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EVERPRIDE BIOPHARMACEUTICAL COMPANY LIMITED

中遠威生物製藥有限公司*

(Incorporated in the Cayman Islands with limited liability)

LISTING ON THE GROWTH ENTERPRISE MARKET OF THE STOCK EXCHANGE OF HONG KONG LIMITED

NEW ISSUE AND OFFER FOR SALE BY WAY OF PLACING

**Number of Placing Shares : 150,000,000 comprising
140,000,000 New Shares and
10,000,000 Sale Shares,
subject to Over-allotment Option**

Offer Price : HK\$0.495 per Share

Nominal value : HK\$0.10 each

GEM stock code : 8019

Sponsor and Lead Manager



DBS ASIA CAPITAL LIMITED

Co-Managers

CAF Securities Company Limited

Sinpac Securities (Hong Kong) Co., Limited

Vickers Ballas Capital Limited

SBI E2-Capital Securities Limited

South China Securities Limited

Unless the context requires otherwise, capitalised terms used in this announcement shall have the same meanings as those defined in the prospectus of Everpride Biopharmaceutical Company Limited (the “Company”) dated 16 July, 2001 (the “Prospectus”).

Summary

- The Offer Price is HK\$0.495 per Placing Share.
- Under the Placing, an aggregate of 150,000,000 Placing Shares were initially offered, which received indication of interest of approximately 17.78 times subscription from institutional, professional and individual investors. In connection with the Placing, DBS Asia has conditionally over-allocated 22,500,000 Shares to such investors.
- The Company has granted DBS Asia an Over-allotment Option, exercisable on behalf of the Underwriters, to require the Company to issue an aggregate of 22,500,000 additional New Shares at the Offer Price.
- Immediately following the Placing and the Capitalisation Issue and assuming the Over-allotment Option is not exercised, the Company will have a public float of 25 per cent. In the event that the Over-allotment Option is exercised in full, the public float will increase to approximately 27.71 per cent.
- Dealings in the Shares on GEM are expected to commence at 10:00 a.m. on Friday, 20 July, 2001.

Offer Price

The Offer Price is HK\$0.495 per Placing Share.

Level of interest

Under the Placing, an aggregate of 150,000,000 Placing Shares were initially offered, which received indication of interest of approximately 17.78 times subscription from institutional, professional and individual investors. In connection with the Placing, DBS Asia has conditionally over-allocated 22,500,000 Shares to such investors. To facilitate the settlement of the above 22,500,000 Shares, DBS Asia has entered into an agreement with Montgomery Property and Mr. Chung Chi Mang (as the sole shareholder of Montgomery Property) to borrow from Montgomery Property 22,500,000 Shares. As mentioned in the Prospectus, DBS Asia may cover such over-allocations by means of exercising the Over-allotment Option or making open-market purchases in the secondary market. In the event that DBS Asia chooses to exercise the Over-allotment Option, the Company will make a separate announcement.

Results of Allocations

Pursuant to the Placing, a total of 172,500,000 Shares have been placed to a total of 269 placees. Details of distribution are as follow:—

Number of Shares	Number of Placees
5,000–20,000	59
20,001–50,000	44
50,001–100,000	38
100,001–200,000	41
200,001–500,000	35
500,001–1,000,000	15
1,000,001–2,000,000	13
2,000,001–5,000,000	18
5,000,001–10,000,000	5
<u>10,000,001 or above</u>	<u>1</u>
<u>172,500,000</u>	Total number of Placees: <u>269</u>

Of the above Placing Shares, a total of 66,600,000 Placing Shares, representing approximately 44.4 per cent. of the 150,000,000 initial Placing Shares and approximately 38.6 per cent. of the 172,500,000 Placing Shares in the event that the Over-allotment Option is exercised in full, have been placed to the top ten placees who are independent of and not connected with any of the Directors, chief executives, substantial shareholders of the Company or Initial Management Shareholders or their respective associates.

To the knowledge of DBS Asia and the Directors, except for 10,000 Placing Shares which have been placed to a wholly-owned subsidiary of Phillip Securities (HK) Limited, which is a distributor of the Placing, no Placing Shares have been placed to any party or group of persons specified under Rule 10.12(4) of the GEM Listing Rules.

The investors should be aware that the concentration of shareholders might affect the liquidity of the Shares in the secondary market. Consequently, the shareholders and potential investors are advised to exercise extreme caution in dealing with the Shares.

Public Float

According to the GEM Listing Rules, the Company is required to maintain a public float of not less than 20 per cent. of its issued share capital at all times following the listing. Immediately following the Placing and the Capitalisation Issue and assuming the Over-allotment Option is not exercised, the Company will have a public float of 25 per cent.

The Company has granted the Over-allotment Option to DBS Asia (on behalf of the Underwriters) exercisable from time to time within 30 days from the date of the Prospectus to require the Company to allot and issue up to an aggregate of 22,500,000 additional Shares, representing 15 per cent. of the number of the Shares initially being offered under the Placing. DBS Asia has no present intention to exercise the Over-allotment Option. If,

however, the Over-allotment Option is exercised in full, the public float of the Company will increase to approximately 27.71 per cent. of the enlarged issued share capital of the Company.

Deposit of Share Certificates into CCASS

Share certificates in respect of the Placing Shares have been issued in the name of HKSCC Nominees Limited and deposited into CCASS for credit to the respective CCASS participants' stock accounts designated by the placees.

Commencement of Dealings

Dealings in the Shares on GEM are expected to commence on 10:00 a.m. on Friday, 20 July, 2001.

By order of the Board
Everpride Biopharmaceutical Company Limited
Chung Chi Mang
Chairman

Hong Kong, 19 July, 2001

* *For identification purpose only*

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement and a copy of the Prospectus will remain on the GEM website at <http://www.hkgem.com> from the date of posting.