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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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If you are in any doubt about this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Luye Pharma Group Ltd., you should at once hand this circular, together with the accompanying form of proxy, to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)**

**PROPOSALS FOR  
GENERAL MANDATES TO ISSUE SHARES AND  
REPURCHASE SHARES  
AND  
RE-ELECTION OF RETIRING DIRECTORS  
INCLUDING INDEPENDENT NON-EXECUTIVE DIRECTORS WHO  
HAVE SERVED MORE THAN NINE YEARS OF THE COMPANY  
AND  
PROPOSED AMENDMENTS TO BYE-LAWS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening the annual general meeting of Luye Pharma Group Ltd. to be held at Canvas 4, level 26, The Park Lane Hong Kong, 310 Gloucester Road, Causeway Bay, Hong Kong on Tuesday, 28 May 2024 at 3:00 p.m. is set out on pages 29 to 34 of this circular. A form of proxy for use at the annual general meeting is also enclosed. Such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited at [www.hkexnews.hk](http://www.hkexnews.hk) and the website of Luye Pharma Group Ltd. at [www.luye.cn](http://www.luye.cn).

Whether or not you intend to attend the annual general meeting, you are required to complete the form of proxy in accordance with the instructions printed thereon and return it to the Hong Kong share registrar of Luye Pharma Group Ltd., Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Center, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the annual general meeting or any adjournment thereof.

Completion and return of the form of proxy shall not preclude any shareholder from attending and voting in person at the annual general meeting if they so wish and in such event the form of proxy shall be deemed to be revoked.

30 April 2024

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## DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at Canvas 4, level 26, The Park Lane Hong Kong, 310 Gloucester Road, Causeway Bay, Hong Kong on Tuesday, 28 May 2024 at 3:00 p.m., or any adjournment thereof and notice of which is set out on pages 29 to 34 of this circular
“Amendments”	has the meaning ascribed to it under the section headed “PROPOSED AMENDMENTS TO BYE-LAWS” under “LETTER FROM THE BOARD” in this circular
“Bermuda Companies Act”	the Companies Act 1981 of Bermuda as amended, supplemented or otherwise modified from time to time
“Board”	board of Directors
“Bye-laws”	the bye-laws of the Company, as amended or supplemented from time to time
“Company”	Luye Pharma Group Ltd., an exempted company with limited liability incorporated in Bermuda and the Shares of which are listed on the Stock Exchange with a stock code of 02186
“Controlling Shareholders”	has the meaning ascribed thereto under the Listing Rules and, unless the context requires otherwise, refers to the controlling shareholders of the Company
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Mandate”	a general mandate proposed to be granted to the Directors at the Annual General Meeting to allot, issue and/or deal with additional Shares and to sell or transfer treasury shares of the Company (if any) not exceeding 20% of the total number of issued shares of the Company (excluding Treasury Shares, if any) as at the date of passing of the relevant resolution granting such mandate

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## DEFINITIONS

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“Latest Practicable Date”	23 April 2024, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“Memorandum”	the memorandum of association of the Company, as amended or supplemented from time to time
“New Bye-laws”	the amended and restated Bye-laws incorporating and consolidating all the Amendments and proposed to be adopted by way of a special resolution at the Annual General Meeting, a comparative table of the Amendments to the Bye-laws is set out in Appendix III to this circular
“PRC” or “China”	the People’s Republic of China, and for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Repurchase Mandate”	a general mandate proposed to be granted to the Directors at the Annual General Meeting to repurchase Shares not exceeding 10% of the total number of issued shares of the Company (excluding Treasury Shares, if any) as at the date of passing of the relevant resolution granting such mandate
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Share(s)”	shares with a nominal value of USD0.02 each in the capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers, as amended, supplemented or otherwise modified from time to time
“Treasury Shares”	has the meaning ascribed to it under the Listing Rules which will come into effect on 11 June 2024 as amended, supplemented or otherwise modified from time to time
“USD”	United States dollars, the lawful currency of the United States

