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Ascletis Pharma Inc.

歌禮製藥有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1672)

VOLUNTARY ANNOUNCEMENT

PROPOSED SHARE REPURCHASE UNDER THE REPURCHASE MANDATE

The board of directors (the “**Board**”) of Ascletis Pharma Inc. (the “**Company**”) hereby announces that it intends to exercise its powers under the general mandate to repurchase (the “**Repurchase Mandate**”) shares of the Company (the “**Shares**”) granted by the shareholders of the Company to the Board at the annual general meeting (the “**AGM**”) of the Company held on June 15, 2020 to repurchase Shares on the open market at appropriate timing. According to the Repurchase Mandate, the Company is allowed to repurchase a maximum of 110,633,600 Shares, being 10% of the total number of issued Shares as at the date of the AGM (the “**Proposed Share Repurchase**”).

The financial position of the Company is currently solid and healthy. The Board considers that the current trading price of the Shares does not reflect their intrinsic value. The Board believes the Proposed Share Repurchase and subsequent cancellation of the repurchased Shares could enhance the value of the Shares thereby improving the return to shareholders of the Company. In addition, the Board believes that the Proposed Share Repurchase reflects the Company’s confidence in its long term business prospects and growth potential of the Company, and would ultimately benefit the Company and is in the best interests of the Company and the shareholders of the Company as a whole.

The Proposed Share Repurchase will be funded by the Company’s existing available cash. No repurchases would be made in circumstances that would have a material adverse impact on the working capital positions of the Company. Under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), the actual repurchase price of each Share shall be no more than 5% higher than the average closing market price for the Shares over the 5 trading days immediately preceding each repurchase. The Company will conduct the Proposed Share Repurchase in compliance with the Repurchase Mandate, memorandum and articles of association of the Company, the Listing Rules, the Codes on Takeovers and Mergers and Share Buy-backs, the Companies Law of the Cayman Islands and all applicable laws and regulations to which the Company is subject to. The Proposed Share Repurchase shall not result in the number of the Shares held by the public falling below the relevant minimum percentage prescribed by the Listing Rules. The Company will subsequently cancel the repurchased Shares, if any.

As at the date of this announcement, the Company has not repurchased any Shares. Shareholders of the Company and potential investors should note that the exercise of the Repurchase Mandate by the Company will be subject to market conditions and will be at the absolute discretion of the Board. There is no assurance of the timing, quantity or price of any share repurchases or whether or not the Company will make any repurchases.

Shareholders of the Company and potential investors are reminded to exercise caution when dealing in the securities of the Company.

By order of the Board
Ascletris Pharma Inc.
歌禮製藥有限公司
Jinzi Jason WU
Chairman

Hangzhou, the People's Republic of China
September 8, 2020

As at the date of this announcement, the Board of Directors of the Company comprises Dr. Jinzi Jason WU and Mrs. Judy Hejingdao WU, as executive Directors; Dr. Yizhen WEI, Mr. Jiong GU and Ms. Lin HUA, as independent non-executive Directors.