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If you are in doubt about this circular, you should consult your stockbroker, other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your Shares in Lepu Biopharma Co., Ltd., you should at once hand this circular together with the enclosed form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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

**PROPOSED EXTENSION OF THE VALIDITY PERIOD OF THE
RESOLUTIONS CONCERNING THE PROPOSED ISSUE OF
A SHARES AND LISTING ON THE SCI-TECH BOARD,
PROPOSED EXTENSION OF THE VALIDITY PERIOD OF THE
RESOLUTION AUTHORIZING THE BOARD OF DIRECTORS AND
PERSONS AUTHORIZED BY IT TO FULLY HANDLE THE
RELEVANT MATTERS IN CONNECTION WITH THE ISSUE OF
A SHARES AND LISTING ON THE SCI-TECH BOARD
AND
NOTICE OF EGM**

Notice convening the EGM of Lepu Biopharma Co., Ltd. to be held at Conference Room, Building 7, No. 37 Chaoqian Road, Changping District, Beijing, the PRC on Friday, August 25, 2023 at 11:30 a.m. is set out in this circular. A form of proxy for use at the EGM is also enclosed. Such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.lepubiopharma.com).

Shareholders who intend to appoint a proxy to attend the EGM shall complete and return the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's Share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for H Shareholders) or the Company's registered office in the PRC at No. 651, Lianheng Road, Minhang District, Shanghai, the PRC (for Domestic Shareholders) as soon as possible but in any event not less than 24 hours before the time fixed for holding the EGM (i.e., not later than 11:30 a.m. on Thursday, August 24, 2023) or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the EGM if they so wish and in such event the form of proxy shall be deemed to be revoked.

August 9, 2023

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	4
APPENDIX I – RESOLUTIONS CONCERNING THE PROPOSED ISSUE OF A SHARES AND LISTING ON THE SCI-TECH BOARD	I-1
APPENDIX II – RESOLUTION AUTHORIZING THE BOARD OF DIRECTORS AND PERSONS AUTHORIZED BY IT TO FULLY HANDLE THE RELEVANT MATTERS IN CONNECTION WITH THE ISSUE OF A SHARES AND LISTING ON THE SCI-TECH BOARD	II-1
NOTICE OF THE 2023 FIRST EXTRAORDINARY GENERAL MEETING	N-1

DEFINITIONS

In this circular, the following expressions shall have the meanings set out below unless the context requires otherwise:

“2022 First Class Meetings”	the 2022 first class meeting of H Shareholders and the 2022 first class meeting of Domestic Shareholders of the Company, both held on September 23, 2022
“2022 First EGM”	the 2022 first extraordinary general meeting of the Company held on September 23, 2022
“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 of Association”	the articles of association of the Company, as amended from time to time
“Authorization concerning the Issue of A Shares”	the granting of authorization by the 2022 First EGM and the 2022 First Class Meetings of the Company held on September 23, 2022 to the Board and persons authorized by it to fully handle the specific matters in relation to the Issue of A Shares
“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 circular, excluding the regions of Hong Kong, Macao Special Administrative Region of the People’s Republic of China and Taiwan
“close associate(s)”, “core connected person(s)”, “connected person(s)”, “controlling shareholder(s)”, and “subsidiary(ies)”	each has the meaning ascribed to it under the Listing Rules
“Company”	Lepu Biopharma Co., Ltd. (樂普生物科技股份有限公司), a joint stock company incorporated in the PRC with limited liability, the H Shares of which are listed on the Stock Exchange (Stock code: 2157)
“Controlling Shareholder”	unless the context otherwise requires, refers to Dr. Pu Zhongjie

