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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 TRANSACTIONS
TRANSFER OF 25% INTEREST IN NANJING LUYE
AND RELATED TRANSACTIONS**

TRANSFER OF 25% INTEREST IN NANJING LUYE AND RELATED TRANSACTIONS

On 25 December 2025, Nanjing Luye, the Exiting Investor and NJ Xinshi entered into the Equity Transfer Agreement whereby the Exiting Investor agreed to transfer its 25% equity interest in Nanjing Luye to NJ Xinshi for RMB1,086,383,600. NJ Xinshi is a limited partnership. In October 2025, Shandong Luye (as limited partner) subscribed for an approximately 33.2% partnership interest in NJ Xinshi for RMB200 million pursuant to the Partnership Agreement. The remaining interests in NJ Xinshi are held by China Cinda as another limited partner holding approximately 66.4% interest, and Hangzhou Xinshi and Yantai Hexin as general partners each holding approximately 0.2% interest in the partnership.

In connection with NJ Xinshi's proposed acquisition of the Exiting Investor's 25% equity interest in Nanjing Luye, the Group has entered into a series of further transactions:

Nanjing Luye Put Option

Under the Nanjing Luye Equity Option Agreement, NJ Xinshi is granted the right to request Yantai Luye to repurchase NJ Xinshi's equity holding in Nanjing Luye upon the occurrence of certain events.

Shortfall Compensation

NJ Xinshi is required to make semi-annual distribution to China Cinda under the Partnership Agreement. Pursuant to the NJ Xinshi Partnership Interests Option Agreement, Yantai Luye is required to pay China Cinda any shortfall in case NJ Xinshi fails to pay any such distribution when due.

Call Option

Under the NJ Xinshi Partnership Interests Option Agreement, Yantai Luye has the right to require China Cinda to sell its interest in NJ Xinshi to Yantai Luye. If Yantai Luye exercises the Call Option, it must simultaneously acquire Hangzhou Xinshi's partnership interest in NJ Xinshi.

China Cinda Put Option

Under the NJ Xinshi Partnership Interests Option Agreement, China Cinda has the right to request Yantai Luye to purchase China Cinda's entire partnership interests in NJ Xinshi upon the occurrence of certain events. On exercise by China Cinda of the China Cinda Put Option, Yantai Luye must simultaneously purchase Hangzhou Xinshi's partnership interest.

Transaction Guarantee

The Company and Shenzhen Luye have agreed to provide a guarantee, on a joint and several basis, in favour of China Cinda and Hangzhou Xinshi for the due performance of all the obligations of Yantai Luye under the NJ Xinshi Partnership Interests Option Agreement.

Facility Guarantee

Upon completion of the Equity Transfer, NJ Xinshi will obtain a bank facility not exceeding RMB648 million. Yantai Luye and Shenzhen Luye will provide guarantee in respect of such bank facility.

LISTING RULES IMPLICATIONS

Shandong Luye Subscription

As the highest of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Shandong Luye Subscription, on a standalone basis, is less than 5%, the Shandong Luye Subscription, on a standalone basis, does not constitute a discloseable transaction for the Company under the Listing Rules.

Nanjing Luye Put Option and China Cinda Put Option

As the exercise of the Nanjing Luye Put Option and the China Cinda Put Option is not at the Company's discretion, pursuant to Rule 14.74(1) of the Listing Rules, the Nanjing Luye Put Option and the China Cinda Put Option will be classified as if such options had been exercised. The Nanjing Luye Put Option and the China Cinda Put Option are mutually exclusive. If the China Cinda Put Option is exercised, the Nanjing Luye Put Option will no longer be exercised; and vice versa. As one or more of the applicable percentage ratios in respect of the exercise of any one of Nanjing Luye Put Option and the China Cinda Put Option are more than 5% and less than 25%, the grant of Nanjing Luye Put Option and the China Cinda Put Option constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements, but exempt from the circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

Call Option

The exercise of the Call Option is at the discretion of Yantai Luye. According to Rule 14.75(1) of the Listing Rules, on the grant of the Call Option, only the premium will be taken into consideration for the purpose of transaction classification. As no premium is payable for the grant of the Call Option to Yantai Luye, the grant of the Call Option does not constitute a notifiable transaction of the Company. The Company will comply with all applicable requirements under Chapter 14 of the Listing Rules upon the exercise of the Call Option by Yantai Luye.

