

29 November 2021

**High Concentration of Shareholding
in
Morimatsu International Holdings Company Limited (stock code: 02155)**

This announcement is made by the Securities and Futures Commission (“SFC”) in respect of the concentration of the shareholding of Morimatsu International Holdings Company Limited (“the Company”) in the hands of a limited number of shareholders as at 11 November 2021.

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 of the Company (“Shares”) could fluctuate substantially even with a small number of Shares traded, and should exercise extreme caution when dealing in the Shares.

The SFC has recently completed an enquiry into the shareholding of the Company. Our findings suggested that, as at 11 November 2021, 17 shareholders held an aggregate of 219,322,000 Shares, representing 21.14% of the issued Shares. Such shareholding, together with 750,000,000 Shares (representing 72.29% of the issued Shares) held by the controlling shareholder, represented 93.43% of the issued Shares as at 11 November 2021. Therefore, only 68,178,000 Shares (representing 6.57% of the issued Shares) were held by other shareholders.

As at 11 November 2021, the shareholding structure of the Company was as follows:-

| | Number of Shares held (Shares) | % of total number of issued Shares (%) |
|---------------------------------------|--------------------------------------|---|
| Morimatsu Industry Co., Ltd. (Note 1) | 750,000,000 | 72.29 |
| 6 cornerstone investors (Note 2) | 116,278,000 | 11.21 |
| A group of 11 shareholders | 103,044,000 | 9.93 |
| Other shareholders | 68,178,000 | 6.57 |
| Total | 1,037,500,000 | 100.00 |

Note 1: Morimatsu Industry Co., Ltd is wholly owned by Morimatsu Holdings Co., Ltd.. Mr. Matsuhisa Terumoto, the chairman and non-executive director of the Company, holds 80% of the voting shares of Morimatsu Holdings Co., Ltd..

Note 2: The 6 cornerstone investors are Huayou HongKong Holding Limited, WuXi Biologics HealthCare Venture, China Universal Asset Management Limited Liability Company, Jingzhirui (Suzhou) Microelectronic Technology Co., Ltd, Hwa-An International Limited and Ms. Zhang Ning. Each of the cornerstone investors has agreed that without the prior written consent of the Company, the sole sponsors and the joint global coordinators, during the period of 6 months following the listing date, it will not dispose of the Shares subscribed by it pursuant to the relevant investment agreement.



The Company was listed on the Main Board of the Stock Exchange of Hong Kong Limited on 28 June 2021 by way of public offering and placing of a total of 250,000,000 Shares (representing 25% of the enlarged issued share capital) at HK\$2.48 per Share (the “IPO Price”). At the time of listing, the top 25 shareholders held an aggregate of 93.22% of the issued Shares (assuming over-allotment option exercised in full). On 15 July 2021, the Company announced that the IPO over-allotment option had been fully exercised in respect of an aggregate of 37,500,000 Shares.

On the first day of listing (i.e. 28 June 2021), the share price closed at HK\$8.90, representing an increase of 258.87% from the IPO Price of HK\$2.48. The closing price of the Shares continued to rise and reached a high of \$14.70 on 7 July 2021, which was 492.74% higher than the IPO Price. Subsequently, the closing price of the Shares retreated 17.01% to close at HK\$12.20 on 11 November 2021.

During the period from 28 June 2021 to 11 November 2021, the Company made the following announcements, amongst others:-

- On 20 August 2021, the Company announced the interim results for the 6 months ended 30 June 2021, with a profit of RMB 143.53 million, representing a decrease of 31.83% from the same period in 2020; and
- Also on 20 August 2021, the Company issued a voluntary announcement, disclosing that it entered into an investment agreement to establish a high-end biopharma equipment manufacturing base in Changshu Economic and Technological Development Zone in Suzhou.

As of 26 November 2021, the Shares closed at HK\$13.18, which was 431.45% higher than the IPO Price of HK\$2.48.

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 fluctuate substantially even with a small number of Shares traded, and should exercise extreme caution when dealing in the Shares.

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