DEFINITIONS

“CSRC”	China Securities Regulatory Commission (中國證券監督管理委員會)
“Director(s)”	the director(s) of the Company
“Domestic Shareholder(s)”	holders of the Domestic Shares
“Domestic Shares”	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 RMB and are unlisted shares which are currently not listed or traded on any stock exchange
“EGM” or “Extraordinary General Meeting”	the 2023 first extraordinary general meeting of the Company to be held on August 25, 2023
“Global Offering”	the offer of the H Shares for subscription as described in the Prospectus
“Group”	the Company and its subsidiaries from time to time
“H Share(s)”	overseas listed foreign invested ordinary share(s) in the ordinary share capital of the Company, with a nominal value of RMB1.00 each, listed on the Main Board of the Stock Exchange
“H Shareholder(s)”	holders of the H Shares
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Dollars” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“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 8, 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time

DEFINITIONS

“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“Sci-Tech Board”	the Sci-Tech Innovation Board of the Shanghai Stock Exchange
“Shanghai Stock Exchange”	the Shanghai Stock Exchange (上海證券交易所)
“Share(s)”	share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, comprising the Domestic Shares and H Shares
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	the supervisor(s) of the Company

LETTER FROM THE BOARD



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)

Executive Directors:

Dr. Pu Zhongjie (蒲忠傑) (Chairman)
Dr. Sui Ziyue (隋滋野) (Chief Executive Officer)
Dr. Hu Chaohong (胡朝紅)
(Co-Chief Executive Officer)

*Head Office and Principal Place
of Business in the PRC:*
No. 651, Lianheng Road
Minhang District, Shanghai
PRC

Non-executive Directors:

Mr. Lin Xianghong (林向紅)
Mr. Yang Hongbing (楊紅冰)
Ms. Pu Jue (蒲珺)

*Principal Place of Business
in Hong Kong:*
5/F, Manulife Place
348 Kwun Tong Road
Kowloon
Hong Kong

Independent Non-executive Directors:

Mr. Zhou Demin (周德敏)
Mr. Yang Haifeng (楊海峰)
Mr. Fengmao Hua (華風茂)

August 9, 2023

To the Shareholders:

Dear Sir/Madam,

**PROPOSED EXTENSION OF THE VALIDITY PERIOD OF THE
RESOLUTIONS CONCERNING THE PROPOSED ISSUE OF
A SHARES AND LISTING ON THE SCI-TECH BOARD,
PROPOSED EXTENSION OF THE VALIDITY PERIOD OF THE
RESOLUTION AUTHORIZING THE BOARD OF DIRECTORS AND PERSONS
AUTHORIZED BY IT TO FULLY HANDLE THE RELEVANT
MATTERS IN CONNECTION WITH THE ISSUE OF A SHARES AND
LISTING ON THE SCI-TECH BOARD
AND
NOTICE OF THE EXTRAORDINARY GENERAL MEETING**

I. INTRODUCTION

Reference is made to the announcement of the Company dated July 11, 2023 in relation to the proposed extension of the validity period of the resolutions concerning the proposed Issue of A Shares and listing on the Sci-Tech Board, and the proposed extension of the validity period of the resolution authorizing the Board of Directors and persons authorized by it to fully handle the relevant matters in connection with the Issue of A shares and listing on the Sci-Tech Board.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with, among other things, (i) further details of the proposed extension of the validity period of the resolutions concerning the proposed Issue of A Shares and listing on the Sci-Tech Board, and the proposed extension of the validity period of the resolution authorizing the Board of Directors and persons authorized by it to fully handle the relevant matters in connection with the Issue of A shares and listing on the Sci-Tech Board, (ii) a letter from the Board containing its opinion and recommendations to the Shareholders in respect of the aforementioned matters, (iii) the notice of the EGM and (iv) other information reasonably necessary to enable you to make an informed decision on whether to vote for or against the proposed resolutions at the EGM.