Transactions

As each of the Shandong Luye Subscription (which on a standalone basis does not constitute a discloseable transaction of the Company), the Shortfall Compensation and the Facility Guarantee are entered into in connection with the Transactions and were conducted within 12 months prior to the date of this announcement, such transactions shall be aggregated for the purpose of Rules 14.22 and 14.23 of the Listing Rules. Since one or more of the applicable percentage ratios in respect of such transactions, when aggregated, is more than 5% but all applicable percentage ratios are less than 25%, such transactions on an aggregated basis constitute a discloseable transaction of the Company under the Listing Rules and is subject to the reporting and announcement requirements, but exempt from the circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

TRANSFER OF 25% INTEREST IN NANJING LUYE AND RELATED TRANSACTIONS

Reference is made to the announcements of the Company dated 22 July 2024 and 12 August 2024, respectively (the “**Previous Announcements**”). Unless the context otherwise requires, terms defined in the Previous Announcements have the same meaning when used in this announcement.

As disclosed in the Previous Announcements, the Exiting Investor conditionally agreed to make an investment of up to RMB1,600 million in Shenzhen Luye. The Investment comprises the Initial Investment, the Topco Investment and the Further Investment. As of the date of this announcement, only the Initial Investment has been completed and neither the Topco Investment nor the Further Investment have been completed. Accordingly, Nanjing Luye remains owned as to 75% by Shenzhen Luye and as to 25% by the Exiting Investor.

The Exiting Investor now wishes to dispose of its interest in Nanjing Luye and has offered the Luye Parties to purchase such interest. In this connection, the Luye Parties have nominated NJ Xinshi to acquire the Exiting Investor’s 25% equity interest in Nanjing Luye. NJ Xinshi is a limited partnership in which Shandong Luye (a wholly owned subsidiary of the Company) is a limited partner holding approximately 33.2% interest. NJ Xinshi is not a subsidiary of the Company. The remaining interests in NJ Xinshi are held by China Cinda as another limited partner holding approximately 66.4% interest, and Hangzhou Xinshi and Yantai Hexin as general partners each holding approximately 0.2% interest in the partnership. In connection with NJ Xinshi’s proposed acquisition of the Exiting Investor’s 25% equity interest in Nanjing Luye, the Group has entered into a series of transactions which are summarised as follows.

1. Equity Transfer Agreement

Date

25 December 2025

Parties

1. The Exiting Investor, as transferor
2. NJ Xinshi, as transferee
3. Nanjing Luye

Equity Transfer

Pursuant to the terms of the Equity Transfer Agreement, the Exiting Investor agrees to transfer its 25% equity interest in Nanjing Luye to NJ Xinshi (the “**Equity Transfer**”).

The consideration for the Equity Transfer is RMB1,086,383,600 (the “**Repurchase Amount**”), which represents the amount which would have been payable to the Exiting Investor if it had exercised the Repurchase Option granted to it under the Investment Agreement and comprises RMB1,000 million (being the purchase price paid by the Exiting Investor under the Investment Agreement for a 25% equity interest in Nanjing Luye) together with interest accrued thereon at 6% per annum from the date the purchase price was paid and up to the settlement date of the Repurchase Amount.

The Repurchase Amount is payable in cash by NJ Xinshi to the Exiting Investor in three tranches as follows: (i) 25% within five business days after the satisfaction or waiver of the closing conditions, and no later than 31 December 2025; (ii) 25% on or before 16 January 2026; and (iii) the balance within ten business days after completion of the registration of the Equity Transfer.

Completion of the Equity Transfer

Completion of the Equity Transfer is subject to, among others, (i) the articles of association of Nanjing Luye having been amended; (ii) the filing by NJ Xinshi with the Asset Management Association of China having been completed; (iii) the parties having obtained all relevant internal, regulatory and third-party approvals in relation to the Equity Transfer; and (iv) no material adverse change on Nanjing Luye as at completion. Completion will take place on the date when the registration of the Equity Transfer is completed, and the Repurchase Amount has been paid in full.

