

IPO FACT SHEET
Alphamab Oncology (9966)
ISSUE STATISTICS

Offer Size:	HK\$1,632.57m – HK\$1,829.91m
Placement Tranche:	179.403m
Price:	HK\$9.10 – HK\$10.20
Board lot:	1,000
Entry fee:	HK\$10,302.79
Historical PE	N.A.
Net tangible assets per share:	HK\$2.93 – HK\$3.14
Market Cap (post-IPO):	HK\$8,162.8m – HK\$9,149.5m
Open:	02 Dec 2019
Close:	12.00 noon on 5 Dec 2019
Trading:	12 Dec 2019
Sponsor:	Morgan Stanley Asia Limited, CLSA Capital Markets Limited and Jefferies Hong Kong Limited

Year ended 31 Dec	(RMB'000)	yoy % chg
Other income		
2017	1,428	N.A.
2018	783	-45.2%
Loss for the year/period		
2017	-64,826	N.A.
2018	-202,633	212.6%

BACKGROUND

- The Group is a leading clinical-stage biopharmaceutical company in China with a fully integrated proprietary biologics platform in bispecifics and protein engineering.
- The Group's highly differentiated in-house pipeline consists of eight oncology drug candidates, including four in clinical stage. As of the Latest Practicable Date, it owned one patent covering KN026 in China, co-owned one patent with 3DMed covering KN035 in Australia, and co-owned five patents with Suzhou Alphamab covering its CRIB and CRAM platforms, including in China and the United States. As of the same date, it owned or co-owned 23 patent applications worldwide relating to its drug candidates and technology platforms.
- To date, the Group has not commercialized any products. It plans to build up its own commercialization team in China with an initial focus on late-stage drug candidates. It plans to assemble a team of personnel dedicated to medical affairs and governmental affairs in the second half of 2020 to prepare for the upcoming launch of KN046 in 2021.
- The Group focuses on the development of technologies and platforms of antibody-based therapies for oncology treatment and its expertise in this regard. Benefitting from its proprietary protein engineering platforms and structure-guided molecular modeling expertise, it is able to develop fit-for-purpose mAbs and fusion proteins with bi-, tri- and tetra-specificity.

BUSINESS STRATEGIES

- Rapidly advance clinical development of its product pipeline.
- Advance its pre-clinical and discovery programs.
- Continue to enhance its manufacturing capabilities.
- Continue to attract, train and retain talent to further expand its capabilities.
- Seek value-maximizing collaboration opportunities.

COMPETITIVE STRENGTHS

- Next-generation in-house developed bispecific antibody candidates with blockbuster potential.
- Robust pipeline of other in-house developed candidates.
- Fully-integrated platform supporting drug discovery, development and manufacturing.

- Visionary founder supported by an experienced management team.

KEY RISKS

- It may be unable to obtain regulatory approval for its drug candidates.
- Clinical drug development involves a lengthy and expensive process with uncertain outcomes, and the Group may be unable to commercialize its drug candidates on a timely basis.
- If its drug candidates fail to demonstrate safety and efficacy to the satisfaction of regulatory authorities or do not otherwise produce positive results, it may incur additional costs or experience delays in completing, or ultimately be unable to complete, the development and commercialization of its drug candidates.
- It may not be able to identify, discover or develop new drug candidates.
- The Group has incurred significant net losses since inception and expect to continue to incur losses, and may never achieve or maintain profitability.
- It may need to obtain substantial additional financing to fund its operation.
- It may not be successful in developing, enhancing or adapting to new technologies and methodologies.
- The Group has very limited experience in commercializing drug candidates.
- It may not be able to obtain sufficient patent protection for its drug candidates.
- It has collaborated with third parties in the development of drug candidates and combination therapies, and may seek collaboration opportunities and strategic alliances in the future.

DIVIDEND POLICY

- No fixed dividend policy.

USE OF PROCEEDS

	HK mn	As a percentage of gross proceeds from the Invitation
For its key drug development programs, including HK\$807.2 million for KN046, HK\$322.9 million for KN026, HK\$80.7 million for KN019.	1,210.8	75.0%
For the construction of its new manufacturing and research and development facilities in Suzhou.	242.2	15.0%
For its early-stage pipeline and its working capital and general corporate purposes.	161.4	10.0%
Total:	1,614.4	100.0%

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