II. DETAILS OF THE RESOLUTIONS

On September 23, 2022, the 2022 First EGM and the 2022 First Class Meetings:

- (i) considered and individually approved the “Resolutions concerning the Proposed Issue of A Shares and listing on the Sci-Tech Board” (the resolutions include resolution nos. 1(i) to 1(x) passed at the 2022 First EGM, resolution nos. 1(i) to 1(x) passed at the 2022 First Class Meeting of H Shareholders and resolution nos. 1(i) to 1(x) passed at the 2022 First Class Meeting of Domestic Shareholders. Further details of the resolutions are set out in the circular of the Company dated September 1, 2022 and the supplemental circular of the Company dated September 8, 2022); and
- (ii) considered and approved the “Resolution authorizing the Board of Directors and persons authorized by it to fully handle the relevant matters in connection with the Issue of A Shares and listing on the Sci-Tech Board”.

The validity period of the aforementioned Shareholders’ resolutions (the “**Resolutions**”) and authorizations to the Board of Directors will expire on September 22, 2023. As the Company has been actively preparing for its application for the A Share listing as at the Latest Practicable Date, in order to ensure continuity and effectiveness of the matters in connection with the proposed A Share listing, the Company intends to propose the extension of:

- (i) the validity period of the resolutions in relation to the proposed Issue of A Shares and listing on the Sci-Tech Board considered and approved at the 2022 First EGM and the 2022 First Class Meetings for further 12 months from the date of approval at the EGM; and
- (ii) the validity period of the resolution authorizing the Board of Directors and persons authorized by it to fully handle the relevant matters in connection with the Issue of A Shares and listing on the Sci-Tech Board for further 12 months from the date of approval at the EGM ((i) and (ii) together, the “**Extension Resolutions**”).

LETTER FROM THE BOARD

Save and except for the validity period of the resolutions and the authorization to the Board of Directors in respect of the proposed Issue of A Shares, the other relevant contents in relation to, among others, the proposed Issue of A Shares and the listing on the Sci-Tech Board remain unchanged. For more details, please refer to the Appendices I to II of this circular.

Other information for the Proposed Issue of A Shares

Benefits and reasons for the Issue of A Shares

As disclosed in the circular of the Company dated September 1, 2022, the Directors consider that the Issue of A Shares and listing on the Sci-Tech Board are in the interests of the Company and its Shareholders as a whole, given it would, among other things, provide the Company with additional liquidity, enhance the reputation and influence of the Company by achieving listing statuses on both the PRC and Hong Kong stock markets, and enable the Company to maintain and optimize its corporate governance in its management structures and internal governance policies and continue to ensure effective accountability.

As disclosed above, given the validity period of the Resolutions and authorization in respect of the Issue of A Shares and listing on the Sci-Tech Board will expire on September 22, 2023, while the Company is still actively pursuing and preparing for its A Share listing application considering the benefits of an A Share listing as aforementioned, the Company intends to extend the validity period for the Resolutions and authorization to the Board of Directors in order to ensure smooth and effective continuation of the Company's A Share listing plan. The proposed extension of the validity period of the Resolutions and authorization in respect of the Issue of A Shares and listing on the Sci-Tech Board does not have any material adverse impact on the Company. The Company is of the view that it is appropriate and in the interests of the Company and the Shareholders as a whole to extend the validity period of the Resolutions and the authorization to the Board of Directors as proposed in the Extension Resolutions.

LETTER FROM THE BOARD

Effect of the Issue of A Shares on the shareholding structure of the Company

Assuming that a total of 414,861,209 new A Shares are to be issued, the shareholding structure of the Company as at the Latest Practicable Date and immediately after the completion of the Issue of A Shares is as follows (assuming there is no other change in the Share capital of the Company from the Latest Practicable Date up to and including the date of completion of the Issue of A Shares):

	As at the date of this circular	Immediately after the completion of the Issue of A Shares
Controlling Shareholder		
(1) Domestic Shares	–	–
(2) H Shares	658,591,549	658,591,549
(3) A Shares to be converted from Domestic Shares	–	–
subtotal	658,591,549	658,591,549
	(39.69% of the total issued Shares)	(31.75% of the total issued Shares)
Other Shareholders		
(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
New A Shares proposed to be issued	–	414,861,209
Total	1,659,444,838	2,074,306,047

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 that the minimum

LETTER FROM THE BOARD

percentage of listed securities as prescribed by Rule 8.08(1) of the Listing Rules is 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.

