

ANNOUNCEMENT OF OFFER PRICE AND ALLOTMENT RESULTS

SUMMARY

OFFER PRICE AND NET PROCEEDS FROM THE GLOBAL OFFERING

- The Offer Price has been determined at HK\$6.55 per Offer Share (exclusive of brokerage of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%).
- Based on the Offer Price of HK\$6.55 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 and assuming that the Over-allotment Option is not exercised, are estimated to be approximately HK\$511.4 million. The Company intends to apply such net proceeds in accordance with the purposes as set out in the section headed “Net Proceeds from the Global Offering” in this announcement.
- If the Over-allotment Option is exercised to cover over-allocation in the International Offering, the net proceeds from the Global Offering to be received by the Company are estimated to be approximately HK\$542.7 million.

APPLICATIONS AND INDICATIONS OF INTEREST RECEIVED

- The Hong Kong Offer Shares initially offered under the Hong Kong Public Offering have been significantly over-subscribed. A total of 26,398 valid applications have been received pursuant to the Hong Kong Public Offering on **WHITE** and **YELLOW** Application Forms and through giving **electronic application instructions** to HKSCC via CCASS and under the **HK eIPO White Form** service (www.hkeipo.hk) for a total of 116,560,400 Hong Kong Offer Shares, representing approximately 12.95 times of the total number of 9,000,000 Hong Kong Offer 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, the reallocation procedure as disclosed in the section headed “Structure of the Global Offering – The Hong Kong Public Offering – Reallocation” in the Prospectus was not applied. The final number of Offer Shares under the Hong Kong Public Offering is 9,000,000 Offer Shares, representing 10% of the total number of the Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option).

INTERNATIONAL OFFERING

- The Offer Shares initially offered under the International Offering have been moderately over-subscribed. The total number of placees under the International Offering is 127. The final number of Offer Shares allocated to the placees under the International Offering comprises 81,000,000 Offer Shares, representing 90% of the total number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option). A total of 19 placees have been allotted two board lots of Offer Shares or less, representing 14.96% of the total number of placees under the International Offering. These placees have been allotted approximately 0.02% of the Offer Shares under the International Offering (assuming that the Over-allotment Option is not exercised).

Cornerstone Investors

- Based on the Offer Price of HK\$6.55 per Offer Share, and pursuant to the Cornerstone Investment Agreements with the Cornerstone Investors, each of (i) Centerlab, (ii) Vivo Capital (namely, Vivo Capital Fund VIII, L.P., and Vivo Capital Surplus Fund VIII, L.P.), and (iii) Nien Hsing BVI has subscribed for 5,982,000 Offer Shares, 11,964,400 Offer Shares (in aggregate), and 5,982,000 Offer Shares respectively, totaling 23,928,400 Offer Shares, representing in aggregate (a) approximately 4.20% of the Company's issued share capital immediately upon completion of the Global Offering and (b) approximately 26.59% of the number of Offer Shares under the Global Offering, in each case assuming the Over-allotment Option is not exercised. Please refer to the section headed "Cornerstone Investors" in the Prospectus for further details relating to the Cornerstone Investors.
- We have applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements under Rules 9.09 and 10.04 of, and a consent under paragraph 5(2) of Appendix 6 to, the Listing Rules, to permit Centerlab and Vivo Capital, who are existing shareholders of the Company to participate as cornerstone investors in the Global Offering.
- To the best knowledge of the Company, except for Centerlab and Vivo Capital, each of the Cornerstone Investors is an independent of the Company, connected persons of the Company and their respective associates, and is not an existing Shareholder or its close associate. The Offer Shares subscribed for by the Cornerstone Investors will rank pari passu in all respects with the other fully paid Shares in issue. Immediately following the completion of the Global Offering, save for Vivo Capital, the Cornerstone Investors will not have any board representation in our Company, and save for Centerlab and Vivo Capital, they will not become a substantial shareholder of the Company. The shareholdings of the Cornerstone Investors (except for Centerlab and Vivo Capital) will be counted towards the public float pursuant to Rule 8.08 of the Listing Rules.

- Each of the Cornerstone Investors has agreed that it will not, whether directly or indirectly, at any time during the period of six months (and, in respect of Centerlab, twelve months) starting from and inclusive of 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. With respect to their cornerstone investment, other than the Offer Shares agreed to be allocated to them, none of the Cornerstone Investors have any preferential rights compared to other public investors in their respective Cornerstone Investment Agreements.