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LETTER FROM THE BOARD

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Pharma  
绿叶制药

**LUYE PHARMA GROUP LTD.**

**绿叶制药集团有限公司**

*(incorporated in Bermuda with limited liability)*

**(Stock Code: 02186)**

*Executive Directors:*

Mr. LIU Dian Bo  
*(Executive Chairman and  
Chief Executive Officer)*  
Mr. YANG Rong Bing  
*(Vice Executive Chairman)*  
Mr. YUAN Hui Xian  
Ms. ZHU Yuan Yuan

*Non-executive Directors:*

Mr. SONG Rui Lin  
Dr. Lyu Dong

*Independent Non-executive Directors:*

Mr. ZHANG Hua Qiao  
Professor LO Yuk Lam  
Mr. LEUNG Man Kit  
Mr. CHOY Sze Chung Jojo  
Ms. XIA Lian

*Registered Office:*

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

*Head Offices and Principal Places of  
Business in PRC:*

No. 15 Chuang Ye Road  
High-tech Industrial Development Zone  
Yantai, Shandong  
264003  
PRC

22/F, Gubei International Fortune Center II  
Hongqiao Road 1438  
Changning District  
Shanghai  
PRC

*Principal Place of Business in Hong Kong:*

Unit 3207, 32/F  
Champion Tower  
3 Garden Road  
Central, Hong Kong

30 April 2024

*To the Shareholders*

Dear Sir or Madam

**PROPOSALS FOR  
GENERAL MANDATES TO ISSUE SHARES AND  
REPURCHASE SHARES  
AND  
RE-ELECTION OF RETIRING DIRECTORS  
INCLUDING INDEPENDENT NON-EXECUTIVE DIRECTORS WHO  
HAVE SERVED MORE THAN NINE YEARS OF THE COMPANY  
AND  
PROPOSED AMENDMENTS TO BYE-LAWS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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## LETTER FROM THE BOARD

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### INTRODUCTION

The purpose of this circular is to provide you with the notice of Annual General Meeting and further information in relation to, amongst other matters, the following proposals to be put forward at the Annual General Meeting: (a) the grant to the Directors of the Issue Mandate, the Repurchase Mandate and to extend the Issue Mandate by an amount representing the number of Shares repurchased by the Company; (b) the re-election of the retiring Directors; and (c) the proposed amendments to Bye-laws.

### ISSUE MANDATE

At the Company's annual general meeting held on 25 May 2023, a general unconditional mandate was granted to the Directors to issue Shares, and such mandate will lapse at the conclusion of the Annual General Meeting. In order to ensure flexibility and give discretion to the Directors in the event that it becomes desirable for the Company to issue any new Shares and to sell or transfer Treasury Share (if any), an ordinary resolution 4(A) will be proposed at the Annual General Meeting to grant a general mandate to the Directors to exercise all powers of the Company to allot, issue and/or deal with additional Shares and to sell or transfer Treasury Shares (if any) not exceeding 20% of the total number of issued shares of the Company (excluding Treasury Shares, if any) as at the date of passing of the resolution in relation to the Issue Mandate.

As at the Latest Practicable Date, the total number of issued shares of the Company (excluding Treasury Shares, if any) comprised 3,761,670,643 Shares. Subject to the passing of ordinary resolution 4(A) and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the Annual General Meeting, the Company will be allowed to allot, issue, deal with and to sell or transfer Treasury Shares (if any) for a maximum of 752,334,128 Shares under the Issue Mandate.

In addition, subject to separate approvals of ordinary resolutions 4(B) and 4(C), the number of Shares repurchased by the Company under ordinary resolution 4(B) will also be added to extend the 20% limit of the Issue Mandate as mentioned in ordinary resolution 4(A) provided that such additional amount shall not exceed 10% of the total number of issued shares of the Company (excluding Treasury Shares, if any) as at the date of passing the resolutions in relation to the Issue Mandate and the Repurchase Mandate.

The Directors have no immediate plans to issue any new Shares pursuant to the Issue Mandate as at the Latest Practicable Date.

