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**LUYE PHARMA GROUP LTD.**

**绿叶制药集团有限公司**

*(Incorporated in the Bermuda with limited liability)*

**(Stock Code: 02186)**

## **COMPLETION OF PLACING OF NEW SHARES UNDER GENERAL MANDATE**

Reference is made to the announcement of Luye Pharma Group Ltd. (the “**Company**”) dated 15 February 2023 (the “**Announcement**”) in relation to the placing of new shares in the Company. Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

## **COMPLETION OF PLACING OF NEW SHARES UNDER GENERAL MANDATE**

The Company announces that completion of the Placing took place on 22 February 2023.

A total of 212,000,000 new Shares, representing approximately 5.64% of the total issued Shares (as enlarged by the allotment and issue of the Placing Shares), have been placed at the Placing Price of HK\$3.78 per Placing Share to no less than six Placees. To the best of the knowledge, information and belief of the Directors, the Placees are third parties independent of and not connected with the

Company, any Director, chief executive or substantial shareholder of the Company, or any of its subsidiaries, or any of their respective associates, and none of the Placees has become a substantial shareholder (as defined under the Listing Rules) of the Company as a result of the Placing.

## USE OF PROCEEDS

The Company has received total net proceeds from the Placing (after deducting all relevant fees, costs and expenses borne or incurred by the Company) of approximately HK\$794.23 million. As disclosed in the Announcement, the Company intends to apply the net proceeds from the Placing as follows:

- (a) approximately 30% for marketing and commercialisation of products, including the expansion of the market of the central nervous system field and the marketing team to support the commercialisation of LY03004 and LY03005;
- (b) approximately 30% for conducting overseas clinical trials of products under development including LY03003, LY03005, LY03010, and other products in the pipeline;
- (c) approximately 20% for repayment of the Group's debts falling due within 12 months; and
- (d) approximately 20% for general corporate purposes where appropriate.

## EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The following table summarises the shareholding structures of the Company (a) immediately before completion of the Placing; (b) immediately upon completion of the Placing but before conversion of any of the Bonds; and (c) immediately upon completion of the Placing and assuming full conversion of the Bonds:

	Immediately before completion of the Placing		Immediately upon completion of the Placing but before conversion of any of the Bonds		Immediately upon completion of the Placing and assuming full conversion of the Bonds	
	<i>No. of Shares</i>	<i>Approximate %</i>	<i>No. of Shares</i>	<i>Approximate %</i>	<i>No. of Shares</i>	<i>Approximate %</i>
LuYe Investment <sup>(1)</sup>	1,257,196,703	35.42	1,257,196,703	33.42	1,257,196,703	29.53
Hillhouse NEV Holdings Limited	552,324,108	15.56	552,324,108	14.68	552,324,108	12.97
Other existing Shareholders	1,740,149,832	49.02	1,740,149,832	46.26	1,740,149,832	40.87
Holder of the Bonds	—	—	—	—	495,771,427	11.64
Placees	—	—	212,000,000	5.64	212,000,000	4.98
<b>Total</b>	<b><u>3,549,670,643</u></b>	<b><u>100.00</u></b>	<b><u>3,761,670,643</u></b>	<b><u>100.00</u></b>	<b><u>4,257,442,070</u></b>	<b><u>100.00</u></b>

*Notes:*

- (1) LuYe Investment is a controlling shareholder of the Company.
- (2) The aggregate of the percentage figures in the table above may not add up to the relevant sub-total or total percentage figures shown due to rounding of the percentage figures to two decimal places. Percentages may not add up to 100% due to rounding.

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

Hong Kong, 22 February 2023

*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. SUN Xin; and the independent non-executive directors of the Company are Mr. ZHANG Hua Qiao, Professor LO Yuk Lam, Mr. LEUNG Man Kit and Mr. CHOY Sze Chung Jojo.*