

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Beijing Luzhu Biotechnology Co., Ltd.
北京綠竹生物技術股份有限公司

(a joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 2480)

**PROPOSED PROVISION OF GUARANTEES TO WHOLLY-OWNED
SUBSIDIARIES OF THE COMPANY**

The Board hereby announces that, as considered and approved by the Board on November 27, 2023, the Company proposed to provide the Guarantees for the Bank Facilities of Beijing Luzhu and Zhuhai Luzhu. Such Bank Facilities are intended to be used for funding the business and infrastructure development of the Group.

Although the Company has no external guarantees (including guarantees provided to subsidiaries of the Company) as of the date of this announcement, (i) the aggregate amount of the Guarantees is expected to exceed 30.0% of the latest audited total assets of the Company, and (ii) the amount of each of the Guarantees is expected to exceed 10.0% of the latest audited net assets of the Company, according to the Articles of Association, the Guarantees shall be subject to the consideration and approval by special resolutions of the Shareholders at the EGM.

Special resolutions will be proposed at the EGM for the purpose of approving, among other things, the provision of the Guarantees by the Company for the financing of its subsidiaries and the grant of authorization to designated Director(s) and officer(s) of the Company to consider, approve and handle relevant specific matters within the scope of the Guarantees. A notice of the EGM containing, among other things, information of the Guarantees and the guaranteed subsidiaries of the Company will be despatched to the Shareholders in due course.

The Board hereby announces that, as considered and approved by the Board on November 27, 2023, the Company proposed to provide the Guarantees for the Bank Facilities of Beijing Luzhu and Zhuhai Luzhu, the details of which are set out below.

THE GUARANTEES

(1) Proposed guarantee for the prospective bank facility of Beijing Luzhu

Lender	:	A licensed bank in the PRC, which is an Independent Third Party as of the date of this announcement.
Borrower (guaranteed company)	:	Beijing Luzhu, a direct wholly-owned subsidiary of the Company established in the PRC.
Guarantor	:	The Company.
The bank facility	:	Principal amount of not exceeding RMB300.0 million for a term of not more than five years.
Scope of the guarantee	:	All debts and obligations under the bank facility agreement to be entered into by Beijing Luzhu with the lender, including the repayment of principal amount of not exceeding RMB300.0 million, as well as the relevant interests, penalty interests, liquidated damages and other relevant expenses.
Guarantee method	:	The guarantee is a joint liability guarantee and may also include security, pledge, charge, lien and deposits as stipulated in the Civil Code of the PRC.
Guarantee period	:	Throughout the entire bank facility, which shall not exceed five years.

(2) Proposed guarantee for the prospective bank facility of Zhuhai Luzhu

Lender	:	A licensed bank in the PRC, which is an Independent Third Party as of the date of this announcement.
Borrower (guaranteed company)	:	Zhuhai Luzhu, a direct wholly-owned subsidiary of the Company established in the PRC.
Guarantor	:	The Company.
The bank facility	:	Principal amount of not exceeding RMB300.0 million for a term of not more than five years.
Scope of the guarantee	:	All debts and obligations under the bank facility agreement to be entered into by Zhuhai Luzhu with the lender, including the repayment of principal amount of not exceeding RMB300.0 million, as well as the relevant interests, penalty interests, liquidated damages and other relevant expenses.

Guarantee method	:	The guarantee is a joint liability guarantee and may also include security, pledge, charge, lien and deposits as stipulated in the Civil Code of the PRC.
Guarantee period	:	Throughout the entire bank facility, which shall not exceed five years.

As of the date of this announcement, no concrete agreement has been entered into for the Bank Facilities and Guarantees, and the specific guarantee amounts, guarantee methods, guarantee periods are subject to the final agreements to be entered into.

The Board considers that the Guarantees are conducive to the financing efficiency of the Group, and would support the business development of the Group as the Bank Facilities are intended to be utilized for funding the business and infrastructure development of the Group.

BASIC INFORMATION OF BEIJING LUZHU AND ZHUHAI LUZHU

Beijing Luzhu is a company with limited liability established in the PRC on March 31, 2022, with a fully paid-up registered capital of RMB150.0 million as of the date of this announcement. It is a direct wholly-owned subsidiary of the Company.