The Issue Mandate, if approved, will continue to be in force from the passing of the said resolution until whichever of the following first occurs: (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or the Bye-laws to be held; or (iii) the revocation or variation of the Issue Mandate by an ordinary resolution of the Shareholders in a general meeting of the Company.

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## LETTER FROM THE BOARD

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### REPURCHASE MANDATE

At the Company's annual general meeting held on 25 May 2023, a general unconditional mandate was granted to the Directors to repurchase Shares, and such mandate will lapse at the conclusion of the Annual General Meeting. An ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Repurchase Mandate to the Directors to exercise all powers of the Company to repurchase Shares representing not exceeding 10% of the total number of issued shares (excluding Treasury Shares, if any) of the Company as at the date of passing of the resolution in relation to the Repurchase Mandate.

The Repurchase Mandate, if approved, will be in force from the passing of the said resolution until whichever of the following first occurs: (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or the Bye-laws to be held; or (iii) the revocation or variation of the Repurchase Mandate by an ordinary resolution of the Shareholders in a general meeting of the Company.

The Directors have no current intention of exercising the Repurchase Mandate as at the Latest Practicable Date.

On 12 April 2024, the Stock Exchange announced that the Listing Rules will be amended with effect from 11 June 2024 to allow issuers to hold shares repurchased in treasury. The Company will not hold any shares it may repurchase under the Repurchase Mandate in treasury until the amendments to the Listing Rules become effective.

An explanatory statement required by the Listing Rules to be sent to the Shareholders in connection with the proposed Repurchase Mandate is set out in Appendix II to this circular. This explanatory statement contains all information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolution at the Annual General Meeting.

### RE-ELECTION OF RETIRING DIRECTORS INCLUDING INDEPENDENT NON-EXECUTIVE DIRECTORS WHO HAVE SERVED MORE THAN NINE YEARS OF THE COMPANY

In accordance with bye-law 84(1) of the Bye-laws, one-third of the Directors for the time being (or if their number is not a multiple of three, the number nearest to but not less than one-third) will retire from office by rotation and will be eligible for re-election provided that every Director will be subject to retirement at least once every three years. Accordingly, Mr. YANG Rong Bing, Mr. YUAN Hui Xian, Mr. ZHANG Hua Qiao and Mr. CHOY Sze Chung Jojo will retire by rotation and being eligible, will offer themselves for re-election as the Directors at the Annual General Meeting.

In accordance with bye-law 83(2) of the Bye-laws, any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election. Accordingly, Dr. Lyu Dong will retire and being eligible, will offer himself for re-election as a Director at the Annual General Meeting.

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## LETTER FROM THE BOARD

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Among the retiring Directors who offer themselves to be re-elected, Mr. ZHANG Hua Qiao and Mr. CHOY Sze Chung Jojo are independent non-executive Directors and have served as such for more than nine years, and their further appointments should be subject to a separate resolution to be approved by Shareholders.

Details of the above retiring Directors, namely Mr. YANG Rong Bing, Mr. YUAN Hui Xian, Dr. Lyu Dong, Mr. ZHANG Hua Qiao and Mr. CHOY Sze Chung Jojo, who are standing for re-election at the Annual General Meeting, are set out in Appendix I to this circular in accordance with the Listing Rules.

### NOMINATION PROCEDURES AND PROCESS

The re-appointment of the abovenamed Directors has been reviewed by the nomination committee of the Company (the “**Nomination Committee**”). The Nomination Committee is of the view that the retiring Directors have extensive experience in different fields and professions that are relevant to the business of the Company. In addition, their respective background, experience and knowledge allow them to provide valuable and relevant insights and contribute to the diversity of the Board.

