

SUMMARY

Offer Price

- The Offer Price has been determined at HK\$2.10 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\$2.10 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\$266.2 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.

Applications and Indications of Interest Received

Hong Kong Public Offering

- The final number of Offer Shares under the Hong Kong Public Offering is 15,000,000 Offer Shares, representing approximately 10% of the total number of the Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option).
- The Hong Kong Offer Shares initially offered under the Hong Kong Public Offering have been moderately over-subscribed. A total of 18,821 valid applications pursuant to the Hong Kong Public Offering on **WHITE** and **YELLOW** Application Forms and through giving **electronic application instructions** to HKSCC via CCASS and to the **White Form eIPO** Service Provider under the **White Form eIPO** service for a total of 224,884,000 Offer Shares were received, representing approximately 14.99 times of the total number of 15,000,000 Hong Kong Offer Shares initially available under the Hong Kong Public Offering.

As the over-subscription in the Hong Kong Public Offering is less than 15 times, no reallocation as disclosed in the section headed “Structure of the Global Offering – The Hong Kong Public Offering – Reallocation” in the Prospectus has been applied and no Offer Shares have been reallocated from the International Offering to the Hong Kong Public Offering. The final number of Offer Shares allocated to the Hong Kong Public Offering is 15,000,000 Offer Shares, representing approximately 10% of the total number of Offer Shares initially available under the Global Offering (prior to any exercise of the Over-allotment Option).

International Offering

- The International Offer Shares has been slightly over-subscribed under the International Offering. A total of 189,106,000 Offer Shares have been subscribed, representing approximately 1.40 times of the total number of the 135,000,000 International Offer Shares initially available for subscription under the International Offering. The final number of Offer Shares under the International Offering (subject to the Over-allotment Option) is 135,000,000 Shares, representing approximately 90% of the total number of Offer Shares under the Global Offering (prior to any exercise of the Over-allotment Option). 54, out of a total of 120 placees, have been placed two board lot of Shares or less, representing approximately 45.00% of the number of placees under the International Offering. These placees have been placed 0.16% of the total number of the International Offer Shares under the International Offering (before the exercise of the Over-allotment Option). 80, out of a total of 120 placees, have been placed three board lot of Shares or less, representing approximately 66.67% of the number of places under the International Offering. These placees have been placed 0.28% of the total number of the International Offer Shares under the International Offering (before the exercise of the Over-allotment Option).

Placing to Cornerstone Investor

- Based on the Offer Price of HK\$2.10 per Offer Share, and pursuant to the Cornerstone Investment Agreement, a total of 29,148,000 Offer Shares will be allotted and issued to the Cornerstone Investors representing (i) approximately 19.43% of the Offer Shares available under the Global Offering; and (ii) approximately 4.86% of the total Shares in issue upon the completion of the Global Offering and the Capitalization Issue, without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option. Please refer to the section headed “Cornerstone Placing” in the Prospectus and the paragraph headed “Cornerstone Investor” in this announcement for further details on the Cornerstone Investor.

To the best knowledge of the Company, the Cornerstone Investor is independent of the Company, its connected persons and their respective associates, and not an existing shareholder or close associate of the Company. The Cornerstone Investor will subscribe for the Offer Shares pursuant to, and as part of, the International Offering. The Offer Shares to be subscribed for by the Cornerstone Investor will rank *pari passu* in all respects with the other fully paid Offer Shares in issue and will be counted towards the public float of the Company under Rules 8.08 and 8.24 of the Listing Rules. The Cornerstone Investor will not subscribe for any Offer Shares under the Global Offering (other than pursuant to the Cornerstone Investment Agreement). Immediately following the completion of the Global Offering, the Cornerstone Investor will not have any board representation in the Company, nor will the Cornerstone Investor become a substantial shareholder, connected person or close associate of the Company.

Over-allotment Option

- In connection with the Global Offering, the Company has granted to the BOCOM Securities (on behalf of itself and the International Underwriters), exercisable in whole or in part by BOCOM Securities at its sole and absolute discretion, the Over-allotment Option, which is exercisable at any time from Monday, July 13, 2020 to Thursday, July 30, 2020, 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 22,500,000 additional 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, among other things, over-allocation in the International Offering, if any. There has been an over-allocation of 4,408,000 Shares in the International Offering and such over-allocation will be settled using Shares to be borrowed under the Stock Borrowing Agreement between Sunny Rock and the Stabilizing Manager. Such borrowed Shares will be covered by exercising the Over-allotment Option or by making purchases in the secondary market or by a combination of these means. In the event the Over-allotment Option is exercised, an announcement will be made on the Stock Exchange's website at www.hkexnews.hk and the Company's website at www.honlivhp.com. As of the date of this announcement, the Over-allotment Option has not been exercised.