Zhuhai Luzhu is a company with limited liability established in the PRC on November 29, 2018, with a fully paid-up registered capital of RMB200.0 million as of the date of this announcement. It is a direct wholly-owned subsidiary of the Company.

Beijing Luzhu and Zhuhai Luzhu principally engage in R&D and development of vaccines and therapeutic biologics in the PRC. They are also expected to undertake future product sales of the Group.

DECISION-MAKING PROCEDURES PERFORMED BY THE COMPANY ON THE GUARANTEES

Although the Company has no external guarantees (including guarantees provided to subsidiaries of the Company) as of the date of this announcement, (i) the aggregate amount of the Guarantees is expected to exceed 30.0% of the latest audited total assets of the Company, and (ii) the amount of each of the Guarantees is expected to exceed 10.0% of the latest audited net assets of the Company, according to the Articles of Association, the Guarantees shall be subject to the consideration and approval by special resolutions of the Shareholders at the EGM. As such, special resolutions will be proposed at the EGM for the purpose of approving, among other things, the provision of the Guarantees by the Company for the financing of its subsidiaries and the grant of authorization to designated Director(s) and officer(s) of the Company to consider, approve and handle relevant specific matters within the scope of the Guarantees.

A notice of the EGM containing, among other things, information of the Guarantees and the guaranteed subsidiaries of the Company will be despatched to the Shareholders in due course.

DEFINITIONS

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

“Articles of Association”	the articles of association of the Company currently in force;
“Bank Facilities”	the bank facilities with aggregate principal amount of not exceeding RMB600.0 million to be obtained by Beijing Luzhu and Zhuhai Luzhu;
“Beijing Luzhu”	Luzhu Biologics (Beijing) Co., Limited (綠竹生物製品(北京)有限公司), a company established in the PRC with limited liability on March 31, 2022, and a direct wholly-owned subsidiary of the Company;
“Board”	the board of Directors;
“Civil Code of the PRC”	the Civil Code of the People’s Republic of China 《中華人民共和國民法典》);
“Company”	Beijing Luzhu Biotechnology Co., Ltd. (北京綠竹生物技術股份有限公司), a joint stock company established in the PRC with limited liability on July 19, 2013, the H shares of which are listed on the Main Board of the Stock Exchange (stock code: 2480);
“Director(s)”	the director(s) of the Company;
“EGM”	the extraordinary general meeting of the Company to be held for the purpose of approving, among other things, the provision of the Guarantees by the Company for the financing of its subsidiaries and the grant of authorization to designated Director(s) and officer(s) of the Company to consider, approve and handle relevant specific matters within the scope of the Guarantees;
“Group”	the Company and its subsidiaries;
“Guarantees”	the guarantees to be provided by the Company (as the guarantor) for the Bank Facilities;
“Independent Third Party”	a person or entity who is not a connected person of the Company under the Listing Rules;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time;
“PRC”	the People’s Republic of China;

“RMB”	Renminbi, the lawful currency of the PRC;
“R&D”	research and development;
“Share(s)”	ordinary share(s) in the ordinary share capital of the Company with a nominal value of RMB1.00 each, including H shares and unlisted shares;
“Shareholder(s)”	the holder(s) of the Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Zhuhai Luzhu”	Luzhu Biopharmaceuticals (Zhuhai) Co., Ltd. (綠竹生物製藥(珠海市)有限公司), a company established in the PRC with limited liability on November 29, 2018, and a direct wholly-owned subsidiary of the Company.

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

For ease of reference, the names of the PRC established companies or entities, laws or regulations have been included in this announcement in both the Chinese and English languages; in the event of any inconsistency, the Chinese versions shall prevail.

By order of the Board
Beijing Luzhu Biotechnology Co., Ltd.
Mr. KONG Jian
Chairman and Executive Director

Hong Kong, November 27, 2023

As at the date of this announcement, the Board comprises Mr. KONG Jian, Ms. JIANG Xianmin and Ms. ZHANG Yanping as executive Directors; Mr. MA Biao and Mr. KONG Shuangquan as non-executive Directors; and Mr. LEUNG Wai Yip, Mr. LIANG Yeshe and Ms. HOU Aijun as independent non-executive Directors.