The Nomination Committee has also reviewed and assessed the independence of each of Mr. ZHANG Hua Qiao and Mr. CHOY Sze Chung Jojo based on their confirmations of independence pursuant to the independence guidelines as set out in rule 3.13 of the Listing Rules. Each of Mr. ZHANG Hua Qiao and Mr. CHOY Sze Chung Jojo is not involved in the daily management of the Company nor in any relationships which would interfere with the exercise of his independent judgment. In addition, taking into consideration of the diversity perspectives (including but not limited to gender, age, cultural and educational background, professional experience, length of service, skills and knowledge) and the current public directorships held by the relevant individuals, the Board is satisfied that each of Mr. ZHANG Hua Qiao and Mr. CHOY Sze Chung Jojo remains independent and is of such character, integrity and experience commensurating with the office of independent non-executive Director. The Board believes that they will be able to devote sufficient time to the Board and will continue to provide independent, balanced and objective views to the Company’s affairs.

Accordingly, the Nomination Committee has recommended them to the Board for re-election and the Board has endorsed the recommendations of the Nomination Committee and recommended all retiring Directors to stand for re-election at the Annual General Meeting.



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## LETTER FROM THE BOARD

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### PROPOSED AMENDMENTS TO BYE-LAWS

The Board proposes to make amendments to the existing Bye-laws of the Company (the “**Existing Bye-laws**”) for the purposes of (i) updating and bringing the Existing Bye-laws in line with the latest regulatory requirements in relation to the expanded paperless listing regime and the electronic dissemination of corporate communications by listed issuers and the relevant amendments made to the Listing Rules that took effect on 31 December 2023; and (ii) better aligning the amendments of the Existing Bye-laws for housekeeping purposes with the provisions of the Listing Rules and the applicable laws of Bermuda (collectively, the “**Amendments**”). For the purposes of the Amendments, the Board proposes to adopt the New Bye-laws, which consolidate the Amendments in substitution for, and to the exclusion of, the Existing Bye-laws in their entirety.

A comparative table of the Amendments to the Bye-laws is set out in Appendix III to this circular. The Chinese translation of the New Bye-laws is for reference only. In case of any discrepancy or inconsistency between the English version and its Chinese translation, the English version shall prevail.

The Company has been advised by its legal advisers as to the laws of Hong Kong and Bermuda that the Amendments conform with the requirements of the Listing Rules, where applicable, and do not contravene the laws of the Bermuda, respectively. The Company also confirms that there is nothing unusual about the Amendments for a company listed on the Stock Exchange.

The Directors believe that the Amendments and adoption of the New Bye-laws are in the interests of the Company and its Shareholders as a whole.

The Board proposes to put forward to the Shareholders for approval at the Annual General Meeting a special resolution to approve the Amendments and adoption of the New Bye-laws. Accordingly, the Amendments and adoption of the New Bye-laws are subject to the approval of the Shareholders by way of a special resolution at the Annual General Meeting, and will become effective upon the passing of such special resolution at the Annual General Meeting.

### NOTICE OF ANNUAL GENERAL MEETING

Set out on pages 29 to 34 of this circular is the notice of the Annual General Meeting containing, *inter alia*, the ordinary resolutions in relation to granting the Directors the Issue Mandate, the Repurchase Mandate, the extension of the Issue Mandate and approving the re-election of the retiring Directors and the special resolution in relation to approving the proposed amendments to Bye-laws.

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## LETTER FROM THE BOARD

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### CLOSURE OF REGISTER OF SHAREHOLDERS AND ASCERTAINING OF ELIGIBILITY FOR ATTENDING THE ANNUAL GENERAL MEETING

For determining eligibility to attend and vote at the Annual General Meeting, the register of shareholders of the Company will be closed from Thursday, 23 May 2024 to Tuesday, 28 May 2024, both days inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting, all transfer of Shares, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Center, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Wednesday, 22 May 2024.

### FORM OF PROXY

A form of proxy is enclosed for use at the Annual General Meeting. Such form of proxy is also published on the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the website of the Company at [www.luye.cn](http://www.luye.cn). Whether or not you intend to attend the Annual General Meeting, you are required to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Center, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time fixed for the holding of the Annual General Meeting or any adjournment thereof. Completion and delivery of the form of proxy shall not preclude a Shareholder from attending and voting in person at the Annual General Meeting if they so wish and in such event the form of proxy shall be deemed to be revoked.

### VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman of the Annual General Meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, each of the resolutions set out in the notice of Annual General Meeting will be taken by way of poll.

On a poll, every Shareholder present in person or by proxy or, in the case of a Shareholder being a corporation, by its duly authorised representative, shall have one vote for every fully paid Share of which he/she/it is the holder. A Shareholder entitled to more than one vote needs not use all his/her/its votes or cast all the votes he/she/it uses in the same way.

### RECOMMENDATION

The Directors consider that the proposed resolutions for the granting to the Directors of the Issue Mandate, the Repurchase Mandate, the extension of the Issue Mandate, approving the re-election of the retiring Directors and the proposed amendments to the Bye-laws are in the best interests of the Company and the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of all the resolutions to be proposed at the Annual General Meeting.

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## LETTER FROM THE BOARD

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### RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters, the omission of which would make any statement herein or this circular misleading.

Yours faithfully  
By order of the Board  
**LUYE PHARMA GROUP LTD.**  
**LIU Dian Bo**  
*Chairman*

*The following are the particulars of the Directors (as required by the Listing Rules) proposed to be re-elected at the Annual General Meeting.*

## **EXECUTIVE DIRECTORS**

**Mr. YANG Rong Bing**, aged 58, holds the office of Vice Executive Chairman and is also a founding member of our Group. Mr. Yang was appointed as an Executive Director on 1 March 2007 and was previously a Non-Executive Director from July 2003. Mr. Yang was appointed as a vice executive chairman of the Board with effect from 30 March 2015. Mr. Yang has also been a non-executive director of Shandong Luye Pharmaceutical Co., Ltd. (山東綠葉製藥有限公司) (“**Shandong Luye**”) since 2000. Prior to that, Mr. Yang was with Jiangsu Xuzhou BioChemical Pharmaceutical Factory from 1988 to 1994 where he worked as an assistant factory head. In 1994, Mr. Yang joined Shandong Luye as a deputy general manager and from 1999 to 2000, he was the chief sales executive and executive director of Shandong Luye. Mr. Yang obtained a Bachelor’s degree in Science from Beijing Normal University in July 1988. Mr. Yang is the chairman of Nanjing Luye Pharmaceutical Co., Ltd. (“**Nanjing Luye**”) and a director of the following main subsidiaries of our Company: Shandong Luye, Yantai Luye Drugs Trading Co., Ltd. (“**Luye Trading**”) and Nanjing Luye. Mr. Yang is a director of each of Luye Life Sciences Group Ltd. (“**Luye Group**”), Luye Pharma Holdings Ltd. (“**Luye Pharma Holdings**”), LuYe Pharmaceutical International Co., Ltd. (“**Luye Pharma Intl**”) and LuYe Pharmaceutical Investment Co., Ltd. (“**Luye Pharma Investment**”).

Mr. Yang has entered into an appointment letter with the Company for a term of three years with effect from 9 July 2023, subject to retirement and re-election in accordance with the Bye-laws. Mr. Yang does not receive any director’s fee apart from salary, allowances and benefits in kind and performance related bonus and retirement benefits. The remuneration was determined by the Board with reference to his responsibility, workload, time devoted and contribution to the Group, as well as salaries paid by the comparable companies and prevailing market conditions. For the details of his remuneration, please refer to the 2023 annual report of the Company.

**Mr. YUAN Hui Xian**, aged 65, holds the office of Executive Director and is also a founding member of our Group. Mr. Yuan was appointed as a Director in July 2003 and is in charge of our Group’s public relations. Prior to joining our Group in 1994, Mr. Yuan was a doctor with Shengli Petroleum Administrative Bureau Yantai Sanatorium from 1980 to 1994, where he was in charge of radiation diagnosis. From 1994 to 1999, Mr. Yuan was a deputy general manager with Shandong Luye. From 1999 to the incorporation of our Company in 2003, Mr. Yuan was the vice-president and executive director of Shandong Luye. He has also received a Post-graduate Certificate in National Economics from the China People’s University in February 2003. Mr. Yuan is the chairman of Luye Trading and a director of the following main subsidiaries of our Company: Shandong Luye, Nanjing Luye, Shandong Luye Natural Drug R&D Co. Ltd. Mr. Yuan is a director of each of Luye Group, Luye Pharma Holdings, Luye Pharma Intl and Luye Pharma Investment.