Lock-up Undertakings

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

Results of Allocations

- The final Offer Price, the level of indications 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 Friday, July 10, 2020 on the Company's website at www.honlivhp.com and the website of the Stock Exchange at 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 **White Form eIPO** 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 this announcement to be posted on the Stock Exchange's website at www.hkexnews.hk and on the Company's website at www.honlivhp.com by no later than 8:00 a.m. on Friday, July 10, 2020;
 - from the designated results of allocations website at www.iporesults.com.hk (alternatively: English <https://www.eipo.com.hk/en/Allotment>; Chinese <https://www.eipo.com.hk/zh-hk/Allotment>) with a "search by ID" function on a 24-hour basis from 8:00 a.m. on Friday, July 10, 2020 to 12:00 midnight on Thursday, July 16, 2020;

- from the allocation results telephone enquiry hotline by calling +852 2862 8555 between 9:00 a.m. and 6:00 p.m. on Friday, July 10, 2020 and Monday, July 13, 2020 to Wednesday, July 15, 2020; and
- in the special allocation results booklets which will be available for inspection during the opening hours from Friday, July 10, 2020 to Monday, July 13, 2020 at all the receiving bank's designated outlets or branches at the addresses set out in the paragraph headed "Results of allocation" below.

Despatch/Collection of Share Certificates/e-Refund Payment Instructions/Refund Cheques

- Applicants who have applied for 1,000,000 Hong Kong Offer Shares or more on **WHITE** Application Forms or through the **White Form eIPO** 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 Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, from 9:00 a.m. to 1:00 p.m. on Friday, July 10, 2020 or such other place or date as notified by the Company in the newspapers.
- Applicants being individuals who are eligible for personal collection must not authorise any other person to make collection on their behalf. Corporate applicants which are eligible for personal collection must attend by their authorised representatives bearing letters of authorisation from their corporations stamped with the corporations' chops. Both individuals and authorised representatives (if applicable) must produce, at the time of collection, evidence of identity acceptable to the Company's Hong Kong Share Registrar.
- Share certificates (if any) for Hong Kong Offer Shares allocated to applicants who applied on a **WHITE** Application Form or using the **White Form eIPO** service which are either not available for personal collection or which are available but are not collected in person by 1:00 p.m. on Friday, July 10, 2020 are expected to be despatched by ordinary post to the addresses specified in the relevant applications to those entitled at their own risk on or before Friday, July 10, 2020.
- Wholly or partially successful applicants who applied on a **YELLOW** Application Form or by giving **electronic application instructions** to HKSCC via CCASS will have their Share certificates issued in the name of HKSCC Nominees Limited and deposited into CCASS for credit to their CCASS Investor Participant stock accounts or the stock accounts of their designated CCASS Participants who gave **electronic application instructions** on their behalf or as instructed by them in their **YELLOW** Application Forms on Friday, July 10, 2020.
- Applicants who applied through a designated CCASS Participant (other than a CCASS Investor Participant) should check the number of Hong Kong Offer Shares allocated to them with that CCASS Participant.

- Applicants who applied as a CCASS Investor Participant on a **YELLOW** Application Form or by giving **electronic application instructions** to HKSCC via CCASS should check and report any discrepancies to HKSCC before 5:00 p.m. on Friday, July 10, 2020 or such other date as shall be determined by HKSCC or HKSCC Nominees. Applicants who applied as a CCASS Investor Participant on a **YELLOW** Application Form or by giving **electronic application instructions** to HKSCC via CCASS may also check the results of their applications via the CCASS Phone System and the CCASS Internet System (under the procedures contained in HKSCC's "An Operating Guide for Investor Participants" in effect from time to time) immediately after the crediting of the Hong Kong Offer Shares to the CCASS Investor Participant stock accounts. HKSCC will also make available to the CCASS Investor Participants an activity statement showing the number of Hong Kong Offer Shares credited to their stock accounts and (for CCASS Investor Participants applying by giving **electronic application instructions** to HKSCC) the refund amount credited to their respective designated bank accounts (if any).
- 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 Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, from 9:00 a.m. to 1:00 p.m. on Thursday, July 9, 2020 or such other place or date as notified by the Company in an announcement published on the Stock Exchange's website at www.hkexnews.hk and the Company's website at www.honlivhp.com.
- Refund cheque(s) in respect of wholly or partially successful or unsuccessful applicants using **WHITE** or **YELLOW** Application Forms have been despatched by ordinary post to those entitled at their own risk on or before Thursday, July 9, 2020. No interest will be paid thereon.
- Applicants who applied through the **White Form eIPO** service and paid the application monies from a single bank account will have refund monies (if any) despatched to their application payment account in the form of e-Refund payment instructions on Thursday, July 9, 2020. Applicants who applied through the **White Form eIPO** service and paid the application monies from multiple bank accounts will have refund monies (if any) despatched to the addresses specified on their **White Form eIPO** applications in the form of refund cheque(s) by ordinary post at their own risk on or before Thursday, July 9, 2020.
- Refund monies (if any) for applicants who applied by giving **electronic application instructions** to HKSCC via CCASS are expected to be credited to their designated bank accounts or the designated bank accounts of their broker or custodian on Thursday, July 9, 2020. No interest will be paid thereon.
- Share certificates will only become valid certificates of title at 8:00 a.m. on Monday, July 13, 2020 provided that the Global Offering has become unconditional in all respects at or before that time and the right of termination described in the section headed "Underwriting – Underwriting Arrangements and Expenses – Hong Kong Public Offering – Hong Kong Underwriting Agreement – Grounds for Termination" in the Prospectus has not been exercised.
- The Company will not issue any temporary documents of title in respect of the Hong Kong Offer Shares. No receipt will be issued for application monies received.