Places with the Consent under the Placing Guidelines

- In addition to placing to existing shareholders of the Company under the Cornerstone Investment Agreements described above, under the International Offering, a total of 10,771,200 Offer Shares, representing approximately (i) 13.30% of the Offer Shares initially available under the International Offering (assuming that the Over-allotment Option is not exercised); (ii) 11.97% of the Offer Shares initially available under the Global Offering (assuming that the Over-allotment Option is not exercised); and (iii) 1.89% of the total issued share capital of the Company following the completion of the Global Offering (assuming that the Over-allotment Option is not exercised), were placed to Cathay Life Insurance Co., Ltd (“**Cathay Life**”), a close associate of an existing Shareholder. The Company has applied to the Stock Exchange for, and the Stock Exchange has granted to the Company a waiver from strict compliance with the requirement under Rule 10.04 of the Listing Rules and a consent under Paragraph 5(2) of the Placing Guidelines to permit the Company to allocate Shares in the International Placing to Cathay Life, and the relevant allocations of Offer Shares are in compliance with all the conditions under the waiver and consent granted by the Stock Exchange. There is no restriction on disposal of the Offer Shares allocated to Cathay Life.

- The Directors confirm to the best of their knowledge, information and belief, having made all reasonable enquiries, save as disclosed above, that no International Offer Shares have been allocated to placees who are (i) Directors or existing Shareholders; or (ii) core connected persons (as such term is defined in the Listing Rules) of the Company; or (iii) the close associates (as such term is defined in the Listing Rules) of (i) and/or (ii), whether in their own names or through nominees. Save as disclosed above, the International Offering is in compliance with the Placing Guidelines. Save as disclosed in this announcement and confirmed by the Directors, no Offer Shares placed by or through the Joint Global Coordinators, the Joint Bookrunners or the Underwriters under the Global Offering have been placed with any core connected person (as defined in the Listing Rules) of the Company or to any connected clients (as set out in paragraph 5(1) of the Placing Guidelines), or persons as set out in paragraph 5(2) of the Placing Guidelines, whether in their own names or through nominees. The Directors confirm that no subscription of the Offer Shares by the placees or the public has been financed directly or indirectly by any of the directors, senior management, substantial shareholders or existing shareholders of the Company or any of its subsidiaries or their respective close associates, and none of the placees and the public who has subscribed for the Offer Shares is accustomed to taking instructions from any of the directors, senior management, substantial shareholders or existing shareholders of the Company or any of its subsidiaries or their respective close associates in relation to the acquisition, disposal, voting or other disposition of the Shares registered in his/her/its name or otherwise held by him/her/it. 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 completion of the Global Offering; (b) there will not be any new substantial Shareholder (as defined in the Listing Rules) immediately after the completion of the Global Offering; (c) the number of Shares in public hands will satisfy the minimum percentage under Rules 8.08(1) and 18A.07 of the Listing Rules as disclosed in the section headed “Public Float” below; (d) the three largest public Shareholders do not hold more than 50% of the 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, the Company has granted the Over-allotment Option to the International Underwriters, exercisable by ICBC International Capital Limited (“**ICBCI Capital**”) (for itself and on behalf of the International Underwriters), at any time from the Listing Date to Sunday, 1 December 2019, being the 30th day after the last day for lodging applications under the Hong Kong Public Offering, to require the Company to issue and allot up to an aggregate of 13,500,000 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 under the International Offering to cover over-allocation in the International Offering, if any. There has been an over-allocation of 5,000,000 Shares in the International Offering. 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 www.totbiopharm.com.cn. As of the date of this announcement, the Over-allotment Option has not been exercised.

RESULTS OF ALLOCATIONS

- The final Offer Price, the level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering and the basis of allocation of the Hong Kong Offer Shares are also published on Thursday, 7 November 2019 on the websites of the Company and the Hong Kong Stock Exchange at www.totbiopharm.com.cn and www.hkexnews.hk.
- The results of allocations of the Hong Kong Offer Shares under the Hong Kong Public Offering successfully applied for under **WHITE** and **YELLOW** Application Forms and by giving **electronic application instructions** to HKSCC or through the designated **HK eIPO White Form** service, including the Hong Kong identity card numbers, passport numbers or Hong Kong business registration numbers of successful applicants (where supplied) and the number of the Hong Kong Offer Shares successfully applied for, will be made available at the times and dates and in the manner specified below:
 - in the announcement to be posted on the Company’s website at www.totbiopharm.com.cn and the Stock Exchange’s website at www.hkexnews.hk by no later than 9:00 a.m. on Thursday, 7 November 2019;
 - from the designated results of allocations website at www.tricor.com.hk/IPO/result (alternatively www.hkeipo.hk/IPOResult) with a “search by ID Number/Business Registration Number” function on a 24-hour basis from 8:00 a.m. on Thursday, 7 November 2019 to 12:00 midnight on Wednesday, 13 November 2019;