Update of the Company's A Shares listing plan

On September 1, 2022 and September 8, 2022, the Board resolved to approve the relevant proposals of the Company on the Issue of A Shares. The relevant proposals in relation to the Issue of A Shares were considered and approved at the 2022 First EGM and the 2022 First Class Meetings convened on September 23, 2022.

Since the last approval by the Shareholders of the relevant proposals in relation to the Issue of A Shares, the Company has been working with the professional intermediaries engaged for the purpose of the proposed Issue of A Shares, including the sponsor/lead underwriter, its legal adviser and auditor, to conduct due diligence on the Company and its business and to prepare and update the relevant application material and prospectus. On December 21, 2022, the Shanghai branch of the CSRC issued a letter stating that it has completed the checking and verification procedure of the tutoring work of the sponsor/lead underwriter in respect of the proposed Issue of A Shares. As of the date of this circular, the Company is preparing its application material, including its A Share prospectus, in respect of the Issue of A Shares to be submitted to the Shanghai Stock Exchange.

As at the Latest Practicable Date, the Company's plans and key future milestones for the Issue of A Shares are as below:

- The Company expects to make an application to the Shanghai Stock Exchange as soon as practicable, after which it will receive a notice of acceptance issued by the Shanghai Stock Exchange to the Company and a copy of the prospectus of the Issue of A Shares (the "**A Share Prospectus**") will be published on the website of the Review and Approval of the Issuance of Listing of Stocks on the Sci-Tech Innovation Board of the Shanghai Stock Exchange (上海證券交易所科創板股票發行上市審核網站) at kcb.sse.com.cn for preliminary publication.
- The Shanghai Stock Exchange will raise questions to the Company by way of inquiry letter(s) and the Company will then provide written responses accordingly (the "**Q&A**"). The length of time incurred for the Q&A generally depend on the number of questions the Shanghai Stock Exchange may have and whether the Company can properly address their concerns. Generally speaking, the Q&A is estimated to be completed within six months after the Shanghai Stock Exchange accepts the application.

LETTER FROM THE BOARD

- Upon completion of the Q&A, the Shanghai Stock Exchange will arrange a review meeting (the “**Meeting**”) with its listing committee (the “**Listing Committee**”). The Company and representatives from the sponsor for the proposed A Share listing will attend the Meeting and response to the Listing Committee.
- After the Meeting and upon the approval by the Listing Committee, the Shanghai Stock Exchange will submit an application to the CSRC for registration of the A Shares.
- Upon the completion of the registration of the Shares with the CSRC, the Company will arrange for the issuance of the A Shares. The major steps involved in the issuance of the A Shares include performing roadshow(s), determining strategic allotment if needed, offline placement and online subscription, determining whether or not to adopt an over-allotment option, etc., after which the process of the issuance of the A Shares will be completed.
- The Company will then determine the listing date of the A Shares. The existing Domestic Shares in issue of the Company will be converted into A Shares on the listing date of the A Shares.

The Company’s plans and key future milestones for the Issue of A Shares above are based on the best estimation of the Company, and may be subject to further changes based on regulatory developments, market conditions and development of the Company.

Special resolutions will be proposed at the EGM by the Board of Directors to consider and approve the extension of the validity period of (i) the Resolutions concerning the proposed Issue of A Shares and listing on the Sci-Tech Board and (ii) the Resolution authorizing the Board of Directors and persons authorized by it to fully handle the relevant matters in connection with the Issue of A Shares and listing on the Sci-Tech Board, for further 12 months from the date of approval at the EGM.

III. THE EGM

The EGM will be held at Conference Room, Building 7, No. 37 Chaoqian Road, Changping District, Beijing, PRC on Friday, August 25, 2023 at 11:30 a.m.. Notice convening the EGM is set out on pages N-1 to N-2 of this circular and is available on the websites of the Stock Exchange (www.hkexnews.hk) and of the Company (www.lepubiopharma.com).