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**APPENDIX I DETAILS OF THE DIRECTORS PROPOSED TO BE RE-ELECTED**

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Mr. Yuan has entered into an appointment letter with the Company for a term of three years with effect from 9 July 2023, subject to retirement and re-election in accordance with the Bye-laws. Mr. Yuan does not receive any director's fee apart from salary, allowances and benefits in kind and performance related bonus and retirement benefits. The remuneration was determined by the Board with reference to his responsibility, workload, time devoted and contribution to the Group, as well as salaries paid by the comparable companies and prevailing market conditions. For the details of his remuneration, please refer to the 2023 annual report of the Company.

**NON-EXECUTIVE DIRECTORS**

**Dr. LYU Dong**, aged 49, has been our non-executive Director since December 2023. Dr. Lyu is currently a managing director at Hillhouse Investment Management, Ltd. and has been a member of the healthcare private equity team since 2020. He has more than 20 years of experience in financial services and healthcare administrations. Prior to joining Hillhouse Investment Management, Ltd., he was a managing director of PAG, an Asia-focused private equity fund based in Hong Kong. Prior to that, he worked at the healthcare investment department of CITIC PE, a China-focused private equity fund based in Beijing. He started his career at the Center for Drug Evaluation of State Food and Drug Administration as a division director. Dr. Lyu obtained his Ph.D. of Science from Chinese Pharmaceutical University, Master of Science from Peking University and Bachelor of Science from Beijing Medical University.

As at the date of this circular, Dr. Lyu holds or held directorships in the following listed companies in the past three years:

<b>Name of the listed company</b>	<b>Term</b>	<b>Position</b>
Clover Biopharmaceuticals, Ltd., a company listed on the Main Board of Stock Exchange (stock code: 2197)	March 2021 to October 2022	Non-executive director
Jacobio Pharmaceuticals Group Co., Ltd., a company listed on the Main Board of the Stock Exchange (stock code: 1167)	November 2020 to August 2023	Non-executive director
Keymed Biosciences Inc., a company listed on the Main Board of the Stock Exchange (stock code: 2162)	April 2021 to March 2022	Non-executive director
InventisBio Co. Ltd. (益方生物科技(上海)股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 688382)	December 2020 to June 2023	Director
Genor Biopharma Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 6998)	November 2021 to present	Non-executive director

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**APPENDIX I DETAILS OF THE DIRECTORS PROPOSED TO BE RE-ELECTED**

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Dr. Lyu has entered into an appointment letter with the Company for a term of two years with effect from 6 December 2023, subject to retirement and re-election in accordance with the Bye-laws. Under the appointment letter, Dr. Lyu, as Non-Executive Director, is not entitled to any director's fee.

**INDEPENDENT NON-EXECUTIVE DIRECTORS**

**Mr. ZHANG Hua Qiao**, aged 60, has been an independent non-executive Director since June 2014. Mr. Zhang has 17 years of experience in working in the investment banking industry since 1994. He served as the managing director and the co-head of China research team from June 1999 to April 2006 and the deputy head of China investment banking division of UBS AG, Hong Kong Branch from September 2008 to June 2011. He graduated from the Graduate School of the People's Bank of China (中國人民銀行研究生部) with a master's degree in economics in 1986, and from the Australian National University with a master's degree in economics in January 1991. As at the date of this circular, Mr. Zhang holds or held directorships in the following listed companies in the past three years:

<b>Name of the listed company</b>	<b>Term</b>	<b>Position</b>
Radiance Holdings (Group) Company Limited, a company listed on the Main Board of the Stock Exchange (stock code: 9993)	October 2020 to present	Independent non-executive director
Logan Group Company Limited, a company listed on the Main Board of the Stock Exchange (stock code: 3380)	November 2013 to present	Independent non-executive director
China Huirong Financial Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 1290)	October 2013 to May 2021	Independent non-executive director
Zhong An Group Limited, a company listed on the Main Board of the Stock Exchange (stock code: 672)	January 2013 to present	Independent non-executive director
Fosun International Limited, a company listed on the Main Board of the Stock Exchange (stock code: 656)	March 2012 to present	Independent non-executive director

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**APPENDIX I DETAILS OF THE DIRECTORS PROPOSED TO BE RE-ELECTED**

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<b>Name of the listed company</b>	<b>Term</b>	<b>Position</b>
Haitong International Securities Group Limited, a company formerly listed on the Main Board of the Stock Exchange (former stock code: 665)	May 2021 to March 2024 <sup>(Note)</sup>	Independent non-executive director

*Note:* Haitong International Securities Group Limited has been delisted from the Stock Exchange since 11 January 2024.

Mr. Zhang has entered into an appointment letter with the Company for an initial term of two years with effect from 9 July 2022, subject to retirement and re-election in accordance with the Bye-laws. Under the appointment letter, Mr. Zhang, as independent non-executive Director, is entitled to receive director's fee of HK\$300,000 per annum as determined by the Board with reference to the prevailing market conditions and his responsibility in the Company.

**Mr. CHOY Sze Chung Jojo**, aged 65, has been the Independent Non-executive Director since June 2014. Mr. Choy has extensive experience in the securities industry and business management. He is currently the vice chairman of National Resources Securities Limited and the permanent honourable president of the Institute of Securities Dealers Ltd.

Mr. Choy is a fellow member of the Hong Kong Institute of Directors, the Institute of Financial Accountants, the Institute of Public Accountants and the Institute of Compliance Officers. Mr. Choy is also a member of the Election Council for Hong Kong Deputies to the 12th, 13th and the 14th National People's Congress of the PRC, a member of the 4th, the 5th and 6th term Chief Executive Election Committee of Hong Kong and a member of 11th, 12th and 13th Chinese People's Political Consultative Conference, Shantou.

As at the date of this circular, Mr. Choy holds or held directorships in the following listed companies in the past three years:

<b>Name of the listed company</b>	<b>Term</b>	<b>Position</b>
First Credit Finance Group Limited, a company listed on the Growth Enterprise Market of the Stock Exchange (stock code: 8215)	November 2017 to November 2023	Independent non-executive director
New Sparkle Roll International Group Limited, a company listed on the Main Board of the Stock Exchange (stock code: 970)	October 2007 to April 2024	Independent non-executive director
Zhaojin Mining Industry Company Limited, a company listed on the Main Board of the Stock Exchange (stock code: 1818)	May 2007 to present	Independent non-executive director

Mr. Choy obtained a Master's degree in Business Administration from University of Wales, Newport in October 2004 and a Master's degree in Business Law from Monash University in April 2007, a Honorary doctorate of Management from Lincoln University in August 2018 and a Fellowship from Canadian Chartered Institute of Business Administration.

Mr. Choy has entered into an appointment letter with the Company for a term of two years with effect from 9 July 2022, subject to retirement and re-election in accordance with the Bye-laws. Under the appointment letter, Mr. Choy, as independent non-executive Director, is entitled to receive director's fee of HK\$360,000 per annum as determined by the Board with reference to the prevailing market conditions and his responsibility in the Company.

**Continuous appointment of Independent Non-executive Directors who have served more than nine years**

According to code provision B.2.3 of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules, if an independent non-executive Director has served more than nine years, any further appointment of such independent non-executive Director should be subject to a separate resolution to be approved by the Shareholders.