2. Nanjing Luye Equity Option Agreement

Date

25 December 2025

Parties

1. Yantai Luye
2. NJ Xinshi

Under the Nanjing Luye Equity Option Agreement, NJ Xinshi is granted the right to request Yantai Luye to repurchase NJ Xinshi’s equity holding in Nanjing Luye (the “**Nanjing Luye Put Option**”) at any time upon the occurrence of any one of the events specified, which include:

- (a) if the aggregate Net Profits of Nanjing Luye for the three financial years 2025, 2026 and 2027 are less than RMB1,086.0 million, and the aggregate Net Profits of Nanjing Luye for the two financial years 2028 and 2029 are less than RMB857.0 million, and Yantai Luye fails to make a cash top-up of such shortfall to Nanjing Luye (the “**Top-up Contribution**”);

- (b) Nanjing Luye fails (i) in each year to approve the payment of dividends of not less than 40% of the Net Profits of Nanjing Luye in the prior year; and (ii) in respect of any Top-up Contribution, a distribution of not less than 40% of the Top-up Contribution as special dividend, and Nanjing Luye fails to distribute 40% of such additional distribution to NJ Xinshi in proportion to NJ Xinshi's shareholding in Nanjing Luye, and in each case, Yantai Luye fails to make a cash top-up of any such shortfall to NJ Xinshi;
- (c) an event of default under the Facility has occurred and continues for more than 30 business days;
- (d) China Cinda not able to achieve an agreed exit within 60 months after its payment of capital contribution to NJ Xinshi; and
- (e) breaches by the relevant obligors (including Nanjing Luye, Shenzhen Luye, Yantai Luye and the Company) of the Partnership Agreement or other relevant transaction documents, defaults by such obligors on other financial indebtedness, any factor leading to non-repayment under the Facility, or China Cinda not having received its base return and paid-in capital on time provided under the Transaction Agreements.

The Nanjing Luye Put Option is exercisable at any time during the 36-month period commencing from the expiry of 60 months from the completion of the Equity Transfer.

The amount which Yantai Luye shall pay NJ Xinshi upon the exercise of the Nanjing Luye Put Option (the “**Put Purchase Price**”) shall be an amount equal to the sum of (i) the amount of the capital contributions by all partners in NJ Xinshi; (ii) the amount of any base return due but unpaid to China Cinda under the Partnership Agreement; (iii) the amount of any outstanding principal and interest that remains payable by NJ Xinshi under the Facility; (iv) operating expenses payable by NJ Xinshi; and (v) all applicable taxes. The Company expects that the maximum amount payable by Yantai Luye in respect of the operating expenses payable by NJ Xinshi and all applicable taxes shall not exceed RMB3 million.

If Yantai Luye fails to pay the Put Purchase Price in full, NJ Xinshi may sell its equity interest in Nanjing Luye to any third party at a price to be determined by NJ Xinshi as fair and may recover from Yantai Luye any shortfall between the Put Purchase Price and such third-party transfer price.

3. NJ Xinshi Partnership Interests Option Agreement

Date

25 December 2025

Parties

1. China Cinda
2. Hangzhou Xinshi
3. Yantai Luye

Shortfall Compensation

NJ Xinshi is required to make a distribution (“**Base Return**”) to China Cinda every six months from the date Cinda China made its first capital contribution to NJ Xinshi, calculated at a simple interest rate of 8.5% per annum based on the amount of capital contribution made by China Cinda to NJ Xinshi under the Partnership Agreement. In the event that any Base Return is not paid in full to China Cinda on a scheduled distribution date, Yantai Luye shall pay China Cinda in cash an amount equals to the shortfall (the “**Shortfall Compensation**”).

No Shortfall Compensation shall accrue or be payable after the expiry of the 60-Month Period. If the China Cinda Put Option has not been exercised by China Cinda by the expiry of the China Cinda Put Option Exercise Period, Yantai Luye shall have no further obligation to China Cinda in respect of any Shortfall Compensation thereafter.