- by telephone enquiry line by calling 3691 8488 between 9:00 a.m. and 6:00 p.m. from Thursday, 7 November 2019 to Tuesday, 12 November 2019 (excluding Saturday, Sunday and public holiday); and
- the special allocation results booklets which will be available for inspection during opening hours from Thursday, 7 November 2019 to Monday, 11 November 2019 at all the receiving bank's designated branches.

DESPATCH/COLLECTION OF SHARE CERTIFICATES AND REFUND CHEQUES

- Applicants who have applied for 1,000,000 Hong Kong Offer Shares or more on **WHITE** Application Forms or through the **HK eIPO White Form** service and who have been successfully or partially successfully allocated Hong Kong Offer Shares and are eligible to collect Share certificates (where applicable) in person may collect their Share certificate(s) (where applicable) in person from the Share Registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, from 9:00 a.m. to 1:00 p.m. on Thursday, 7 November 2019.
- Share certificates for Hong Kong Offer Shares allotted to applicants who applied on **WHITE** Application Forms or through **HK eIPO White Form** service which are either not available for personal collection, or which are available but are not collected in person within the time specified for collection, are expected to be despatched by ordinary post to those entitled to the addresses specified in the relevant applications at their own risk on or before Thursday, 7 November 2019.
- Wholly or partially successful applicants who applied on **YELLOW** Application Forms or by giving **electronic application instructions** to HKSCC will have their Share certificate(s) issued in the name of HKSCC Nominees Limited and deposited directly into CCASS for credit to their CCASS Investor Participant stock accounts or the stock accounts of their designated CCASS Participant as instructed by the applicants in their **YELLOW** Application Forms or any designated CCASS Participants giving **electronic application instructions** on their behalf on Thursday, 7 November 2019.
- 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 for 1,000,000 Hong Kong Offer Shares or more on **WHITE** or **YELLOW** Application Forms and have provided all information required by their **WHITE** or **YELLOW** Application Forms may collect their refund cheque(s) (where applicable) from the Share Registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, from 9:00 a.m. to 1:00 p.m. on Thursday, 7 November 2019.
- Refund cheque(s) in respect of wholly or partially successful or unsuccessful applicants using **WHITE** or **YELLOW** Application Forms, which are either not available for personal collection or which are available but are not collected in person, are expected to be despatched by ordinary post to those entitled at their own risk on or before Thursday, 7 November 2019. No interest will be paid thereon.
- For applicants who have applied for the Hong Kong Offer Shares through the **HK eIPO White Form** service and paid the application monies through a single bank account, refund monies (if any) will be despatched to their application payment bank account in the form of e-Auto refund payment instructions. For applicants who have applied for the Hong Kong Offer Shares through the **HK eIPO White Form** service and paid the application monies from multiple bank accounts, refund monies (if any) will be despatched to the addresses specified on the **HK eIPO White Form** applications in the form of refund cheque(s) by ordinary post and at their own risk on or before Thursday, 7 November 2019.
- Refund monies (if any) for applicants who 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 broker or custodian on Thursday, 7 November 2019.
- Share certificates will only become valid certificates of title at 8:00 a.m. on Friday, 8 November 2019, provided that the Global Offering has become unconditional in all respects at or before that time and the right of termination as described in the paragraph headed "Underwriting — Underwriting Arrangements and Expenses — Hong Kong Public Offering — Grounds for Termination" in the Prospectus has not been exercised.
- The Company will not issue any temporary document of title in respect of the Hong Kong Offer Shares. No receipt will be issued for application monies received.

COMMENCEMENT OF DEALINGS

- Dealings in the Shares on the Main Board of the Stock Exchange are expected to commence at 9:00 a.m. on Friday, 8 November 2019. The Shares will be traded in board lots of 400 Shares each. The stock code of the Shares is 1875.

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

OFFER PRICE

The Offer Price has been determined at HK\$6.55 per Offer Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%).

