Shares plus 83 out of 84 to receive additional 100 Shares	74.70%
500	107	300 Shares plus 78 out of 107 to receive additional 100 Shares	74.58%
600	111	400 Shares plus 52 out of 111 to receive additional 100 Shares	74.47%
700	16	500 Shares plus 3 out of 16 to receive additional 100 Shares	74.11%
800	26	500 Shares plus 24 out of 26 to receive additional 100 Shares	74.04%
900	9	600 Shares plus 5 out of 9 to receive additional 100 Shares	72.84%
1,000	106	700 Shares plus 29 out of 106 to receive additional 100 Shares	72.74%
1,500	45	1,000 Shares plus 40 out of 45 to receive additional 100 Shares	72.59%
2,000	28	1,400 Shares plus 14 out of 28 to receive additional 100 Shares	72.50%
2,500	33	1,800 Shares plus 4 out of 33 to receive additional 100 Shares	72.48%
3,000	13	2,100 Shares plus 9 out of 13 to receive additional 100 Shares	72.31%
3,500	3	2,500 Shares	71.43%
4,000	13	2,800 Shares plus 6 out of 13 to receive additional 100 Shares	71.15%
4,500	2	3,200 Shares	71.11%
5,000	18	3,500 Shares plus 10 out of 18 to receive additional 100 Shares	71.11%
6,000	6	4,200 Shares plus 4 out of 6 to receive additional 100 Shares	71.11%
7,000	8	4,900 Shares plus 5 out of 8 to receive additional 100 Shares	70.89%
8,000	2	5,600 Shares plus 1 out of 2 to receive additional 100 Shares	70.63%
10,000	14	7,000 Shares plus 7 out of 14 to receive additional 100 Shares	70.50%
15,000	7	10,500 Shares plus 5 out of 7 to receive additional 100 Shares	70.48%
20,000	6	14,000 Shares plus 5 out of 6 to receive additional 100 Shares	70.42%
25,000	1	17,600 Shares	70.40%
30,000	5	21,100 Shares	70.33%
35,000	1	24,500 Shares	70.00%
40,000	3	28,000 Shares	70.00%
45,000	2	31,500 Shares	70.00%
50,000	3	35,000 Shares	70.00%
60,000	2	42,000 Shares	70.00%

2,838 Total number of Pool A successful applicants: 2,377

Number of H Shares applied for	Number of valid applications	Pool B Basis of allocation/ballot	Approximate percentage allotted of the total number of H Shares applied for
70,000	6	70,000 Shares	100.00%
100,000	1	100,000 Shares	100.00%
200,000	1	200,000 Shares	100.00%

8 Total number of Pool B successful applicants: 8

The final number of Offer Shares under the Hong Kong Public Offering is 2,244,700 Offer Shares, representing approximately 10% of the total number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option).

RESULTS OF ALLOCATIONS

The Offer Price, the level of indications of interest in the International Offering, the results of allocations and the Hong Kong identity card/passport/Hong Kong business registration numbers of successful applicants under the Hong Kong Public Offering will be available at the times and date and in the manner specified below:

- in the announcement to be posted on the Company's website at <http://kelun-biotech.com> and the Stock Exchange's website at www.hkexnews.hk by no later than 9:00 a.m. on Monday, July 10, 2023. Please note that the list of identification document numbers in this announcement may not be a complete list of successful applicants since only successful applicants whose identification document numbers are provided to HKSCC by CCASS Participants are disclosed. Applicants with beneficial names only but not identification document numbers are not disclosed due to personal privacy issue as elaborated below. Applicants who applied for the Offer Shares through their brokers can consult their brokers to enquire about their application result;
- from the designated results of allocations website at www.iporesults.com.hk (alternatively: English <https://www.eipo.com.hk/en/Allotment>; Chinese <https://www.eipo.com.hk/zh-hk/Allotment>) with a "search by ID" function on a 24 hour basis from 8:00 a.m. on Monday, July 10, 2023 to 12:00 midnight on Sunday, July 16, 2023; and
- by telephone enquiry line by calling +852 2862 8555 between 9:00 a.m. and 6:00 p.m. on Monday, July 10, 2023, Tuesday July 11, 2023, Wednesday, July 12, 2023, and Thursday, July 13, 2023.

This announcement contains a list of identification document numbers. Identification document numbers shown in the section headed "Results of Applications Made by **White Form eIPO**" refer to Hong Kong identity card numbers/passport numbers/Hong Kong business registration numbers/certificate of incorporation numbers/beneficial owner identification codes (if such applications are made by nominees as agent for the benefit of another person) whereas those displayed in the section headed "Results of Applications Made by Giving **Electronic Application Instructions** to HKSCC via CCASS" are provided by CCASS Participants via CCASS. Therefore, the identification document numbers shown in the two sections are different in nature.