IV. CLOSURE OF REGISTER OF MEMBERS

As disclosed in the announcement of the Company dated July 11, 2023, for the purpose of determining the H Shareholders who are entitled to attend and vote at the EGM, the register of members of H Shares will be closed from Wednesday, July 26, 2023 to Friday, August 25, 2023 (both days inclusive), during which period no transfer of H Shares will be registered.

LETTER FROM THE BOARD

V. PROXY ARRANGEMENT

The form of proxy of the EGM is published on the websites of the Stock Exchange and the Company.

If you intend to appoint a proxy to attend the EGM, you are required to complete and return the accompanying form of proxy in accordance with the instructions printed thereon. For H Shareholders, the form of proxy should be returned to the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong; and for holders of Domestic Shareholders, the form of proxy should be returned to the Company's principal place of office in the PRC, at No. 651, Lianheng Road, Minhang District, Shanghai, PRC, by personal delivery or by post, not less than 24 hours before the time fixed for holding the EGM (i.e. not later than 11:30 a.m. on Thursday, August 24, 2023) or any adjourned meeting thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or at any other adjourned meeting should you so wish and in such event the form of proxy shall be deemed to be revoked.

VI. VOTING BY POLL

Any vote of Shareholders at the EGM must be taken by poll except where the chairman of the EGM, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The Company shall publish the poll results announcement in the manner prescribed under Rule 13.39(5) of the Listing Rules. Accordingly, the chairman of the EGM will exercise his power under the Articles of Association to demand a poll in relation to all the proposed resolutions at the EGM.

To the best of the Directors' knowledge, information and belief, none of the Shareholders are required to abstain from voting at the EGM on the Extension Resolutions.

VII. RECOMMENDATION

The Board considers that the Extension Resolutions are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favor of the special resolutions as set out in the notice of the EGM.

Yours faithfully,

By order of the Board

Lepu Biopharma Co., Ltd.

Dr. Pu Zhongjie

Chairman of the Board and Executive Director

The Resolutions concerning the proposed Issue of A Shares and listing on the Sci-Tech Board were considered and approved at the 2022 First EGM and the 2022 First Class Meetings of the Company held on September 23, 2022. Details of the proposed Issue of A Shares are as follows:

- (1) Class of new Shares to be issued

RMB ordinary Shares (A Shares).

- (2) Nominal value of new Shares to be issued

RMB1.00 each.

- (3) Issue size

The number of A Shares proposed to be issued will not exceed 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 circular, 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 granted at the 2022 First EGM and 2022 First Class Meetings and be subject to final number of A Shares registered by the CSRC.

- (4) 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.

(5) 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 December 31, 2022, the net asset value per Share of the Company was RMB0.54. 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.

(6) 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.

(7) Method of underwriting

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

(8) Use of proceeds

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

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

Notes:

- (1) With respect to the funding of the R&D of the Group's new products, the application of proceeds from the proposed Issue of A Shares for the R&D of new drug products will be differentiated from that of the proceeds raised in Global Offering. The proceeds will be used primarily for the R&D in support of:
- (i) the phase I/II and registrational clinical trials, pharmacological studies and products registration of our ADC drug candidates (including, among others, MRG002, which is an innovative ADC targeting HER2, and MRG003, being an ADC comprised of an EGFR-targeted mAb conjugated with the potent microtubulin disrupting payload MMAE via a vc linker), and our PD-1 drug candidate (i.e. HX008, which is a humanized antagonist mAb (monoclonal antibody, an antibody generated by identical cells that are all clones of the same parent cell) to human PD-1). While the Company intends to apply both the proceeds raised in Global Offering and the proceeds from the proposed Issue of A Shares to fund the clinical development of its Core Products, the Company intends to use the proceeds from the proposed Issue of A Shares to fund the clinical development of these Core Products for clinical trials in different phases and targeting different indications;
 - (ii) the phase I/II clinical trials for other key clinical-stage drug candidates such as MRG001, MRG004A, CMG901 and CG0070. While the proceeds raised in the Global Offering is primarily used to fund into the clinical development of the Core Products, the Company has intended to apply a bigger portion of the proceeds from the proposed Issue of A Shares to fund the other key innovative clinical-stage drug candidates; and
 - (iii) the pre-clinical development of innovative drug candidates which the Company has observed significant potential as the Company's pipeline candidates.

