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Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meanings as those defined in the prospectus dated June 29, 2023 (the “**Prospectus**”) issued by Sichuan Kelun-Biotech Biopharmaceutical Co., Ltd. (the “**Company**”).

This announcement is made pursuant to section 9(2) of the Securities and Futures (Price Stabilizing) Rules (Chapter 571W of the Laws of Hong Kong). This announcement is for information purposes only and does not constitute an invitation or an offer to acquire, purchase or subscribe for securities of the Company. This announcement is not a prospectus. Potential investors should read the Prospectus for detailed information about the Company and the Global Offering described below before deciding whether or not to invest in the Offer Shares.

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KELUN-BIOTECH
科伦博泰

Sichuan Kelun-Biotech Biopharmaceutical Co., Ltd.

四川科倫博泰生物醫藥股份有限公司

(A joint stock company incorporated in the People’s Republic of China with limited liability)

(Stock Code: 6990)

FULL EXERCISE OF THE OVER-ALLOTMENT OPTION, STABILIZING ACTIONS AND END OF STABILIZATION PERIOD

FULL EXERCISE OF THE OVER-ALLOTMENT OPTION

The Company announces that the Over-allotment Option described in the Prospectus has been fully exercised by the Overall Coordinators (for themselves and on behalf of the International Underwriters) on Thursday, August 3, 2023 in respect of an aggregate of 3,366,900 H Shares, representing approximately 15.0% of the total number of the Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option, to cover over-allocations in the International Offering.

The H Shares to be issued pursuant to the exercise of the Over-allotment Option will be allotted and issued by the Company at HK\$60.60 per Share (excluding brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.00565%), being the Offer Price per Offer Share under the Global Offering.

STABILIZING ACTIONS AND END OF STABILIZATION PERIOD

Pursuant to section 9(2) of the Securities and Futures (Price Stabilizing) Rules (Chapter 571W of the Laws of Hong Kong), the Company announces that the stabilization period in connection with the Global Offering ended on Thursday, August 3, 2023, being the 30th day after the last day for lodging applications under the Hong Kong Public Offering.

The stabilizing actions undertaken by Goldman Sachs (Asia) L.L.C., the Stabilization Manager, or its affiliates or any person acting for it, during the stabilization period are set out in this announcement.

FULL EXERCISE OF THE OVER-ALLOTMENT OPTION

The Company announces that the Over-allotment Option described in the Prospectus has been fully exercised by the Overall Coordinators (for themselves and on behalf of the International Underwriters) on Thursday, August 3, 2023 in respect of an aggregate of 3,366,900 H Shares, representing approximately 15.0% of the total number of the Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option, to cover over-allocations in the International Offering.

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APPROVAL OF LISTING

Approval for the listing of and permission to deal in the over-allotment Shares has already been granted by the Listing Committee of the Stock Exchange. Listing of and dealings in the over-allotment Shares are expected to commence on the Main Board of the Stock Exchange at 9:00 a.m. on Tuesday, August 8, 2023 (Hong Kong time).

SHARE CAPITAL UPON COMPLETION OF THE FULL EXERCISE OF THE OVER-ALLOTMENT OPTION

The shareholding structure of the Company immediately before and immediately after completion of the full exercise of the Over-allotment Option is as follows:

Description of Shares	Immediately before completion of the full exercise of the Over-allotment Option		Immediately after completion of the full exercise of the Over-allotment Option	
	<i>Number of Shares</i>	<i>Approximate percentage of the Company's total issued share capital</i>	<i>Number of Shares</i>	<i>Approximate percentage of the Company's total issued share capital</i>
Domestic Shares	149,589,850	69.31%	149,589,850	68.24%
Unlisted Foreign Shares	5,548,478	2.57%	5,548,478	2.53%
H Shares				
H Shares converted from Domestic Shares	19,620,539	9.09%	19,620,539	8.95%
H Shares converted from Unlisted Foreign Shares	18,623,632	8.63%	18,623,632	8.50%
H Shares issued pursuant to the Global Offering	22,446,100	10.40%	25,813,000	11.78%
Total	<u>215,828,599</u>	<u>100.00%</u>	<u>219,195,499</u>	<u>100.00%</u>