Public Float

Immediately following the completion of the Global Offering, assuming the Over-allotment Option is not exercised, the number of Shares in public hands represents no less than 25% of the total issued share capital of the Company which satisfies the minimum percentage prescribed in Rule 8.08(1)(a) of the Listing Rules.

Commencement of Dealings

Assuming that the Global Offering has become unconditional in all respects and neither of the Underwriting Agreements has been terminated in accordance with its terms at or before 8:00 a.m. on Monday, July 13, 2020 (Hong Kong time), it is expected that dealings in the Shares on the Main Board of the Stock Exchange will commence at 9:00 a.m. on Monday, July 13, 2020 (Hong Kong time). The Shares will be traded in board lots of 2,000 Shares. The Company will not issue temporary documents of title. No receipt will be issued for application monies paid. The stock code for the Shares is 9906.

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\$2.10 per Offer Share (excluding brokerage of 1.0%, SFC transaction levy of 0.0027% and the Stock Exchange trading fee of 0.005%).

NET PROCEEDS FROM THE GLOBAL OFFERING

Assuming (i) an Offer Price of HK\$2.10 per Offer Share, being per Offer Share, and (ii) that the Over-Allotment Option is not exercised, the net proceeds from the Global Offering are estimated to be HK\$266.2 million after deducting underwriting commission, incentive fees and other expenses payable by the Company in connection with the Global Offering. In line with the Company's business strategies, the Company intends to use the net proceeds from the Global Offering for the following purposes:

- approximately 28.7% or HK\$76.5 million (equivalent of RMB70.0 million) will be used to finance the ramp up of the Company's first-phase building which is expected to commence operation by the end of 2020. In particular, the Company intends to use approximately HK\$38.2 million to purchase machine and equipment, HK\$32.8 million to pay construction fees, and approximately HK\$5.5 million to purchase office facility, furniture and automobile.
- approximately 27.1% or HK\$72.1 million (equivalent of RMB66.0 million) will be used to expand the Company's business by acquiring hospitals. The Company intends to target small and medium-scale private hospitals and clinics in other counties surrounding Changyuan County. In evaluating a new acquisition target, the Company would take into account factors such as patients' potential spending on healthcare services, availability of healthcare professionals, local regulatory environment and competitive landscape.

- approximately 15.0% or HK\$40.0 million (equivalent of RMB36.5 million) will be used to repay the Company's general borrowings, particularly the outstanding loans from two banks with an aggregate principal amount of RMB63.0 million. Such loans carry an interest rate of 5.00% and 4.76% per annum, respectively and have a maturity date in March 2021 and April 2021, respectively.
- approximately 10.0% or HK\$26.6 million (equivalent of RMB24.4 million) will be used for working capital and other general corporate purposes.
- approximately 8.0% or HK\$21.3 million (equivalent of RMB19.5 million) will be used to purchase medical equipment and improve and upgrade the Company's information technology systems. In particular, the Company intends to use approximately HK\$16.0 million to purchase medical equipment and HK\$5.3 million to upgrade the Company's information technology systems.
- approximately 6.2% or HK\$16.4 million (equivalent of RMB15.0 million) will be used to develop the Company's pharmaceutical supply chain business. In particular, the Company intends to use approximately HK\$9.8 million to acquire land use rights and HK\$6.6 million to pay mobilization fees.
- approximately 5.0% or HK\$13.3 million (equivalent of RMB12.2 million) will be used for employee recruitment and training.