NET PROCEEDS FROM THE GLOBAL OFFERING

Based on the Offer Price of HK\$6.55 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 total expenses paid and payable by the Company in connection with the Global Offering and assuming that the Over-allotment Option is not exercised, are estimated to be approximately HK\$511.4 million. The Company intends to apply such net proceeds for the following purposes:

- a) Approximately 30.0%, or HK\$153.5 million, will be used to fund ongoing and planned clinical trials, preparation for registration filings and the potential commercial launch (including sales and marketing) of TAB008, details of which are mainly as follows:
 - HK\$115.1 million (representing 22.5% of the net proceeds) will be used to fund ongoing and planned clinical trials, preparation for registration filings, planned commercial launches (including sales and marketing) of TAB008; and
 - HK\$38.4 million (representing 7.5% of the net proceeds) will be used to fund further research and development on (i) various combination therapies involving TAB008, including combination therapies with PD-L1-CTLA-4 bispecific antibody, combination with chemotherapy and TKI in the treatment of lung cancer, and innovative combination mechanisms involving oncolytic virus and other oncology treatment, and (ii) other oncology treatment to cover a wider variety of indications given there are additional indications of bevacizumab approved in the United States or the EU including glioblastoma, renal cell carcinoma, cervical cancer, ovarian cancer and breast cancer.

- b) Approximately 50.0%, or HK\$255.7 million, will be used to fund ongoing and planned pre-clinical and clinical trials, expansion of facilities, preparation for registration filings and potential commercial launches (including sales and marketing) of the other drug candidates in our pipeline, including:
 - HK\$102.3 million (representing 20.0% of the net proceeds) will be used to fund ongoing and planned clinical trials, expansion of facilities, registration filings and potential commercial launch of TAA013;
 - HK\$20.5 million (representing 4.0% of the net proceeds) will be used to fund ongoing and planned clinical trials, for registration filings and potential commercial launches of TOZ309 and TOM312;

- HK\$15.3 million (representing 3.0% of the net proceeds) will be used to fund ongoing and planned clinical trials, expansion of facilities, registration filings and potential commercial launch of TAB014;
 - HK\$35.8 million (representing 7.0% of the net proceeds) will be used to fund ongoing and planned clinical trials and for registration filings of TAD011; and
 - HK\$81.8 million (representing 16.0% of the net proceeds) will be used to fund ongoing and planned pre-clinical and clinical trials, expansion of facilities and registration filings of other drug candidates.
- c) Approximately 15.0%, or HK\$76.7 million, will be used for non-project specific capital expenditure including mainly as follows:
- HK\$35.8 million (representing 7.0% of the net proceeds) will be used on quality control, production and quality assurance facilities for biological drugs;
 - HK\$20.5 million (representing 4.0% of the net proceeds) will be used on construction of a new medical research center and production facilities on the premise of the Suzhou Production Center for certain drug candidates;
 - HK\$15.3 million (representing 3.0% of the net proceeds) will be used on upgrading the enterprise resource planning system and GMP software; and
 - HK\$5.1 million (representing 1.0% of the net proceeds) will be used on capital expenditure of other non-project specific facilities.
- d) Approximately 2.0%, or HK\$10.2 million, will be used to fund continued expansion of our product portfolio in cancer and potentially other therapeutic areas through internal research and external licenses and business development collaborations; and
- e) Approximately 3.0%, or HK\$15.3 million, will be used for our working capital and other general corporate purposes.

If the Over-allotment Option is exercised to cover over-allocation in the International Offering, the net proceeds from the Global Offering to be received by the Company are estimated to be approximately HK\$542.7 million.

To the extent that the net proceeds of the Global Offering are not immediately used for the purposes described in the section headed “Future Plans and Use of Proceeds” in the Prospectus, and to the extent permitted by applicable laws and regulations, they will be placed in short-term demand deposits with licensed banks or authorized financial institutions. In such event, the Company will comply with the appropriate disclosure requirements under the Listing Rules.

APPLICATIONS AND INDICATIONS OF INTEREST RECEIVED

The Company announces that at the close of the application lists at 12:00 noon on Friday, 1 November 2019, a total of 26,398 valid applications pursuant to the Hong Kong Public Offering (including applications on **WHITE** and **YELLOW** Application Forms, by giving **electronic application instructions** to HKSCC via CCASS, and through the **HK eIPO White Form** service) for a total of 116,560,400 Hong Kong Offer Shares were received, representing approximately 12.95 times of the total number of 9,000,000 Hong Kong Offer Shares initially available for subscription under the Hong Kong Public Offering.