Call Option

Yantai Luye is granted the right to require China Cinda to sell its interest in NJ Xinshi to Yantai Luye at the Call Purchase Price. The Call Option is exercisable at any time during the 60-Month Period. If Yantai Luye exercises the Call Option, it must simultaneously acquire Hangzhou Xinshi’s partnership interest in NJ Xinshi at the amount of the paid-in capital it made to NJ Xinshi.

China Cinda Put Option

China Cinda is granted the right to request Yantai Luye to purchase China Cinda's entire partnership interests in NJ Xinshi (the "**China Cinda Put Option**") at any time upon the occurrence of any one of the events specified, which include:

- (a) by the expiry of the 60-Month Period, NJ Xinshi has not enabled China Cinda to achieve an exit through, among others, a separate listing of Nanjing Luye or an equity transfer enabling China Cinda to recover in full its paid-in capital and Base Return;
- (b) NJ Xinshi elects not to support Nanjing Luye's proposed IPO;
- (c) the Facility has been fully settled;
- (d) breaches by relevant obligors (including Nanjing Luye, Shenzhen Luye, Yantai Luye and the Company) of the Partnership Agreement or other relevant transaction documents, defaults by such obligors on other financial indebtedness, any factor leading to non-repayment under the Facility, or China Cinda not having received its Base Return and paid-in capital on time provided under the Transaction Agreements.

On exercise by China Cinda of the China Cinda Put Option, Yantai Luye must simultaneously purchase Hangzhou Xinshi's partnership interest at the amount of the paid-in capital it made to NJ Xinshi.

The China Cinda Put Option is exercisable at any time during the 36-month period (the "**China Cinda Put Option Exercise Period**") commencing from the expiry of the 60-Month Period.

The amount which Yantai Luye shall pay China Cinda upon the exercise of the China Cinda Put Option (the "**Fund Put Purchase Price**") shall be an amount equal to the sum of (i) the amount of the paid-in capital of China Cinda to NJ Xinshi; (ii) the Base Return due but unpaid to China Cinda under the Partnership Agreement; and (iii) any liquidated damages, compensation or similar amounts payable to China Cinda under the Partnership Agreement and any other relevant transaction documents, which China Cinda is entitled to receive directly and/or via partnership distributions.

If Yantai Luye fails to pay the Fund Put Purchase Price in full, China Cinda may transfer the partnership interests to any third party at a price it determines to be fair and may recover from Yantai Luye any shortfall between the Fund Put Purchase Price and such third-party transfer price.

The Nanjing Luye Put Option and the China Cinda Put Option are mutually exclusive. If the China Cinda Put Option is exercised and China Cinda has exited through the transfer of its partnership interests in NJ Xinshi, the Nanjing Luye Put Option will no longer be exercised; and if the Nanjing Luye Put Option is exercised and China Cinda has exited through the transfer of its interests in Nanjing Luye, the China Cinda Put Option will no longer be exercised.

4. Guarantee Agreement

Date

25 December 2025

Parties

1. China Cinda
2. Hangzhou Xinshi
3. Shenzhen Luye
4. The Company (together with Shenzhen Luye, the “**Guarantors**”)

Guarantee

The Guarantors have agreed to provide a guarantee, on a joint and several basis, in favour of China Cinda and Hangzhou Xinshi for the due performance of all the obligations of Yantai Luye under the NJ Xinshi Partnership Interests Option Agreement, including the obligations to pay the Shortfall Compensation and in respect of the China Cinda Put Option. If Yantai Luye fails to perform any of its obligations under the NJ Xinshi Partnership Interests Option Agreement when due, China Cinda and Hangzhou Xinshi may require the Guarantors to assume liability and to make payment directly to China Cinda and Hangzhou Xinshi (the “**Transaction Guarantee**”).

5. Proposed Facility

Upon completion of the Equity Transfer, NJ Xinshi will obtain the Facility from Shanghai Pudong Development Bank. Yantai Luye and Shenzhen Luye will provide guarantee in respect of the Facility.