The Company plans to use the proceeds from the proposed Issue of A Shares to fund the above R&D projects in around the next four to five years, taking into account the period of time required to complete the vetting and approval process of the A Share Offering. The proceeds from the Global Offering and the proposed Issue of A Shares are complementary to one another and will be utilized to satisfy its short-term and long-term funding needs.

- (2) The proceeds will be used to fund the building of the manufacturing facilities in the Shanghai Biotech Park (上海生物園) situated in Shanghai Xinzhuang Industrial Zone, Minhang District, Shanghai Pujiang Park, which has a designated total capacity of 12,000L and is designated to support the commercial manufacturing of mAb products in the future.

The Company plans to use the proceeds from the proposed Issue of A Shares to fund the above production base establishment project in around the next four to five years.

- (3) We plan to utilize the proceeds to (i) establish and expand our sales and marketing team dedicated to the commercialization of our pipeline products; (ii) expand our sales network by clinical trial cooperation and other academic activities; and (iii) engagement in academic promotion, marketing and commercialization of our pipeline products.

The Company plans to use the proceeds from the proposed Issue of A Shares to fund the above sales and marketing activities in around the next four to five years.

One of the reasons for conducting the Issue of A Shares is to provide the Company with another financing channel to obtain long-term financing to support its ongoing research and development activities and future commercialization of its pipeline products, and the Group's development and operations in the long-run. On the contrary, the Issue of A Shares is not for the purpose of addressing any imminent need for liquidity by the Company, as the Issue of Shares is not expected to complete before June 2024 and is further subject to the approvals of the CSRC and the Shanghai Stock Exchange, the market condition and other uncertainties.

Without the proceeds from the Issue of A Shares, the Company may need to finance its investment proceeds with cash balance and cash from operating activities through future commercialization of the Group's pipeline products and bank borrowings, and thereby reducing the cashflow available and/or increasing the gearing ratio of the Company.

The proceeds from the Issue A Shares may be used to replace the self-financing fund invested in the projects in the previous stages and to pay the outstanding balance of the project in accordance with the requirements and procedures of relevant laws, regulations and regulatory documents. The Board considers that the extra proceeds raised from the Issue of Shares will enable the Group to maintain flexibility as to its general working capital and avoid creating financial burden to the Group.

In estimating the proceeds to be raised from the Issue of A Shares, the Board has considered, apart from the net proceeds from the Listing, the total funding requirements of the Group's investment projects, the proposed offering percentage, the recent market capitalization of the Company and the future capital market trends. The expected amount of proceeds is not indicative of the issue price. The pricing of the Issue of A Shares will be determined in the issuance process by the Company and the lead underwriter on the basis of the results of the enquiry from the price consultation participants.

(9) Place of listing

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

(10) Validity period of the resolutions

The validity of the resolutions in respect of the proposed Issue of A Shares will be extended for a period of 12 months from the date of approval at the EGM.

**APPENDIX II RESOLUTION AUTHORIZING THE BOARD OF DIRECTORS AND PERSONS
AUTHORIZED BY IT TO FULLY HANDLE THE RELEVANT MATTERS IN
CONNECTION WITH THE ISSUE OF A SHARES AND LISTING ON THE SCI-TECH BOARD**

The authorization concerning the Issue of A Shares and listing on the Sci-Tech Board were considered and approved at the 2022 First EGM and the 2022 First Class Meetings held on September 23, 2022.