Of the 26,398 valid applications on **WHITE** and **YELLOW** Application Forms and by **electronic application instructions** given to HKSCC via CCASS and to the designated **HK eIPO White Form** Service Provider under the **HK eIPO White Form** service for a total of 116,560,400 Hong Kong Offer Shares:

- 26,377 valid applications in respect of a total of 96,960,400 Hong Kong Offer Shares were for the Hong Kong Public Offering with an aggregate subscription amount based on the maximum Offer Price of HK\$7.55 per Offer Share (excluding brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%) of HK\$5 million or less, representing approximately 21.55 times of the 4,500,000 Hong Kong Offer Shares initially comprised in Pool A of the Hong Kong Public Offering; and
- 21 valid applications in respect of a total of 19,600,000 Hong Kong Offer Shares were for the Hong Kong Public Offering with an aggregate subscription amount based on the maximum Offer Price of HK\$7.55 per Offer Share (excluding brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%) of more than HK\$5 million, representing approximately 4.36 times of the 4,500,000 Hong Kong Offer Shares initially comprised in Pool B of the Hong Kong Public Offering.
- No application has been identified and rejected for not being completed in accordance with the instructions set out in the Application Forms. 24 multiple or suspected multiple applications have been identified and rejected. No application has been rejected due to bounced cheque. No application has been rejected due to invalid application. No application for more than 50% of the Hong Kong Offer Shares initially available under the Hong Kong Public Offering (that is, more than 4,500,000 Hong Kong Offer Shares) has been identified.

As the over-subscription in the Hong Kong Public Offering is less than 15 times, the reallocation procedures as described in the section headed “Structure of the Global Offering – The Hong Kong Public Offering – Reallocation” in the Prospectus was not applied. The final number of Offer Shares available under the Hong Kong Public Offering is 9,000,000 Offer Shares, representing 10% of the Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option).

The Hong Kong 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

The Company announces that the Offer Shares initially offered under the International Offering have been moderately over-subscribed. The total number of places under the International Offering is 127. The final number of Offer Shares allocated to the places under the International Offering is 81,000,000 Offer Shares, representing 90% of the total number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option). A total of 19 places have been allotted two board lots of Offer Shares or less, representing 14.96% of the total number of places under the International Offering. These places have been allotted approximately 0.02% of the Offer Shares under the International Offering (assuming that the Over-allotment Option is not exercised).

Cornerstone Investors

Based on the Offer Price of HK\$6.55 per Offer Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%) and pursuant to the Cornerstone Investment Agreements with the Cornerstone Investors as disclosed in the section headed “Cornerstone Investors” in the Prospectus, each of (i) Centerlab, (ii) Vivo Capital (namely, Vivo Capital Fund VIII, L.P., and Vivo Capital Surplus Fund VIII, L.P.), and (iii) Nien Hsing BVI has subscribed for 5,982,000 Offer Shares, 11,964,400 Offer Shares (in aggregate), and 5,982,000 Offer Shares respectively, totaling 23,928,400 Offer Shares, representing in aggregate (a) approximately 4.20% of the Company’s issued share capital immediately upon completion of the Global Offering and (b) approximately 26.59% of the number of Offer Shares under the Global Offering, in each case assuming the Over-allotment Option is not exercised.

Cornerstone Investor	Investment amount	Number of Offer Shares subscribed for ⁽¹⁾	Approximate percentage of the International Offer Shares (assuming that Over-allotment Option is not exercised)	Approximate percentage of the International Offer Shares (assuming that Over-allotment Option is exercised)	Approximate percentage of the Offer Shares (assuming that Over-allotment Option is not exercised)	Approximate percentage of the Offer Shares (assuming that Over-allotment Option is exercised)	Approximate percentage of total issued share capital of the Company immediately following completion of the Global Offering (assuming that Over-allotment Option is not exercised)	Approximate percentage of total issued share capital of the Company immediately following completion of the Global Offering (assuming that Over-allotment Option is exercised)
Centerlab	US\$5 million	5,982,000	7.39%	6.96%	6.65%	6.30%	1.05%	1.04%
Vivo Capital	US\$10 million	11,964,400	14.77%	13.91%	13.29%	12.59%	2.10%	2.08%
Nien Hsing BVI	US\$5 million	5,982,000	7.39%	6.96%	6.65%	6.30%	1.05%	1.04%

(1) The number of Offer Shares is calculated based on the investment amount stated in US\$ in the relevant Cornerstone Investment Agreement being converted into HK\$ at the exchange rate of US\$1.00 to HK\$7.8367.

We have applied to the Stock Exchange for, and the Stock Exchange has granted a waiver from strict compliance with the requirements under Rules 9.09 and 10.04 of, and a consent under paragraph 5(2) of Appendix 6 to the Listing Rules, to permit Centerlab and Vivo Capital, who are existing shareholders of the Company to participate as Cornerstone Investors in the Global Offering.