The amount available to NJ Xinshi under the Facility will not exceed RMB648 million. The Facility will be no more than five years and interest rate is no more than 3.5% per annum. Pursuant to the Facility, each of Yantai Luye and Shenzhen Luye will guarantee, on a joint and several basis, the performance by NJ Xinshi of all its obligations under the Facility (the “**Facility Guarantee**”). The proceeds of the Facility shall primarily be used to fund the Repurchase Amount for the Equity Transfer. In addition, NJ Xinshi shall also pledge its 25% equity interest in Nanjing Luye as security for its obligations under the Facility.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The Directors consider that the purpose of the transactions contemplated under the Transaction Agreements is to procure financing and backing from a third-party investor to facilitate the funding of the Repurchase Amount payable for the Equity Transfer. The arrangements are intended to secure the necessary capital support to the purchase of the 25% interest in Nanjing Luye in an efficient and timely manner. Having considered the above, the Directors (including the independent non-executive Directors) consider that the Transaction Agreements and the transactions contemplated thereunder (including the Shortfall Compensation, Call Option, Nanjing Luye Put Option, China Cinda Put Option, the Transaction Guarantee and the Facility Guarantee) are on normal commercial terms, are the result of arm's length negotiations, and that the terms thereof are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION ON THE GROUP

The Company and the Group

The Company is an investment holding company and the holding company of the Group. The Group is an international pharmaceutical group dedicated to the research and development, manufacturing and sale of innovative medications. The Group has established research and development centres in China, the U.S. and Europe, with a robust pipeline of over 30 drug candidates in China and more than 10 drug candidates in other international markets. Along with a number of new drugs and new formulations in the central nervous system and oncology therapeutic areas under study in the U.S., Europe and Japan, the Group has reached high-level international standards in novel drug delivery technologies including microspheres, liposomes, and transdermal drug delivery systems, as well as actively making strategic developments in the fields of biological antibodies, cell therapies and gene therapies, among others. The Group is developing a global supply chain of eight manufacturing sites with over 30 production lines in total, establishing GMP quality management and international standard control systems. With more than 30 products covering the central nervous system, oncology, cardiovascular, metabolism and other therapeutic areas, business of the Group is conducted in over 80 countries and regions around the world, including the largest pharmaceutical markets – China, the U.S., Europe and Japan, as well as in fast growing emerging markets.

Nanjing Luye

As at the date of this announcement, Nanjing Luye is owned as to 75% by Shenzhen Luye and 25% by the Exiting Investor. Nanjing Luye and its subsidiaries are principally engaged in the manufacture and sale of pharmaceutical products with a focus on the therapeutic area of oncology.

The net assets of Nanjing Luye as at 31 December 2024 are approximately RMB1,098.5 million. For the financial years ended 31 December 2023 and 2024, the net profits before tax of Nanjing Luye are approximately RMB405.9 million and RMB410.1 million, respectively, and the net profits after tax of Nanjing Luye are approximately RMB334.7 million and RMB405.0 million, respectively.

Yantai Luye and Shenzhen Luye

Each of Yantai Luye and Shenzhen Luye is a wholly-owned subsidiary of the Company. Each of Yantai Luye and Shenzhen Luye is principally engaged in investment holding.

INFORMATION ON THE EXITING INVESTOR

The Exiting Investor is registered in the PRC and its fund manager is Shenzhen Investment Holdings Capital Co., Ltd. (深圳市投控資本有限公司), which is wholly owned by Shenzhen Investment Holdings Co., Ltd. (深圳市投資控股有限公司) and the ultimate beneficial owner of which is Shenzhen Municipal People's Government State-owned Assets Supervision and Administration Commission (深圳市人民政府國有資產監督管理委員會). The principal business of the Exiting Investor is equity investment, investment management, asset management, and other activities through private equity funds (such operations may only be conducted after registration with the Asset Management Association of China, and for projects that require approval under applicable laws, business activities they may only commence after obtaining approval from the relevant authorities).

Yantai Luye is a limited partner of, and holds a 9% interest in, the Exiting Investor. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, all other limited partners of the Exiting Investor are third parties independent of the Company and its connected persons.

