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**LUYE PHARMA GROUP LTD.**

**绿叶制药集团有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 02186)**

**DISCLOSEABLE TRANSACTION  
COMPLETION OF THE ISSUE OF  
EXCHANGEABLE PREFERENCE SHARES  
BY A WHOLLY-OWNED SUBSIDIARY OF THE COMPANY**

**ISSUE OF EXCHANGEABLE PREFERENCE SHARES**

On 12 December 2025, completion of the issue of the Exchangeable Preference Shares took place in accordance with the terms of the Subscription Agreement whereby the Issuer (a wholly-owned subsidiary of the Company) allotted and issued 1,500,000 Exchangeable Preference Shares to the Subscriber.

The Exchangeable Preference Shares are exchangeable into existing shares of Boan Biotech held by the Group and do not involve the issuance of new shares by Boan Biotech. Based on an Initial Exchange Price of HKD11.718, the aggregate maximum number of Boan Biotech Shares deliverable upon the exchange of all Exchangeable Preference Shares is 100,486,431, representing approximately 16.15% of all the issued Boan Biotech Shares as of the date of this announcement.

Reference is made to the announcement made by Luye Pharma Group Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 21 November 2025 (the “**Announcement**”) in relation to the issue of Exchangeable Preference Shares by the Issuer. Unless otherwise defined herein, capitalised terms used in this announcement have the same meanings as given to them in the Announcement.

**ISSUE OF EXCHANGEABLE PREFERENCE SHARES**

The Board announces that all conditions precedent to the issue of Exchangeable Preference Shares as set out in the Subscription Agreement have been satisfied and that completion of the issue of the Exchangeable Preference Shares has taken place.

The following set forth some key terms of the issue:

Issuer: Luye Geneora Holding Limited, an exempted company with limited liability incorporated in the Cayman Islands and a wholly-owned subsidiary of the Company

Issue date: 12 December 2025

Number of shares issued: 1,500,000 Exchangeable Preference Shares

Subscriber: Bluebell Asset Holding Ltd.

The Subscriber is an exempted company limited by shares incorporated under the laws of the Cayman Islands. The Subscriber's principal business is investment holding focusing on the healthcare sectors across Asia. RRJ Capital Master Fund IV, L.P. is the direct shareholder and holds 100% of the outstanding share capital of the Subscriber. RRJ Capital Master Fund IV, L.P. was established by RRJ Capital, which is ultimately beneficially owned by Mr. Ong Tiong Sin. RRJ Capital is an Asian-based investment firm which focuses on long-term investments.

Exchange rights: Each Exchangeable Preference Share entitles its holder to exchange such share into existing Boan Biotech Shares held by the Group, at any time from the date of issue until the date falling on the expiry of 60 months from the date of issue. Upon any exercise of the exchange right, the number of Boan Biotech Shares to be delivered in respect of each Exchangeable Preference Share shall be equal to the quotient obtained by dividing the subscription price paid for such Exchangeable Preference Share by the Exchange Price applicable at the time of exchange. The Exchangeable Preference Shares are exchangeable into existing shares of Boan Biotech held by the Group and do not involve the issuance of new shares by Boan Biotech. For purposes of calculating the number of Boan Biotech Shares deliverable upon exchange, a fixed exchange rate of HKD7.85 to USD1.00 has been adopted, representing the high end of the HKD to USD spot rate range over the previous 52 weeks as reported by Bloomberg FX Fixings immediately prior to the entry of the Subscription Agreement.

Based on an Initial Exchange Price of HKD11.718, the aggregate maximum number of Boan Biotech Shares deliverable upon the exchange of all Exchangeable Preference Shares is 100,486,431, representing approximately 16.15% of all the issued Boan Biotech Shares as of the date of this announcement.