To the best knowledge of the Company, except for Centerlab and Vivo Capital, each of the Cornerstone Investors is an independent of the Company, connected persons of the Company and their respective associates, and is not an existing Shareholder or its close associate. The Offer Shares subscribed for by the Cornerstone Investors will rank pari passu in all respects with the other fully paid Shares in issue. Immediately following the completion of the Global Offering, save for Vivo Capital, the Cornerstone Investors will not have any board representation in our Company, and save for Centerlab and Vivo Capital, they will not become a substantial shareholder of the Company. The shareholdings of the Cornerstone Investors (except for Centerlab and Vivo Capital) will be counted towards the public float pursuant to Rule 8.08 of the Listing Rules.

Each of the Cornerstone Investors has agreed that it will not, whether directly or indirectly, at any time during the period of six months (and, in respect of Centerlab, twelve months) starting from and inclusive of 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. With respect to their cornerstone investment, other than the Offer Shares agreed to be allocated to them, none of the Cornerstone Investors have any preferential rights compared to other public investors in their respective Cornerstone Investment Agreements.

Please refer to the section headed “*Cornerstone Investors*” in the Prospectus for further details relating to the Cornerstone Investors.

Places with the Consent under the Placing Guidelines

In addition to the placing to Centerlab and Vivo Capital, a total of 10,771,200 Shares, representing approximately 11.97% of the Offer Shares initially available under the Global Offering, were placed to associate of existing shareholder of the Company, details of which are set out below:

Associate of existing shareholder placee:

Placee	Number of Offer Shares placed	Approximate percentage of the International Offer Shares⁽¹⁾	Approximate percentage of the Offer Shares initially available under the Global Offering⁽¹⁾	Approximate percentage of the total issued share capital immediately following the completion of the Global Offering⁽¹⁾
Cathay Life	10,771,200	13.30%	11.97%	1.89%

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

The Company has applied to the Stock Exchange for, and the Stock Exchange has granted to the Company a waiver from strict compliance with the requirement under Rule 10.04 and a consent under Paragraph 5(2) of the Placing Guidelines to permit the Company to allocate Offer Shares in the International Placing to the associate of its existing shareholder as set out above.

The Directors confirm to the best of their knowledge, information and belief, having made all reasonable enquiries, save as disclosed above, that no International Offer Shares have been allocated to placees who are (i) Directors or existing Shareholders; or (ii) core connected persons (as such term is defined in the Listing Rules) of the Company; or (iii) the close associates (as such term is defined in the Listing Rules) of (i) and/or (ii), whether in their own names or through nominees. Save as disclosed above, the International Offering is in compliance with the Placing Guidelines. Save as disclosed in this announcement and confirmed by the Directors, no Offer Shares placed by or through the Joint Global Coordinators, the Joint Bookrunners or the Underwriters under the Global Offering have been placed with any core connected person (as defined in the Listing Rules) of the Company or to any connected clients (as set out in paragraph 5(1) of the Placing Guidelines), or persons as set out in paragraph 5(2) of the Placing Guidelines, whether in their own names or through nominees. The Directors confirm that no subscription of the Offer Shares by the placees or the public has been financed directly or indirectly by any of the directors, senior management, substantial shareholders or existing shareholders of the Company or any of its subsidiaries or their respective close associates, and none of the placees and the public who has subscribed for the Offer Shares is accustomed to taking instructions from any of the directors, senior management, substantial shareholders or existing shareholders of the Company or any of its subsidiaries or their respective close associates in relation to the acquisition, disposal, voting or other disposition of the Shares registered in his/her/its name or otherwise held by him/her/it. 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 completion of the Global Offering; (b) there will not be any new substantial Shareholder (as defined in the Listing Rules) immediately after the completion of the Global Offering; (c) the number of Shares in public hands will satisfy the minimum percentage under Rules 8.08(1) and 18A.07 of the Listing Rules as disclosed in the section headed “Public Float” below; (d) the three largest public Shareholders do not hold more than 50% of the 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, the Company has granted the Over-allotment Option to the International Underwriters, exercisable by ICBCI Capital (for itself and on behalf of the International Underwriters), at any time from the Listing Date to Sunday, 1 December 2019, being the 30th day after the last day for lodging applications under the Hong Kong Public Offering, to require the Company to issue and allot up to an aggregate of 13,500,000 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 under the International Offering to cover over-allocation in the International Offering, if any. There has been an over-allocation of 5,000,000 Shares in the International Offering. 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 www.totbiopharm.com.cn. As of the date of this announcement, the Over-allotment Option has not been exercised.