INFORMATION ON NJ XINSHI

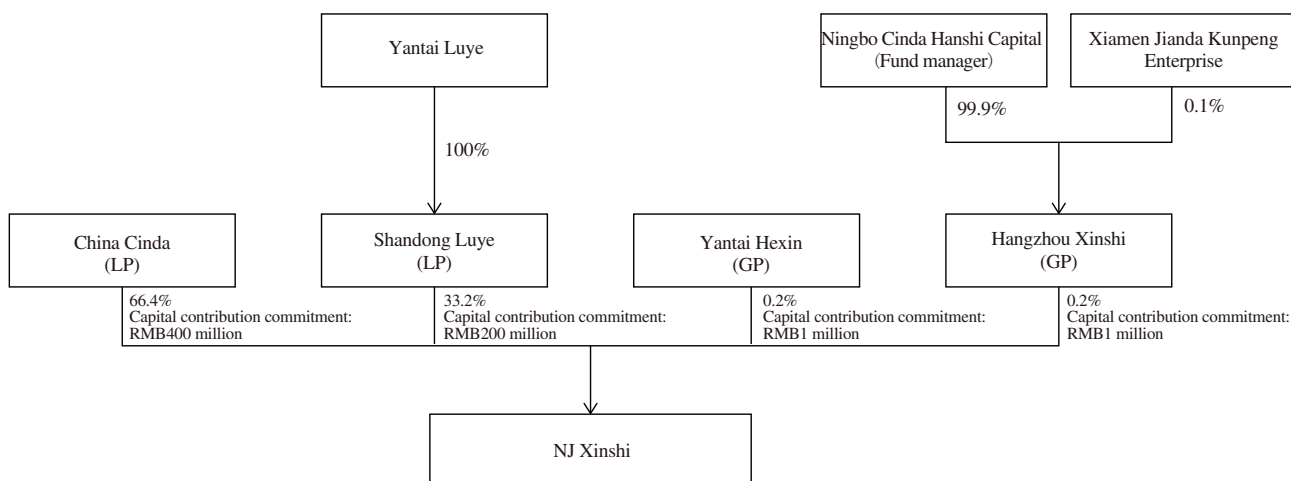
NJ Xinshi is a limited partnership established under the laws of the PRC in accordance with the Partnership Agreement. Its general partners are Yantai Hexin and Hangzhou Xinshi. China Cinda and Shandong Luye are each a limited partner of NJ Xinshi. In October 2025, Shandong Luye (as limited partner) subscribed for an approximately 33.2% partnership interest in NJ Xinshi for RMB200 million pursuant to the Partnership Agreement (the “**Shandong Luye Subscription**”). To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of China Cinda, Yantai Hexin and Hangzhou Xinshi and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons.

China Cinda 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: 01359 and 04621 (preference shares)). It is principally engaged in distressed asset management and provides customised financial solutions and differentiated asset management services to its clients through the synergistic operation of its diversified business platforms. The ultimate beneficial owner of China Cinda is the State Council of the PRC, which is a third party independent of the Company and its connected persons.

Hangzhou Xinshi is a limited liability company incorporated in the PRC and is primarily engaged in investment management, investment consulting (other than securities and futures) and corporate management consulting. Its controlling shareholder is Ningbo Cinda Hanshi Capital.

Yantai Hexin is a limited liability company incorporated in the PRC and is primarily engaged in managing private equity and venture capital investment funds in the PRC, subject to registration with the Asset Management Association of China. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Yantai Hexin is ultimately controlled by Mr. Du Yong, who is a third party independent of the Company and its connected persons.

The following chart shows a simplified structure of NJ Xinshi as at the date of this announcement:



LISTING RULES IMPLICATIONS

Shandong Luye Subscription

As the highest of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Shandong Luye Subscription, on a standalone basis, is less than 5%, the Shandong Luye Subscription, on a standalone basis, does not constitute a discloseable transaction for the Company under the Listing Rules.