The Company intends to use these net proceeds from the Global Offering for the purposes as disclosed in the Prospectus based on the following timeline:

Estimated time of use⁽¹⁾	Amount and intended use of net proceeds
By end of 2020	Approximately 28.7% or HK\$76.5 million (equivalent of RMB70.0 million) will be used to finance the ramp up of the Company's first-phase building which is expected to commence operation by the end of 2020.
Within one year and a half after receiving the net proceeds	Approximately 27.1% or HK\$72.1 million (equivalent of RMB66.0 million) will be used to expand the Company's business by acquiring hospitals.
By April 2021	Approximately 15.0% or HK\$40.0 million (equivalent of RMB36.5 million) will be used to repay the Company's general borrowings, particularly the outstanding loans from two banks
Within one year after receiving the net proceeds	Approximately 10.0% or HK\$26.6 million (equivalent of RMB24.4 million) will be used for working capital and other general corporate purposes.
Within three years after receiving the net proceeds	Approximately 8.0% or HK\$21.3 million (equivalent of RMB19.5 million) will be used to purchase medical equipment and improve and upgrade the Company's information technology systems.

Estimated time of use⁽¹⁾	Amount and intended use of net proceeds
By end of 2021	Approximately 6.2% or HK\$16.4 million (equivalent of RMB15.0 million) will be used to develop the Company's pharmaceutical supply chain business.
Within three years after receiving the net proceeds	Approximately 5.0%, or HK\$13.3 million will be used for employee recruitment and training

Note:

- (1) The timeline is based on the Company's estimation of its business needs as of the date of this announcement and is subject to change so long as it is deemed to be in the best interests of the Company and to the extent permitted by applicable laws and regulations.

To the extent that the net proceeds are not immediately applied to the above purposes and to the extent permitted by applicable laws and regulations, the Company intends to deposit the net proceeds into short-term demand deposits in its account at one of the Receiving Banks.

For further information, please refer to the section headed "Future Plans and Use of Proceeds" in the Prospectus.

APPLICATIONS AND INDICATIONS OF INTEREST RECEIVED

The Hong Kong Offer Shares initially available under the Hong Kong Public Offering have been moderately over-subscribed. At the close of the application lists at 12:00 noon on Tuesday, June 30, 2020, a total of 18,821 valid applications had been received pursuant to the Hong Kong Public Offering on **WHITE** and **YELLOW** Application Forms, by giving **electronic application instructions** to HKSCC via CCASS and through the **White Form eIPO** service for a total of 224,884,000 Hong Kong Offer Shares, representing approximately 14.99 times of the total number of 15,000,000 Hong Kong Offer Shares initially available under the Hong Kong Public Offering, among which:

- 18,816 valid applications in respect of a total of 207,884,000 Hong Kong Offer Shares were for the Hong Kong Public Offering with an aggregate subscription amount based on the maximum Offer Price of HK\$2.10 per Offer Share (excluding brokerage of 1.0%, SFC transaction levy of 0.0027% and the Stock Exchange trading fee of 0.005%) of HK\$5 million or less, representing approximately 27.72 times of the 7,500,000 Hong Kong Offer Shares initially comprised in Pool A; and
- 5 valid applications in respect of a total of 17,000,000 Hong Kong Offer Shares were for the Hong Kong Public Offering with an aggregate subscription amount based on the maximum Offer Price of HK\$2.10 per Offer Share (excluding brokerage of 1.0%, SFC transaction levy of 0.0027% and the Stock Exchange trading fee of 0.005%) of more than HK\$5 million, representing approximately 2.27 times of the 7,500,000 Hong Kong Offer Shares initially comprised in Pool B.

No invalid applications has been identified and rejected for not being completed in accordance with the instructions set out in the Application Forms. 26 multiple applications or suspected multiple applications have been identified and rejected. No application has been rejected due to bounced cheques. No application for more than 7,500,000 Hong Kong Offer Shares (being 50% of the Hong Kong Offer Shares initially available under the Hong Kong Public Offering) has been identified.

As the over-subscription in the Hong Kong Public Offering is less than 15 times, no reallocation as disclosed in the section headed “Structure of the Global Offering – The Hong Kong Public Offering – Reallocation” in the Prospectus has been applied and no Offer Shares have been reallocated from the International Offering to the Hong Kong Public Offering. The final number of Offer Shares allocated to the Hong Kong Public Offering is 15,000,000 Offer Shares, representing approximately 10% of the total number of Offer Shares initially available under the Global Offering (prior to any exercise of the Over-allotment Option).

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

INTERNATIONAL OFFERING

The International Offer Shares has been slightly over-subscribed under the International Offering. A total of 189,106,000 Offer Shares have been subscribed, representing approximately 1.40 times of the total number of the 135,000,000 International Offer Shares initially available for subscription under the International Offering. The final number of Offer Shares under the International Offering is 135,000,000 Offer Shares, representing approximately 90% of the Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option). A total of 54 placees, out of a total of 120 placees, have been placed two board lots of Shares or less, representing approximately 45.00% of the number of placees under the International Offering. These placees have been placed 0.16% of the total number of the International Offer Shares under the International Offering (before the exercise of the Over-allotment Option). 80, out of a total of 120 placees, have been placed three board lot of Shares or less, representing approximately 66.67% of the number of placees under the International Offering. These placees have been placed 0.28% of the total number of the International Offer Shares under the International Offering (before the exercise of the Over-allotment Option).