BASIS OF ALLOCATION UNDER THE HONG KONG PUBLIC OFFERING

Subject to the satisfaction of the conditions set out in the paragraph headed “Structure of the Global Offering — Conditions of the Global Offering” in the Prospectus, valid applications made by the public on **WHITE** and **YELLOW** Application Forms and through giving **electronic application instructions** to HKSCC via CCASS and to the **HK eIPO White Form** Service Provider under the **HK eIPO White Form** service will be conditionally allocated on the basis set out below:

Number of shares applied for	Number of valid applications	Basis of allocation/ballot	Approximate percentage allotted of the total number of shares applied for
		Pool A	
400	16,448	2,468 out of 16,448 applicants to receive 400 shares	15.00%
800	1,445	370 out of 1,445 applicants to receive 400 shares	12.80%
1,200	2,593	856 out of 2,593 applicants to receive 400 shares	11.00%
1,600	528	201 out of 528 applicants to receive 400 shares	9.52%
2,000	649	293 out of 649 applicants to receive 400 shares	9.03%
2,400	199	102 out of 199 applicants to receive 400 shares	8.54%
2,800	191	107 out of 191 applicants to receive 400 shares	8.00%
3,200	153	92 out of 153 applicants to receive 400 shares	7.52%
3,600	138	87 out of 138 applicants to receive 400 shares	7.00%
4,000	2,057	1,340 out of 2,057 applicants to receive 400 shares	6.51%
8,000	477	400 shares plus 48 out of 477 applicants to receive an additional 400 shares	5.50%
12,000	329	400 shares plus 165 out of 329 applicants to receive an additional 400 shares	5.01%
16,000	198	400 shares plus 159 out of 198 applicants to receive an additional 400 shares	4.51%
20,000	198	800 shares plus 30 out of 198 applicants to receive an additional 400 shares	4.30%

Number of shares applied for	Number of valid applications	Basis of allocation/ballot	Approximate percentage allotted of the total number of shares applied for
24,000	167	800 shares plus 67 out of 167 applicants to receive an additional 400 shares	4.00%
28,000	60	800 shares plus 40 out of 60 applicants to receive an additional 400 shares	3.81%
32,000	43	800 shares plus 33 out of 43 applicants to receive an additional 400 shares	3.46%
36,000	33	800 shares plus 31 out of 33 applicants to receive an additional 400 shares	3.27%
40,000	227	1,200 shares plus 23 out of 227 applicants to receive an additional 400 shares	3.10%
80,000	95	2,000 shares plus 38 out of 95 applicants to receive an additional 400 shares	2.70%
120,000	56	2,800 shares plus 28 out of 56 applicants to receive an additional 400 shares	2.50%
160,000	19	3,600 shares plus 4 out of 19 applicants to receive an additional 400 shares	2.30%
200,000	19	4,000 shares	2.00%
240,000	9	4,400 shares plus 1 out of 9 applicants to receive an additional 400 shares	1.85%
280,000	14	4,800 shares plus 4 out of 14 applicants to receive an additional 400 shares	1.76%
320,000	5	4,800 shares plus 4 out of 5 applicants to receive an additional 400 shares	1.60%
360,000	3	5,200 shares plus 1 out of 3 applicants to receive an additional 400 shares	1.48%
400,000	14	5,200 shares plus 7 out of 14 applicants to receive an additional 400 shares	1.35%
600,000	10	7,200 shares plus 8 out of 10 applicants to receive an additional 400 shares	1.25%
TOTAL	<u>26,377</u>		

Number of shares applied for	Number of valid applications	Basis of allocation/ballot	Approximate percentage allotted of the total number of shares applied for
		Pool B	
800,000	12	200,000 shares	25.00%
1,000,000	8	220,000 shares	22.00%
2,000,000	1	340,000 shares	17.00%
TOTAL	<u>21</u>		

The final number of Offer Shares under the Hong Kong Public Offering is 9,000,000 Offer Shares, representing 10% of the total number of the Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option).