Nanjing Luye Put Option and China Cinda Put Option

As the exercise of the Nanjing Luye Put Option and the China Cinda Put Option is not at the Company's discretion, pursuant to Rule 14.74(1) of the Listing Rules, the Nanjing Luye Put Option and the China Cinda Put Option will be classified as if such options had been exercised. The Nanjing Luye Put Option and the China Cinda Put Option are mutually exclusive. If the China Cinda Put Option is exercised, the Nanjing Luye Put Option will no longer be exercised; and vice versa. As one or more of the applicable percentage ratios in respect of the exercise of any one of Nanjing Luye Put Option and the China Cinda Put Option are more than 5% and less than 25%, the grant of Nanjing Luye Put Option and the China Cinda Put Option constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements, but exempt from the circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

Call Option

The exercise of the Call Option is at the discretion of Yantai Luye. According to Rule 14.75(1) of the Listing Rules, on the grant of the Call Option, only the premium will be taken into consideration for the purpose of transaction classification. As no premium is payable for the grant of the Call Option to Yantai Luye, the grant of the Call Option does not constitute a notifiable transaction of the Company. The Company will comply with all applicable requirements under Chapter 14 of the Listing Rules upon the exercise of the Call Option by Yantai Luye.

Transactions

As each of the Shandong Luye Subscription (which on a standalone basis does not constitute a discloseable transaction of the Company), the Shortfall Compensation and the Facility Guarantee are entered into in connection with the Transactions and were conducted within 12 months prior to the date of this announcement, such transactions shall be aggregated for the purpose of Rules 14.22 and 14.23 of the Listing Rules. Since one or more of the applicable percentage ratios in respect of such transactions, when aggregated, is more than 5% but all applicable percentage ratios are less than 25%, such transactions on an aggregated basis constitute a discloseable transaction of the Company under the Listing Rules and is subject to the reporting and announcement requirements, but exempt from the circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“60-Month Period”	the period commencing from the date on which China Cinda made its first capital contribution to NJ Xinshi and ending on the expiry of 60 months thereafter
“Board”	the board of directors of the Company
“Call Option”	the right of Yantai Luye to acquire China Cinda's partnership interests in China Cinda, as further described in the section headed “3. NJ Xinshi Partnership Interests Option Agreement – Call Option” in this announcement
“China Cinda”	China Cinda Asset Management Co., Ltd. (中國信達資產管理股份有限公司), a joint stock company incorporated in the PRC with limited liability
“China Cinda Put Option”	China Cinda's right to request Yantai Luye to repurchase China Cinda's partnership interests in NJ Xinshi, as further described in the section headed “3. NJ Xinshi Partnership Interests Option Agreement – China Cinda Put Option” in this announcement

“Company”	Luye Pharma Group Ltd., a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Directors”	the directors of the Company
“Exiting Investor”	深圳市綠葉私募股權投資基金合夥企業（有限合夥）(Shenzhen Luye Private Equity Investment Fund Partnership (Limited Partnership)), a limited partnership established under the laws of the PRC
“Equity Transfer”	the Exiting Investor’s proposed transfer of 25% equity interest held by it in Nanjing Luye to NJ Xinshi pursuant to the terms of the Equity Transfer Agreement
“Equity Transfer Agreement”	the equity transfer agreement dated 25 December 2025 and entered into among the Exiting Investor, NJ Xinshi and Nanjing Luye in relation to the Exiting Investor’s proposed transfer of its 25% equity interest in Nanjing Luye to NJ Xinshi
“Facility”	a loan facility in the amount of no more than RMB648 million to be obtained by NJ Xinshi from Shanghai Pudong Development Bank
“Group”	the Company and its subsidiaries, from time to time
“Guarantee”	the guarantee provided by the Company and Shenzhen Luye to China Xinda and Hangzhou Xinshi under the Guarantee Agreement
“Guarantee Agreement”	the guarantee agreement dated 25 December 2025 and entered into among China Xinda, Hangzhou Xinshi, Shenzhen Luye and the Company in relation to the Guarantee
“Hangzhou Xinshi”	杭州信石投資管理有限公司 (Hangzhou Xinshi Investment Management Co., Ltd.), a company with limited liability established in the PRC
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Investment”	the investment by the Exiting Investor in Shenzhen Luye, details of which are set out in the Previous Announcements