None of the Sole Sponsor, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters and their respective affiliated companies and connected clients of the lead broker or of any distributors (as defined in Appendix 6 to the Listing Rules) has taken up any Offer Shares for its own benefit under the Global Offering. None of the Offer Shares subscribed by the placees and the public has been financed directly or indirectly by any of the Directors, chief executives, Controlling Shareholders, 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, chief executives, Controlling Shareholders, 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 Shares registered in his/her/its name or otherwise held by him/her/it. The Directors confirm that no Offer Shares under the International Offering have been allocated to applicants who are (i) core connected persons (as defined in the Listing Rules) of the Company; (ii) directors or existing shareholders or existing beneficial owners of the Company and/or any of the Company’s subsidiaries; or (iii) the respective close associates (as defined in the Listing Rules) of the persons mentioned in (i) and/or (ii) above, whether in their own names or through nominees. The International Offering has been conducted in

compliance with the placing guidelines for equity securities as set out in Appendix 6 to the Listing Rules (the “**Placing Guidelines**”) and no Offer Shares placed by or through the Underwriters under the Global Offering have been placed with any core connected person (as defined in the Listing Rules) of the Company, or persons set out in paragraphs 5(1) and 5(2) of the Placing Guidelines, whether in their own names or through nominees. No placee will, individually, be placed more than 10% of the total number of issued Shares immediately after the completion of the Global Offering. The Directors further confirmed that (i) none of the placees under the International Offering will become a substantial shareholder (as defined in the Listing Rules) of the Company immediately after the completion of the Global Offering, (ii) the three largest public shareholders of the Company 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 (iii) there will be at least 300 Shareholders at the time of Listing in compliance with Rule 8.08(2) of the Listing Rules.

There are no arrangements or understanding between the Company or the Controlling Shareholder and any of the placees in connection with the allocation of shares or otherwise in relation to the Global Offering on a preferential basis, except for allotment of the Offer Shares to the Cornerstone Investor.

Placing to Cornerstone Investor

- Based on the Offer Price of HK\$2.10 per Offer Share, and pursuant to the Cornerstone Investment Agreement, a total of 29,148,000 Offer Shares will be allotted and issued to the Cornerstone Investors representing (i) approximately 19.43% of the Offer Shares available under the Global Offering; and (ii) approximately 4.86% of the total Shares in issue upon the completion of the Global Offering and the Capitalization Issue, without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option. Please refer to the section headed “Cornerstone Placing” in the Prospectus and the paragraph headed “Cornerstone Investor” below for further details on the Cornerstone Investor.
- To the best knowledge of the Company, the Cornerstone Investor is independent of the Company, its connected persons and their respective associates, and not an existing shareholder or close associate of the Company. The Cornerstone Investor will subscribe for the Offer Shares pursuant to, and as part of, the International Offering. The Offer Shares to be subscribed for by the Cornerstone Investor will rank *pari passu* in all respects with the other fully paid Offer Shares in issue and will be counted towards the public float of the Company under Rules 8.08 and 8.24 of the Listing Rules. The Cornerstone Investor will not subscribe for any Offer Shares under the Global Offering (other than pursuant to the Cornerstone Investment Agreement). Immediately following the completion of the Global Offering, the Cornerstone Investor will not have any board representation in the Company, nor will the Cornerstone Investor become a substantial shareholder, connected person or close associate of the Company.

- The Cornerstone Investor has agreed that, among other things, without the prior written consent of each of the Company, the Sole Sponsor and BOCOM Securities (on behalf of itself and the Joint Global Coordinators), it will not, whether directly or indirectly, at any time from July 13, 2020 to January 12, 2021, being the period of six months after July 13, 2020 (the “**Lock-up Period**”), dispose of any of the Offer Shares subscribed for by it pursuant to the Cornerstone Investment Agreement, save for in certain limited circumstances, such as transfers of any of its wholly-owned subsidiary which will be bound by the same obligations of the Cornerstone Investor, including the Lock-up Period restriction.