In order to ensure the smooth progress of the relevant matters relating to the Company's Issue of A Shares and listing, the 2022 First EGM and the 2022 First Class Meetings were conveyed on September 23, 2022 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 listing on the Sci-Tech Board. The authorization proposed to be granted to the Board shall include and without limitation:

- (a) 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 2022 First EGM and 2022 First Class Meetings conveyed on September 23, 2022.
- (b) 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.
- (c) 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.
- (d) 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.
- (e) 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.

- (f) 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.
- (g) 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.
- (h) 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.
- (i) The authorization to handle matters in relation to the opening of the depository account for the funds raised.
- (j) To the extent permitted by relevant laws, regulations, requirements of relevant securities regulatory authorities and resolutions of the 2022 First EGM and 2022 First Class Meetings held on September 23, 2022, the handling of other matters considered to be necessary for the Issue of A Shares and listing on the Sci-Tech Board.

The validity of the authorization concerning the Issue of A Shares will extended for a period of 12 months from the date of approval at the EGM.

NOTICE OF THE 2023 FIRST EXTRAORDINARY GENERAL MEETING



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 2023 FIRST EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 2023 first extraordinary general meeting (the “EGM”) of Lepu Biopharma Co., Ltd. (the “**Company**”) will be held at Conference Room, Building 7, No. 37 Chaoqian Road, Changping District, Beijing, PRC on Friday, August 25, 2023 at 11:30 a.m. for the following purposes:

SPECIAL RESOLUTIONS

1. To consider and approve the proposed extension of the validity period of the resolutions in relation to the proposed Issue of A Shares and listing on the Sci-Tech Board for further 12 months.
2. To consider and approve the proposed extension of the validity period of the resolution authorizing the Board of Directors and persons authorized by it to fully handle the relevant matters in connection with the Issue of A Shares and listing on the Sci-Tech Board for further 12 months.

Details of the above resolutions are set out in the circular of the Company to be published on August 9, 2023 in relation to the EGM. Unless otherwise indicated, capitalized terms used in this notice shall have the same meanings as those defined in the circular.

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

Chairman of the Board and Executive Director

Shanghai, the PRC
August 9, 2023

NOTICE OF THE 2023 FIRST EXTRAORDINARY GENERAL MEETING

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 Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The results of the poll will be published on the websites of the Company at www.lepubiopharma.com and Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk respectively 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 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 head office and principal place of business in the PRC, at No. 651, Lianheng Road, Minhang District, Shanghai, PRC (for holders of Domestic Shares) or the H Share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H Shares), at least 24 hours before the EGM (i.e. before 11:30 a.m. on Thursday, August 24, 2023) 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.
4. For the purpose of determining the list of shareholders who are entitled to attend the EGM, the register of members of the Company will be closed from Wednesday, July 26, 2023 to Friday, August 25, 2023, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the EGM, unregistered holders of the shares shall ensure all properly completed transfer documents accompanied by the relevant share certificates must be lodged with the Company's H share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Tuesday, July 25, 2023 for registration.
5. In case of joint shareholders, the vote of the senior joint shareholder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint shareholder(s) and for this purpose, seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the joint shareholding.
6. Shareholders who attend the meeting in person or by proxy shall bear their own travelling and accommodation expenses.
7. A shareholder or his/her proxy should produce proof of identity when attending the EGM.
8. References to date and time in this notice are to Hong Kong dates and time.
9. If the EGM is seriously affected by a typhoon or bad weather condition, the Company will post an announcement on the website of the Stock Exchange (www.hkexnews.hk) to notify Shareholders of the date, time and place of the rescheduled meeting. The meeting may still be held as scheduled during a typhoon or bad weather condition. Shareholders of the Company should decide on their own whether they would attend the meeting under bad weather condition bearing in mind their own situations.

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; Mr. Lin Xianghong, Mr. Yang Hongbing and Ms. Pu Jue, as non-executive Directors; and Mr. Zhou Demin, Mr. Yang Haifeng and Mr. Fengmao Hua as independent non-executive Directors.