“Investment Agreement”	collectively, the agreement and a supplemental agreement each dated 22 July 2024 and entered into among others, the Exiting Investor and the Luye Parties in relation to the Investment, details of which are further set out in the Previous Announcements
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Luye Parties”	the Company, Shenzhen Luye, Nanjing Luye, Yantai Luye, Shandong Luye and Mr. Liu
“Mr. Liu”	Mr. Liu Dian Bo, the executive chairman and chief executive officer, an executive director and a controlling shareholder of the Company
“Nanjing Luye”	南京綠葉製藥有限公司 (Nanjing Luye Pharmaceutical Co., Ltd.), a company with limited liability established in the PRC, and a subsidiary of the Company
“Nanjing Luye Equity Option Agreement”	the agreement dated 25 December 2025 and entered into between Yantai Luye and NJ Xinshi in relation to, among other things, the Nanjing Luye Put Option
“Nanjing Luye Put Option”	NJ Xinshi’s right to request Yantai Luye to repurchase NJ Xinshi’s equity interest in Nanjing Luye, as further described in the section headed “2. Nanjing Luye Equity Option Agreement” in this announcement
“Net Profits of Nanjing Luye”	the cumulative net profits of Nanjing Luye after deducting non-recurring gains and losses
“Ningbo Cinda Hanshi Capital”	寧波信達漢石投資管理有限公司 (Ningbo XinDa Hanshi Capital Co., Ltd.), a company with limited liability established in the PRC
“NJ Xinshi”	Nanjing Xinshi Shiye Equity Investment Partnership (Limited Partnership) 南京信石信業股權投資合夥企業 (有限合夥), a limited partnership established under the laws of the PRC in accordance with the Partnership Agreement

“NJ Xinshi Partnership Interests Option Agreement”	the agreement dated 25 December 2025 and entered into among China Cinda, Hangzhou Xinshi and Yantai Luye in relation to, among other things, the Shortfall Compensation, the Call Option and the China Cinda Put Option
“Partnership Agreement”	the partnership agreement dated 23 October 2025 and entered into among China Cinda, Shandong Luye, Hangzhou Xinshi and Yantai Hexin
“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Previous Announcements”	the announcements of the Company dated 22 July 2024 and 12 August 2024 in relation to, among other things, the Exiting Investor’s acquisition of 25% equity interest in Nanjing Luye
“Repurchase Option”	the Exiting Investor’s right to request the Luye Parties to repurchase the Exiting Investor’s holding in Shenzhen Luye and/or Nanjing Luye, details of which are set out in the Previous Announcements
“Shandong Luye”	Shandong Luye Pharmaceutical Co., Ltd., a company established in the PRC and a wholly owned subsidiary of the Company
“Shareholders”	the shareholders of the Company
“Shenzhen Luye”	綠葉製藥(深圳)有限公司 (Luye Pharma (Shenzhen) Co. Ltd.), a company with limited liability established in the PRC, and a subsidiary of the Company
“Shortfall Compensation”	the amount that Yantai Luye is required to pay to China Cinda under certain circumstances as described in the section headed “3. NJ Xinshi Partnership Interests Option Agreement – Shortfall Compensation” in this announcement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transaction Agreements”	collectively, the Equity Transfer Agreement, the Nanjing Luye Equity Option Agreement, the NJ Xinshi Partnership Interests Option Agreement and the Guarantee Agreement
“Transactions”	the transactions contemplated under the Transaction Agreements

“Xiamen Jianda Kunpeng Enterprise”	廈門建達坤鵬企業管理有限公司 (Xiamen Jianda Kunpeng Enterprise Management Co., Ltd.), a company with limited liability established in the PRC
“Yantai Hexin”	煙台合信私募基金管理有限公司 (Yantai Hexin Private Equity Fund Management Co., Ltd.), a company with limited liability established in the PRC
“Yantai Luye”	煙台綠葉醫藥控股(集團)有限公司 (Yantai Luye Pharma Holdings Co., Ltd.), a company with limited liability established in the PRC, and a subsidiary of the Company
“%”	per cent

In this announcement, the terms “connected person” and “subsidiary” have the meanings given to such terms in the Listing Rules, unless the context otherwise requires.

The English names of Chinese entities included in this announcement are unofficial translations of their Chinese names and are included for identification purposes only.

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

Hong Kong, 28 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.