CORNERSTONE INVESTOR

The Company has entered into the Cornerstone Investment Agreement with the Cornerstone Investor, pursuant to which the Cornerstone Investor has agreed to, subject to certain conditions, subscribe for such number of Offer Shares (rounded down to the nearest whole board lot of 2,000 Shares) at the Offer Price which may be purchased with an aggregate amount of RMB56 million. Set out below is the shareholding information of the Cornerstone Investors:

	Number of Offer Shares to be subscribed for (rounded down to the nearest whole board lot of 2,000 Shares)	Approximate % of total number of Offer Shares		Approximate % of the Shares in issue immediately following completion of the Global Offering and the Capitalization Issue	
		(assuming that the Over- allotment Option is not exercised)	(assuming that the Over- allotment Option is exercised in full)	(assuming that the Over- allotment Option is not exercised)	(assuming that the Over- allotment Option is exercised in full)
Cornerstone Investor	29,148,000	19.43%	18.88%	4.86%	4.82%

Please refer to the section headed “Cornerstone Placing” in the Prospectus for further details on the Cornerstone Investor.

The Directors confirm to the best of their knowledge, information and belief, having made all reasonable enquiries, 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 the persons mentioned in (i) and/or (ii), whether in their own names or through nominees.

The International Offering is in compliance with the Placing Guidelines. 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.

Over-allotment Option

In connection with the Global Offering, the Company has the BOCOM Securities (on behalf of itself and the International Underwriters), exercisable in whole or in part by BOCOM Securities at its sole and absolute discretion, the Over-allotment Option, which is exercisable at any time from Monday, July 13, 2020 to Thursday, July 30, 2020, 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 22,500,000 additional 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, among other things, over-allocation in the International Offering, if any. There has been an over-allocation of 4,408,000 Shares in the International Offering and such over-allocation will be settled using Shares to be borrowed under the Stock Borrowing Agreement between Sunny Rock and the Stabilizing Manager. Such borrowed Shares will be covered by exercising the Over-allotment Option or by making purchases in the secondary market or by a combination of these means. In the event the Over-allotment Option is exercised, an announcement will be made on the Stock Exchange's website at www.hkexnews.hk and the Company's website at www.honlivhp.com. As of the date of this announcement, the Over-allotment Option has not been exercised.

If the Over-allotment Option is exercised with an over-allocation of 4,408,000 Shares in the International Offering, the Company will receive additional net proceeds of approximately HK\$9.3 million. Additional net proceeds received due to an exercise of the Over-allotment Option in full or in part will be used for the purposes set out in the section headed "Net Proceeds from the Global Offering" in this announcement accordingly on a pro rata basis.

Lock-up Undertakings

Each of the Company, the Controlling Shareholders and the Cornerstone Investor has given certain undertakings in relation to the issue or disposal of Shares (the “**Lock-up Undertakings**”). The major terms of the Lock-up Undertakings are set out as follows:

Name	Number of Shares held in the Company subject to the Lock-up Undertakings upon the Listing	% of shareholding in the Company subject to the Lock-up Undertakings upon the Listing ^(Note 1)	Last day subject to the Lock-up Undertakings
<i>The Company</i> (subject to lock-up obligations pursuant to the Listing Rules and the Underwriting Agreements)	N/A	N/A	January 12, 2021 ^(Note 2)
<i>The Controlling Shareholders</i> (subject to lock-up obligations pursuant to the Listing Rules and the Underwriting Agreements)			
Mr. Qin Yan	443,983,500 ^(Note 5)	74.00%	January 12, 2021 ^(Note 3) July 12, 2021 ^(Note 4)
Mr. Qin Hongchao	443,983,500 ^(Note 6)	74.00%	January 12, 2021 ^(Note 3) July 12, 2021 ^(Note 4)
Sunny Rock	443,983,500 ^(Note 5)	74.00%	January 12, 2021 ^(Note 3) July 12, 2021 ^(Note 4)
Rubrical Investment	443,983,500 ^(Note 6)	74.00%	January 12, 2021 ^(Note 3) July 12, 2021 ^(Note 4)
<i>The Cornerstone Investor</i> (subject to lock-up obligations pursuant to the Cornerstone Investment Agreement)			
Changyuan City Investment Group	29,148,000	4.86%	January 12, 2021 ^(Note 4)

Notes:

- (1) Before any exercise of the Over-allotment Option.
- (2) The Company may issue Shares without any lock-up obligations after the indicated date.
- (3) Each Controlling Shareholder may dispose of or transfer Shares after the indicated date subject to that such Controlling Shareholder will not cease to be a Controlling Shareholder.
- (4) The Controlling Shareholders and the Cornerstone Investor may dispose of or transfer Shares without any lock-up obligation after the indicated date.
- (5) 310,788,450 Shares are held by Sunny Rock. Sunny Rock is owned as to 100% by Mr. Qin Yan. Thus, Mr. Qin Yan is deemed to be interested in such shares held by Sunny Rock by virtue of Part XV of the SFO. Mr. Qin Yan, Mr. Qin Hongchao, Sunny Rock, and Rubrical Investment are concert parties under the Concert Party Agreement. By virtue of the SFO, Mr. Qin Yan and Sunny Rock are also interested in 133,195,050 Shares held by Mr. Qin Hongchao and Rubrical Investment.
- (6) 133,195,050 Shares are held by Rubrical Investment. Rubrical Investment is owned as to 100% by Mr. Qin Hongchao. Thus, Mr. Qin Hongchao is deemed to be interested in such shares held by Rubrical Investment by virtue of Part XV of the SFO. Mr. Qin Yan, Mr. Qin Hongchao, Sunny Rock, and Rubrical Investment are concert parties under the Concert Party Agreement. By virtue of the SFO, Mr. Qin Hongchao and Rubrical Investment are also interested in 310,788,450 Shares held by Mr. Qin Yan and Sunny Rock.