RESULTS OF ALLOCATIONS

The results of allocations of the Hong Kong Offer Shares under the Hong Kong Public Offering successfully applied for under **WHITE** and **YELLOW** Application Forms and by giving **electronic application instructions** to HKSCC or through the designated **HK eIPO White Form** service, including the Hong Kong identity card numbers, passport numbers or Hong Kong business registration numbers of successful applicants (where supplied) and the number of the Hong Kong Offer Shares successfully applied for, will be made available at the times and dates and in the manner specified below:

- in the announcement to be posted on the Company’s website at **www.totbiopharm.com.cn** and the Stock Exchange’s website at **www.hkexnews.hk** by no later than 9:00 a.m. on Thursday, 7 November 2019;
- from the designated results of allocations website at **www.tricor.com.hk/IPO/result** (alternatively **www.hkeipo.hk/IPOResult**) with a “search by ID Number/Business Registration Number” function on a 24-hour basis from 8:00 a.m. on Thursday, 7 November 2019 to 12:00 midnight on Wednesday, 13 November 2019;
- by telephone enquiry line by calling 3691 8488 between 9:00 a.m. and 6:00 p.m. from Thursday, 7 November 2019 to Tuesday, 12 November 2019 (excluding Saturday, Sunday and public holiday); and
- the special allocation results booklets which will be available for inspection during opening hours from Thursday, 7 November 2019 to Monday, 11 November 2019 at all the receiving bank’s designated branches at the addresses set out below.

Bank of China (Hong Kong) Limited

District	Branch	Address
Hong Kong Island . . .	Central District (Wing On House) Branch	B/F-2/F, Wing On House, 71 Des Voeux Road Central, Hong Kong
	North Point (King's Centre) Branch	193-209 King's Road, North Point, Hong Kong
Kowloon	Telford Plaza Branch	Shop Unit P2-P7, Telford Plaza, No.33 Wai Yip Street, Kowloon Bay, Kowloon
	Olympian City Branch	Shop 133, 1/F, Olympian City 2, 18 Hoi Ting Road, Kowloon
New Territories	Fanling Centre Branch	Shop 2D-E & H, Fanling Centre, Fanling, New Territories

The final Offer Price, the indications of level of interests in the International Offering, the level of applications in the Hong Kong Public Offering and the basis of allocation of the Hong Kong Offer Shares are also published on Thursday, 7 November 2019 on the Company's website at www.totbiopharm.com.cn and the website of the Stock Exchange at www.hkexnews.hk.

SHAREHOLDING CONCENTRATION ANALYSIS

Set out below is a summary of allotment results under the International Offering:

- top 1, 5, 10 and 25 of the placees out of the International Offering, total Offer Shares and total issued share capital of the Company upon Listing:

Placee	Subscription (Note)	Shares held following the Global Offering	Subscription	Subscription	Subscription	Subscription	% of total share	% of total share
			as % of International Offering (assuming no exercise of Over-allotment Option)	as % of International Offering (assuming no exercise of Over-allotment Option)	as % of total Offer Shares (assuming no exercise of Over-allotment Option)	as % of total Offer Shares (assuming no exercise of Over-allotment Option)	capital in issue (assuming no exercise of Over-allotment Option)	capital in issue (assuming no exercise of Over-allotment Option)
Top 1	10,771,200	10,771,200	13.3%	12.5%	12.0%	11.3%	1.9%	1.9%
Top 5	43,598,000	297,383,000	53.8%	50.7%	48.4%	45.9%	52.2%	51.7%
Top 10	54,405,200	308,190,200	67.2%	63.3%	60.5%	57.3%	54.1%	53.6%
Top 25	70,970,800	335,831,100	87.6%	82.5%	78.9%	74.7%	58.9%	58.4%

- top 1, 5, 10 and 25 of all the Shareholders out of the International Offering, total Offer Shares and total issued share capital of the Company upon Listing:

Shareholder	Subscription (Note)	Shares held following the Global Offering	Subscription	Subscription	Subscription	Subscription	% of total share	% of total share
			as % of International Offering (assuming no exercise of Over-allotment Option)	as % of International Offering (assuming no exercise of Over-allotment Option)	as % of total Offer Shares (assuming no exercise of Over-allotment Option)	as % of total Offer Shares (assuming no exercise of Over-allotment Option)	capital in issue (assuming no exercise of Over-allotment Option)	capital in issue (assuming no exercise of Over-allotment Option)
Top 1	5,982,000	179,561,700	7.4%	7.0%	6.6%	6.3%	31.5%	31.2%
Top 5	16,494,800	390,214,500	20.4%	19.2%	18.3%	17.4%	68.5%	67.9%
Top 10	28,717,600	451,375,400	35.5%	33.4%	31.9%	30.2%	79.2%	78.5%
Top 25	54,187,200	533,384,000	66.9%	63.0%	60.2%	57.0%	93.6%	92.8%

Note: The number of Shares under subscription includes over-allocated Shares.

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