USE OF PROCEEDS

The Company will receive additional net proceeds of approximately HK\$196 million (after deducting the underwriting commissions and other estimated expenses payable by the Company in connection with the full exercise of the Over-allotment Option) for the 3,366,900 H Shares to be issued and allotted pursuant to the full exercise of the Over-allotment Option. The Company intends to utilize the additional net proceeds for the purposes and in the proportions as set out in the section headed “Future Plans and Use of Proceeds” in the Prospectus.

STABILIZING ACTIONS AND END OF STABILIZATION PERIOD

Pursuant to section 9(2) of the Securities and Futures (Price Stabilizing) Rules (Chapter 571W of the Laws of Hong Kong), the Company announces that the stabilization period in connection with the Global Offering ended on Thursday, August 3, 2023, being the 30th day after the last day for lodging applications under the Hong Kong Public Offering. The stabilizing actions undertaken by Goldman Sachs (Asia) L.L.C., the Stabilization Manager, or its affiliates or any person acting for it, during the stabilization period are set out below:

- (i) over-allocation of an aggregate of 3,366,900 H Shares under the International Offering, representing approximately 15.0% of the total number of the Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option;
- (ii) successive purchases of an aggregate of 93,700 H Shares at the price of HK\$ 60.60 per H Share (excluding brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.00565%) on the market during the stabilization period, representing approximately 2.78% of the total number of the Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option. The last purchase made by the Stabilization Manager or its affiliates or any person acting for it, on the market during the course of the stabilization period was on July 11, 2023 at the price of HK\$60.60 per Share (excluding brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.00565%);
- (iii) the sale of an aggregate of 93,700 H Shares in the price range of HK\$74.15 to HK\$81.20 per H Share (excluding brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.00565%) on the market during the stabilizing period, representing approximately 2.78% of the total number of the Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option; and
- (iv) the full exercise of the Over-allotment Option by the Overall Coordinators (for themselves and on behalf of the International Underwriters) on Thursday, August 3, 2023 in respect of an aggregate of 3,366,900 H Shares, representing approximately 15.0% of the total number of Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option, at HK\$60.60 per H Share (excluding brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.00565%), being the Offer Price per Offer Share under the Global Offering, to cover over-allocations under the International Offering.

PUBLIC FLOAT

The Stock Exchange has granted the Company a waiver from strict compliance with the requirements of Rule 8.08(1)(a) of the Listing Rules pursuant to which the minimum public float of the Company should be the higher of: (i) 20.88% of the total issued share capital of the Company; or (ii) such percentage of H Shares to be held by the public immediately after the completion of the Global Offering and the exercise of the Over-allotment Option.

After the full exercise of the Over-allotment Option, approximately 22.09% of the Company's total issued share capital will be held by the public, which satisfies the minimum percentage prescribed in the conditions imposed in the waiver granted by the Stock Exchange from strict compliance with Rule 8.08(1) of the Listing Rules.

By order of the Board
Sichuan Kelun-Biotech Biopharmaceutical Co., Ltd.
LIU Gexin
Chairman of the Board and Non-executive Director

Hong Kong, August 3, 2023

As at the date of this announcement, the board of directors of the Company comprises Mr. LIU Gexin as the chairman of the Board and non-executive Director, Dr. GE Junyou and Dr. WANG Jingyi as executive Directors, Mr. LIU Sichuan, Mr. FENG Hao, Mr. ZENG Xuebo and Mr. LI Dongfang as non-executive Directors, and Dr. ZHENG Qiang, Dr. TU Wenwei, Dr. JIN Jinping, and Dr. LI Yuedong as independent non-executive Directors.