

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this notice, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this notice.



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)

NOTICE OF THE 2022 FIRST EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 2022 first extraordinary general meeting (the “**EGM**”) of Lepu Biopharma Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) will be held at Conference Room, Building 7, No. 37 Chaoqian Road, Changping District, Beijing, PRC on Friday, September 16, 2022 at 10:00 a.m. or at any adjustment thereof for the purpose of considering and, if thought fit, passing the following resolutions (with or without amendments). Unless otherwise indicated, capitalised terms used herein shall have the same meanings as ascribed to them in the circular dated September 1, 2022 issued by the Company (the “**Circular**”).

SPECIAL RESOLUTIONS

1. To consider and approve the proposed Issue of A Shares as follows (each and every item as a separate resolution):
 - 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 Latest Practicable Date, 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. The Issue of A Shares only involves issue of new Shares, and will not involve sale of Shares by existing Shareholders. 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).

- 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 will be valid for a period of 24 months from the date of approval at the EGM and the Class Meetings.
2. To consider and approve the authorization to the Board of Directors and persons authorized by it to fully handle the relevant 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 and persons authorized by it shall include without limitation:

- i. 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.
- ii. 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.
- iii. 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.
- iv. 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.
- v. 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.
- vi. 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.

- vii. 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.
- viii. 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.
- ix. The authorization to handle matters in relation to the opening of the depository account for the funds raised.
- x. 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.

- 3. To consider and approve the projects to be funded by the proceeds raised from the Issue of A Shares and feasibility analysis. The net proceeds raised by the Company from the proposed Issue of A Shares will be used for the following projects:

No.	Project Name	Proposed investment amount from proceeds raised (RMB)
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
Total		2,500,000,000

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 the self-financing with the proceeds raised from the Issue of A Shares.

If the net proceeds actually raised (after deducting the issuance expenses) cannot satisfy the funding needs for the projects, the Company will obtain funds from other financing channels, such as bank loans. If the proceeds raised from this issuance exceeds the capital requirements of the projects, the surplus amount will be used to supplement the Company's working capital needed in its principal business operation.

4. To consider and approve the Company's Share price stabilization plan and restraining measures within three years after the initial public offering of A Shares and listing on the Sci-Tech Board.
5. To consider and approve the Company's three-year dividend distribution plan for Shareholders after the initial public offering of A Shares and listing on the Sci-Tech Board.
6. To consider and approve the analysis on dilution on immediate return by the initial public offering of A Shares and recovery measures.
7. To consider and approve the undertakings and restraining measures relating to the Issue of A Shares and listing on the Sci-Tech Board.
8. To consider and approve the proposal for the vesting of accumulated profit distribution and the plan for undertaking unrecovered losses prior to the Issue of A Shares:

As of the Latest Practicable Date, the Company has no undistributed accumulated profit. If the Company has undistributed accumulated profit or unrecovered losses before the Issue of A Shares and listing on the Sci-Tech Board, then it is proposed that the new and existing Shareholders shall Share such profit or bear such losses in proportion to their respective shareholdings after the Issue of A Shares and listing on the Sci-Tech Board.

9. To consider and approve the use of proceeds raised in previous offering.
10. To consider and approve the proposed amendments to the Articles in respect of the Issue of A Shares.
11. To consider and confirm the related party transactions from January 1, 2019 to June 30, 2022.

ORDINARY RESOLUTIONS

12. To consider and approve the engagement of intermediaries, 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 proposed Issue of A Shares and listing on the Sci-Tech Board, and further authorizes the Board of Directors to determine the remunerations of such intermediaries.
13. To consider and approve the amendments to the “Rules of Procedures for the Meeting of Shareholders”;
14. To consider and approve the amendments to the “Rules of Procedures for the Meeting of Board of Directors”;
15. To consider and approve the amendments to the “Rules of Procedures for the Meeting of Supervisory Committee”;
16. To consider and approve the amendments to or adoption of the following internal governance policies:
 - (a) the “Management Policy for Raised Proceeds”;
 - (b) the “Terms of Reference for the independent non-executive Directors”;
 - (c) the “Management Policy for Related (Connected) Transactions”; and
 - (d) the “Management Policy for External Guarantees”.
17. To consider and approve the uncovered deficit of the Company amounting to more than one-third of the total Share capital of the Company:

As at December 31, 2021, the accumulated loss of the Company was RMB1,642,437,852.85 and the total Share capital of the Company was RMB1,531,669,838.

By order of the Board
Lepu Biopharma Co., Ltd.
Dr. Pu Zhongjie

Chairman of the Board and Executive Director

Shanghai, the PRC
September 1, 2022

Notes:

1. All resolutions at the EGM will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Listing Rules. The results of the poll will be published on the websites of the Company at www.lepubiopharma.com and Stock Exchange at www.hkexnews.hk after the EGM.
2. Any Shareholder entitled to attend and vote at the EGM convened by the above notice is entitled to appoint one or more proxies to attend and vote instead of him/her. A proxy need not be a Shareholder of the Company.
3. **In view of the ongoing COVID-19 pandemic, the Company strongly recommends Shareholders of the Company to exercise your voting rights by appointing the chairman of the EGM as your proxy to vote on the relevant resolution(s) at the EGM as an alternative to attending the EGM in person.**
4. In order to be valid, the instrument appointing a proxy together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power of attorney or authority, must be completed and returned to the Company's headquarters and registered office in the PRC (for Domestic Shareholders) or the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for H Shareholders), at least 24 hours before the EGM (i.e. not later than 10:00 a.m. on Thursday, September 15, 2022) or any adjourned meeting thereof. Completion and return of the form of proxy will not preclude a Shareholder from attending and voting at the EGM or any adjourned meeting thereof should he/she so wish and in such event the forms of proxy shall be deemed to be revoked.
5. As disclosed in the announcement of the Company dated August 1, 2022, for the purpose of determining the list of H Shareholders who are entitled to attend the EGM, the H Share register of members of the Company 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.
6. Where there are joint registered holders of any Share, any one of such joint holders may vote, either in person or by proxy, in respect of such Share as if he/she was solely entitled thereto, but if more than one of such joint holders are present at the EGM, whether in person or by proxy, the joint registered holder present whose name stands first on the register of members of the Company in respect of the Shares shall alone be entitled to vote in respect thereof.
7. A Shareholder or his/her proxy should produce proof of identity when attending the EGM.
8. Shareholders who attend the meeting in person or by proxy shall bear their own travelling and accommodation expenses.

As at the date of this notice, the Board comprises Dr. Pu Zhongjie (Chairman), Dr. Sui Ziye (Chief Executive Officer) and Dr. Hu Chaohong (Co-Chief Executive Officer) as executive Directors; 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.