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 **White Form eIPO** Service Provider under the **White Form eIPO** service will be conditionally allocated on the basis set out below:

NUMBER OF HONG KONG OFFER SHARES APPLIED FOR	NUMBER OF VALID APPLICATIONS	BASIS OF ALLOTMENT/BALLOT	FINAL APPROXIMATE PERCENTAGE ALLOTTED OF THE TOTAL NUMBER OF SHARES APPLIED FOR
POOL A			
2,000	11,129	1,113 out of 11,129 to receive 2,000 Shares	10.00%
4,000	3,179	572 out of 3,179 to receive 2,000 Shares	9.00%
6,000	671	145 out of 671 to receive 2,000 Shares	7.20%
8,000	336	81 out of 336 to receive 2,000 Shares	6.03%
10,000	897	224 out of 897 to receive 2,000 Shares	4.99%
12,000	175	47 out of 175 to receive 2,000 Shares	4.48%
14,000	97	27 out of 97 to receive 2,000 Shares	3.98%
16,000	87	25 out of 87 to receive 2,000 Shares	3.59%
18,000	122	36 out of 122 to receive 2,000 Shares	3.28%
20,000	884	267 out of 884 to receive 2,000 Shares	3.02%
30,000	214	93 out of 214 to receive 2,000 Shares	2.90%
40,000	206	115 out of 206 to receive 2,000 Shares	2.79%
50,000	246	166 out of 246 to receive 2,000 Shares	2.70%
60,000	62	49 out of 62 to receive 2,000 Shares	2.63%
70,000	29	26 out of 29 to receive 2,000 Shares	2.56%
80,000	66	64 out of 66 to receive 2,000 Shares	2.42%
90,000	39	2,000 Shares	2.22%
100,000	187	2,000 Shares plus 9 out of 187 to receive additional 2,000 Shares	2.10%
200,000	92	2,000 Shares plus 55 out of 92 to receive additional 2,000 Shares	1.60%
300,000	32	4,000 Shares	1.33%
400,000	11	4,000 Shares plus 6 out of 11 to receive additional 2,000 Shares	1.27%
500,000	22	6,000 Shares	1.20%
600,000	8	6,000 Shares plus 4 out of 8 to receive additional 2,000 Shares	1.17%
700,000	6	8,000 Shares	1.14%
800,000	4	8,000 Shares plus 2 out of 4 to receive additional 2,000 Shares	1.13%
900,000	3	10,000 Shares	1.11%
1,000,000	10	10,000 Shares plus 5 out of 10 to receive additional 2,000 Shares	1.10%
2,000,000	2	20,000 Shares	1.00%
TOTAL:	18,816		

NUMBER OF HONG KONG OFFER SHARES APPLIED FOR	NUMBER OF VALID APPLICATIONS	BASIS OF ALLOTMENT/BALLOT	FINAL APPROXIMATE PERCENTAGE ALLOTTED OF THE TOTAL NUMBER OF SHARES APPLIED FOR
POOL B			
2,500,000	4	1,114,000 Shares	44.56%
7,000,000	1	3,044,000 Shares	43.49%
TOTAL:	<u>5</u>		

The final number of Offer Shares comprising the Hong Kong Public Offering is 15,000,000 Offer Shares, representing 10% of the total number of Offer Shares initially available under the Global Offering (without taking into account any Shares which may be issued pursuant to the 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 **White Form eIPO** 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 this announcement to be posted on the Stock Exchange's website at www.hkexnews.hk and on the Company's website at www.honlivhp.com by no later than 8:00 a.m. on Friday, July 10, 2020;
- from the designated results of allocations website at www.iporesults.com.hk (alternatively: English <https://www.eipo.com.hk/en/Allotment>; Chinese <https://www.eipo.com.hk/zh-hk/Allotment>) with a "search by ID" function on a 24-hour basis from 8:00 a.m. on Friday, July 10, 2020 to 12:00 midnight on Thursday, July 16, 2020;
- from the allocation results telephone enquiry hotline by calling +852 2862 8555 between 9:00 a.m. and 6:00 p.m. from on Friday, July 10, 2020 and Monday, July 13, 2020 to Wednesday, July 15, 2020; and
- in the special allocation results booklets which will be available for inspection during the opening hours from Friday, July 10, 2020 to Monday, July 13, 2020 at all the receiving bank's designated outlets or branches at the addresses set out below.