Initial Exchange Price: The Initial Exchange Price of HKD11.718 per Boan Biotech Share represents:

- (i) a premium of approximately 7.01% over the closing price of HKD10.95 per Boan Biotech Share as quoted on the Stock Exchange on 20 November 2025;
- (ii) a premium of approximately 6.94% over HKD10.96, being the average closing price per Boan Biotech Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including 20 November 2025; and
- (iii) a premium of approximately 9.85% over HKD10.67, being the average closing price per Boan Biotech Share as quoted on the Stock Exchange for the last 10 consecutive trading days up to and including 20 November 2025.

The Initial Exchange Price was determined with reference to the prevailing market price of the Boan Biotech Shares and the terms and conditions of the Subscription Agreement, and was negotiated on an arm's length basis between the Company and the Subscriber.

Adjustments:

The Exchange Price is subject to adjustment for subdivision, reclassification or consolidation of Boan Biotech Shares, capitalisation of profits or reserves, capital distributions, rights issue of Boan Biotech Shares or options over Boan Biotech Shares at less than 90% of the Current Market Price, rights issues of other securities, issues of Boan Biotech Shares or other options over Boan Biotech Shares at less than 90% of the Current Market Price, modification of rights of conversion at less than 90% of the Current Market Price, other offers to holders of Boan Biotech Shares and other events as described in the terms and conditions of the Subscription Agreement.

**“Current Market Price”** in respect of a Boan Biotech Share on a particular date, means, subject to certain adjustments, the average of the closing prices of a Boan Biotech Share for the 20 consecutive trading days ending on and including (i) the trading day immediately preceding such date, or (ii) if the relevant announcement was made after the close of trading on such date (being a trading day), such date of announcement.

## FINANCIAL INFORMATION OF BOAN BIOTECH

Boan Biotech is a joint stock company incorporated in the PRC with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock code: 06955).

The following table set forth the profit/(loss) before and after tax of Boan Biotech for the years ended 31 December 2023 and 2024, respectively, extracted from the 2024 annual report of Boan Biotech:

	<b>For the year ended 31 December</b>	
	<b>2024</b>	<b>2023</b>
	<i>RMB'000</i>	<i>RMB'000</i>
<b>Profit/(Loss) before Tax</b>	73,189	(119,377)
<b>Profit/(Loss) for the Year</b>	73,189	(119,377)

As of 31 December 2024, Boan Biotech had net assets of RMB1,644.0 million.

If and when any exchange results in Boan Biotech ceasing to be a subsidiary of the Company, the gain or loss recognised will represent the difference between (i) the total fair value of the consideration received from the transaction that resulted in the loss of control together with any investment retained in the former subsidiary measured at its fair value at the date when control is lost, (ii) the carrying amounts of the assets and liabilities of the subsidiary and any non-controlling interests in the former subsidiary at that date when control is lost (including any components of other comprehensive income attributable to them), and (iii) all amounts previously recognised in other comprehensive income in relation to the subsidiary. The amount of any such gain or loss cannot be determined at this stage.

## USE OF PROCEEDS

The Group intends to use the proceeds from the issue of the Exchangeable Preference Shares for the general working capital purposes of the Group, including but not limited to payments to suppliers, employee salaries and benefits, directors' remuneration and other general management and administrative expenses incurred in the course of daily operations.

By Order of the Board  
**LUYE PHARMA GROUP LTD.**  
**Liu Dian Bo**  
*Chairman*

Hong Kong, 12 December 2025

*As at the date of this announcement, the executive directors of the Company are Mr. LIU Dian Bo, Mr. YANG Rong Bing, Mr. YUAN Hui Xian and Ms. ZHU Yuan Yuan; the non-executive directors of the Company are Mr. SONG Rui Lin and Mr. HUANG Liming; and the independent non-executive directors of the Company are Mr. ZHANG Hua Qiao, Professor LO Yuk Lam, Mr. LEUNG Man Kit, Mr. CHOY Sze Chung Jojo and Ms. XIA Lian.*