

Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meanings as those defined in the prospectus dated 25 September 2020 (the “**Prospectus**”) issued by Everest Medicines Limited (the “**Company**”).

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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).

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EVEREST MEDICINES

云 頂 新 耀

Everest Medicines Limited

雲 頂 新 耀 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1952)

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 Joint Representatives, on behalf of the International Underwriters, on 30 October 2020, in respect of an aggregate of 9,532,000 Shares (the “**Over-allotment Shares**”), representing 15% of the total number of the Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option. The Over-allotment Shares will be allotted and issued by the Company at HK\$55.00 per Share (exclusive of brokerage of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%), being the Offer Price per Share under the Global Offering. The Over-allotment Shares will be used to facilitate the return of 9,532,000 borrowed Shares to C-Bridge Investment Everest Limited which were used to cover over-allocations of Shares in the International Offering.

STABILIZING ACTIONS AND END OF STABILIZATION PERIOD

The Company further announces that the stabilization period in connection with the Global Offering ended on 30 October 2020, being the 30th day after the last day for lodging applications under the Hong Kong Public Offering. Further information on the stabilizing actions undertaken by the Stabilization Manager during the stabilization period is 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 Joint Representatives, on behalf of the International Underwriters, on 30 October 2020, in respect of an aggregate of 9,532,000 Shares (the “**Over-allotment Shares**”), representing 15% of the total number of the Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option. The Over-allotment Shares will be allotted and issued by the Company at HK\$55.00 per Share (exclusive of brokerage of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%), being the Offer Price per Share under the Global Offering. The Over-allotment Shares will be used to facilitate the return of 9,532,000 borrowed Shares to C-Bridge Investment Everest Limited which were used to cover over-allocations of Shares in the International Offering.

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 4 November 2020.

SHAREHOLDING STRUCTURE OF THE COMPANY UPON THE FULL EXERCISE OF THE OVER-ALLOTMENT OPTION

The shareholding structure of the Company immediately before and immediately after the completion of the full exercise of the Over-allotment Option, assuming that no Shares are issued under the Share Schemes (as defined in the Prospectus) is as follows:

Shareholders	Immediately before the allotment of the Over-allotment Shares		Immediately after the allotment of the Over-allotment Shares	
	<i>Number of Shares</i>	<i>Approximate % of the Company's issued share capital</i>	<i>Number of Shares</i>	<i>Approximate % of the Company's issued share capital</i>
Everest Management Holding Co., Ltd	24,005,392	8.46%	24,005,392	8.19%
C-Bridge Investment Everest Limited ⁽¹⁾	50,000,000	17.62%	50,000,000	17.05%
C-Bridge II Investment Eight Limited	9,722,222	3.43%	9,722,222	3.32%
C-Bridge IV Investment Two Limited	38,362,045	13.52%	38,362,045	13.08%
C-Bridge IV Investment Nine Limited	15,277,778	5.39%	15,277,778	5.21%
C-Bridge IV Investment Sixteen Limited	4,227,000	1.49%	4,227,000	1.44%
Pre-IPO Investors ⁽²⁾	82,478,704	29.07%	82,478,704	28.13%
Cornerstone Investors ⁽³⁾	27,475,500	9.69%	27,475,500	9.37%
Other public Shareholders	32,141,748	11.33%	41,673,748	14.21%
Total	<u>283,690,389</u>	<u>100.00%</u>	<u>293,222,389</u>	<u>100.00%</u>

Notes:

- (1) Inclusive of the 9,532,000 Shares lent to Goldman Sachs International under the Stock Borrowing Agreement.
- (2) These refer to all the Pre-IPO Investors as set out in the section headed “History, Development, and Corporate Structure” of the Prospectus and exclude Shares subscribed by certain Pre-IPO Investors as cornerstone investors during the Global Offering. The shareholding of each of the Pre-IPO Investors immediately before the allotment of the Over-allotment Shares have been set out in the Company’s allotment results announcement dated 8 October 2020. The Over-allotment Shares to be issued by the Company will not affect the number of Shares of each of the Pre-IPO Investors, and will have a dilutive effect on the shareholding of the Pre-IPO Investors on a pro rata basis.

- (3) These refer to all the cornerstone investors, save for C-Bridge IV Investment Sixteen Limited which is separately listed in this table, as set out in the section headed “Cornerstone Investors” of the Prospectus. The shareholding of each of the cornerstone investors immediately before the allotment of the Over-allotment Shares have been set out in the Company’s allotment results announcement dated 8 October 2020. The Over-allotment Shares to be issued by the Company will not affect the number of Shares of each of the cornerstone investors, and will have a dilutive effect on the shareholding of the cornerstone investors on a pro rata basis.
- (4) Any discrepancies in the table between the totals and sums of amounts listed therein are due to rounding.

USE OF PROCEEDS

The Company will receive additional net proceeds of approximately HK\$500.6 million, after deduction of underwriting fees and commissions and estimated expenses payable by the Company in connection with the Global Offering, for 9,532,000 additional Shares to be issued and allotted upon the exercise of the Over-allotment Option. The Company intends to utilize the additional net proceeds on a pro rata basis for the purposes as set out in the section headed “Future Plans and Use of Proceeds” in the Prospectus.

STABILIZING ACTIONS AND END OF STABILIZATION PERIOD

The Company further announces that the stabilization period in connection with the Global Offering ended on 30 October 2020, 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., as Stabilization Manager, or any person acting for it during the stabilization period were:

- (1) over-allocations of an aggregate of 9,532,000 Shares in the International Offering, representing 15% of the total number of the Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option);
- (2) the borrowing of 9,532,000 Shares by Goldman Sachs International from C-Bridge Investment Everest Limited pursuant to the Stock Borrowing Agreement to cover the over-allocations in the International Offering; and
- (3) the full exercise of the Over-allotment Option by the Joint Representatives, on behalf of the International Underwriters, on 30 October 2020, in respect of an aggregate of 9,532,000 Shares, representing 15% of the total number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option), at HK\$55.00 per Share (exclusive of brokerage of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%), being the Offer Price per Share under the Global Offering, to facilitate the return to C-Bridge Investment Everest Limited of all the borrowed Shares which were used to cover the over-allocations in the International Offering.

There had been no purchase or sale of any Shares on the market for the purpose of price stabilization by the Stabilization Manager during the stabilization period.

PUBLIC FLOAT

Immediately after the completion of the Global Offering and after the full exercise of the Over-allotment Option, the Company will continue to comply with the public float requirements under Rule 8.08(1)(a) and Rule 18A.07 of the Listing Rules.

By order of the Board
Everest Medicines Limited
Wei Fu
Chairman and Executive Director

Hong Kong, 1 November 2020

As at the date of this announcement, the board of directors of the Company comprises Mr. Wei Fu as Chairman and Executive Director, Dr. Kerry Levan Blanchard, Mr. Ian Ying Woo and Mr. Xiaofan Zhang as Executive Directors, Mr. Yubo Gong as Non-executive Director, and Mr. Bo Tan, Mr. Yifan Li and Mr. Shidong Jiang as Independent Non-executive Directors.