Bank of Communications Co., Ltd. Hong Kong Branch:

District	Outlet Name	Address
Hong Kong Island	Business Department	Unit B B/F. & G/F., Unit C G/F., Wheelock House, 20 Pedder Street, Central
Kowloon	Ngau Tau Kok Sub-Branch	Shop G1 & G2, G/F., Phase I, Amoy Plaza, 77 Ngau Tau Kok Road
New Territories	Sha Tsui Road Sub-Branch	Shops Nos. 3-5 on G/F., Kwong Ming Building, 120-130 Sha Tsui Road, Tsuen Wan

Standard Chartered Bank (Hong Kong) Limited:

District	Branch	Address
Kowloon	Kwun Tong Branch	G/F & 1/F One Pacific Centre, 414 Kwun Tong Road, Kwun Tong
Kowloon	Mongkok Branch	Shop B, G/F, 1/F & 2/F, 617-623 Nathan Road, Mongkok

SHAREHOLDING CONCENTRATION ANALYSIS

The table below sets out the summary of allotment results under the Global Offering:

- Subscription and number of Shares held by the top 1, 5, 10, 20 and 25 of the placees out of the International Offering, total offer Shares and total issued share capital of the Company upon Listing:

	Subscription of International Offer Shares	Shares held following the Global Offering	Subscriptions of International Offer Shares as % of International Offering (assuming that the Over- allotment Option is not exercised)	Subscriptions of International Offer Shares as % of International Offering (assuming that the Over- allotment Option is exercised in full)	Subscriptions of International Offer Shares as % of Global Offering (assuming that the Over- allotment Option is not exercised)	Subscriptions of International Offer Shares as % of Global Offering (assuming that the Over- allotment Option is exercised in full)	Approximate % of total issued share capital (assuming that the Over-allotment Option is not exercised)	Approximate % of total issued share capital (assuming that the Over-allotment Option is exercised in full)
Top 1	29,148,000	29,148,000	21.59%	20.91%	19.43%	18.88%	4.86%	4.82%
Top 5	106,242,000	106,242,000	78.70%	76.21%	70.83%	68.81%	17.71%	17.58%
Top 10	124,908,000	124,908,000	92.52%	89.60%	83.27%	80.89%	20.82%	20.67%
Top 20	135,644,000	135,644,000	100.48%	97.30%	90.43%	87.85%	22.61%	22.44%
Top 25	137,674,000	137,674,000	101.98%	98.76%	91.78%	89.16%	22.95%	22.78%

- Subscription and number of Shares held by the top 1, 5, 10, 20 and 25 of the Shareholders out of the Hong Kong Public Offering, the International Offering, total offer Shares and total issued share capital of the Company upon Listing:

	Subscription of										
					Subscription of	International		Subscription			
					International	Offer Shares		of total Offer			Approximate
					Offer Shares	as % of		of total Offer	Shares as %	Approximate	% of
					as % of	International		Shares as %	of the Global	% of	total issued
					International	Offering		of the Global	Offering	total issued	share capital
					Offering	(assuming		Offering	(assuming	share capital	(assuming
					of Hong Kong	that the Over-		(assuming	that the Over-	(assuming	that the Over-
	Subscription	Subscriptions	Shares held	Offer Shares	that the Over-	allotment	that the Over-	allotment	allotment	that the Over-	allotment
	Subscription of	of	of total	following	as % of Hong	Option is	Option is	Option is	Option is	Option is	Option is
	Hong Kong	International	Offer	the Global	Kong Public	Option is not	exercised	Option is not	exercised	Option is not	exercised
	Offer Shares	Offer Shares	Shares	Offering	Offering	exercised)	in full)	exercised)	in full)	exercised)	in full)
Top 1	-	-	-	310,788,450	-	-	-	-	-	51.80%	51.42%
Top 5	-	73,030,000	73,030,000	517,013,500	-	54.10%	52.39%	48.69%	47.30%	86.17%	85.54%
Top 10	-	116,686,000	116,686,000	565,954,460	-	86.43%	83.70%	77.79%	75.57%	94.33%	93.64%
Top 20	7,500,000	128,716,000	136,216,000	585,484,460	50.00%	95.35%	92.33%	90.81%	88.22%	97.58%	96.87%
Top 25	7,500,000	133,500,000	141,000,000	590,268,460	50.00%	98.89%	95.76%	94.00%	91.32%	98.38%	97.66%

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.