Since applications are subject to personal information collection statements, beneficial owner identification codes displayed in the sections headed “Results of Applications Made by White Form eIPO” and “Results of Applications Made by Giving Electronic Application Instructions to HKSCC via CCASS”, are redacted and not all details of applications are disclosed in this announcement.

SHAREHOLDING CONCENTRATION ANALYSIS

A summary of allotment results under the International Offering is set out below:

Top 1, 5, 10, 20 and 25 of the placees in the International Offering:

International/Placee	Subscription upon Listing	Number of Shares held	Number of Shares held upon Listing	Subscription as % of International Offering (assuming no exercise of the Over-allotment Option is exercised in full)	Subscription as % of total International Offering (assuming no exercise of the Over-allotment Option is exercised in full)	Subscription as % of total H shares capital upon Listing (assuming no exercise of the Over-allotment Option is exercised in full)	% of total H share capital upon Listing (assuming no exercise of the Over-allotment Option is exercised in full)	% of total H shares capital upon Listing (assuming no exercise of the Over-allotment Option is exercised in full)	% of total issued share capital upon Listing (assuming no exercise of the Over-allotment Option is exercised in full)	% of total issued share capital upon Listing (assuming no exercise of the Over-allotment Option is exercised in full)	% of total issued share capital upon Listing (assuming no exercise of the Over-allotment Option is exercised in full)
Top 1	3,900,000	3,900,000	3,900,000	19.31%	16.55%	17.37%	15.11%	6.43%	6.09%	1.81%	1.78%
Top 5	12,707,400	158,263,085	12,707,400	62.90%	53.92%	56.61%	49.23%	20.94%	19.84%	73.33%	72.20%
Top 10	17,437,300	162,992,985	17,437,300	86.32%	73.99%	77.69%	67.55%	28.73%	27.22%	75.52%	74.36%
Top 20	22,372,300	169,757,947	22,910,048	110.75%	94.93%	99.67%	86.67%	37.75%	35.77%	78.65%	77.45%
Top 25	22,922,300	23,460,048	170,307,947	97.26%	113.47%	102.12%	88.80%	38.66%	36.62%	78.91%	77.70%

Top 1, 5, 10, 20 and 25 of the Shareholders upon Listing:

Shareholders of the Company	Subscription	Subscription as % of International Offering	Subscription as % of total International Offering	Subscription as % of total H share capital upon Listing	% of total H share capital upon Listing	issued share capital upon Listing	% of total issued share capital upon Listing
		(assuming no exercise of the Over-allotment Option)	(assuming the Over-allotment Option is exercised in full)	(assuming no exercise of the Over-allotment Option)	(assuming the Over-allotment Option is exercised in full)	(assuming no exercise of the Over-allotment Option)	(assuming the Over-allotment Option is exercised in full)
Top 1	3,782,700	149,338,385	18.72%	16.05%	16.85%	14.65%	6.23%
Top 5	3,782,700	24,718,584	184,910,636	16.05%	16.85%	14.65%	69.19%
Top 10	11,307,400	37,990,625	199,343,183	55.97%	47.98%	50.38%	40.73%
Top 20	18,397,300	46,210,453	210,233,003	91.07%	78.06%	81.96%	62.60%
Top 25	20,897,300	49,445,440	213,467,990	103.44%	88.67%	93.10%	80.96%
							77.19%
							98.91%
							97.39%

Top 1, 5, 10, 20 and 25 of all the holders of the H Shares of the Company upon Listing:

H Shareholders	Subscription	Subscription as % of International Offering	Subscription as % of total International Offering	Subscription as % of total H share capital upon Listing	% of total H share capital upon Listing	issued share capital upon Listing	% of total issued share capital upon Listing
		(assuming no exercise of the Over-allotment Option)	(assuming the Over-allotment Option is exercised in full)	(assuming no exercise of the Over-allotment Option)	(assuming the Over-allotment Option is exercised in full)	(assuming no exercise of the Over-allotment Option)	(assuming the Over-allotment Option is exercised in full)
Top 1	13,443,693	13,443,693	0.00%	0.00%	0.00%	22.15%	20.99%
Top 5	7,682,700	38,968,584	180,166,459	38.03%	32.60%	34.23%	64.21%
Top 10	12,707,400	48,390,625	193,599,006	62.90%	53.92%	49.23%	79.73%
Top 20	19,267,300	56,815,440	203,143,947	95.38%	81.75%	74.64%	93.62%
Top 25	21,872,300	59,420,440	206,331,725	108.27%	92.80%	97.44%	84.75%
							97.91%
							92.76%
							95.60%

In view of the high concentration of shareholding in a small number of H Shareholders, H Shareholders and prospective investors should be aware that the price of the H Shares could move substantially even with a small number of H Shares traded, and should exercise extreme caution when dealing in H Shares.