Each of Mr. ZHANG Hua Qiao and Mr. CHOY Sze Chung Jojo was appointed as an independent non-executive Director in June 2014. If each of Mr. ZHANG Hua Qiao and Mr. CHOY Sze Chung Jojo is to be re-elected at the Annual General Meeting, they will continue to serve the Company for more than nine years. The Company has received confirmation of independence according to Rule 3.13 of the Listing Rules from each of Mr. ZHANG Hua Qiao and Mr. CHOY Sze Chung Jojo. Each of Mr. ZHANG Hua Qiao and Mr. CHOY Sze Chung Jojo has not engaged in any executive management of the Group. Taking into consideration their independent scope of works in the past years, the Board considers each of Mr. ZHANG Hua Qiao and Mr. CHOY Sze Chung Jojo to be independent under the Listing Rules despite the fact that they will serve the Company for more than nine years. The Board believes that their continuous tenure will bring considerable stability to the Board and the Board has benefited greatly from the presence of each of Mr. ZHANG Hua Qiao and Mr. CHOY Sze Chung Jojo who has contributed valuable insight to the Group over time. Separate resolutions will be proposed for their re-election at the Annual General Meeting. Each of Mr. ZHANG Hua Qiao and Mr. CHOY Sze Chung Jojo confirmed that he has satisfied all factors set out in Rule 3.13 of the Listing Rules in assessing his independence.

Save as disclosed herein, as at the Latest Practicable Date, each of the retiring Directors mentioned above did not have any interest in the Shares within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed herein, none of the above retiring Directors holds any position with the Company or any other members of the Group, nor have any directorships in other listed public companies in the last three years.



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**APPENDIX I    DETAILS OF THE DIRECTORS PROPOSED TO BE RE-ELECTED**

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In addition, save as disclosed herein, none of the above retiring Directors has any relationship with any Directors, senior management, substantial Shareholders or Controlling Shareholders (as defined in the Listing Rules).

Save as disclosed herein, there is no other matter in relation to the above retiring Directors that needs to be brought to the attention of the Shareholders and there is no information relating to them which is required to be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules.

*The following is an explanatory statement required to be sent to the Shareholders under the Listing Rules in connection with the proposed Repurchase Mandate.*

On 12 April 2024, the Stock Exchange announced that the Listing Rules will be amended (the “**Listing Rules Amendments**”) with effect from 11 June 2024 to allow issuers to hold shares repurchased in treasury. This Explanatory Statement has taken into account the Listing Rules Amendments. The Company will not hold any shares it may repurchase under the Repurchase Mandate in treasury until the Listing Rules Amendments become effective.

## **SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised 3,761,670,643 Shares with nominal value of USD0.02 each. Subject to the passing of the resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the Annual General Meeting, the Company will be allowed to repurchase a maximum of 376,167,064 Shares which represent 10% of the total number of issued shares of the Company (excluding Treasury Shares, if any), during the period ending on the earlier of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or the Bye-laws to be held; or (iii) the date on which such authority is revoked or varied by an ordinary resolution of the Shareholders in general meeting.

## **REASONS FOR REPURCHASES**

The Directors believe that the ability to repurchase Shares is in the interests of the Company and the Shareholders. Repurchases may, depending on the circumstances, result in an increase in the net asset value and/or earnings per Share. The Directors sought the grant of a general authority from the Shareholder to give the Company the flexibility to repurchase Shares if and when appropriate. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time having regard to the circumstances then pertaining and any repurchases will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders.

**FUNDING OF REPURCHASES**

Repurchases of Shares will be financed out of funds legally available for the purpose and in accordance with the Memorandum and Bye-laws, the Listing Rules, and any other applicable laws of Bermuda. Under Bermuda law, any repurchases by the Company may be made out of capital paid up on the Shares to be repurchased, or out of funds of the Company which would otherwise be available for dividend or distribution or out of the proceeds of a fresh issue of Shares made for the purpose and, in the case of premiums payable on repurchases, funds of the Company which would otherwise be available for dividend or distribution or out of the share premium account of the Company.

The Directors consider that if the Repurchase Mandate was to be exercised in full, it may not have a material adverse impact on the working capital or the gearing position of the Company, as compared with the positions disclosed in the audited consolidated financial statements of the Company as at 31 December 2023, being the date on which the latest published audited consolidated financial statements of the Company were made up. The Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or on the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

**DIRECTORS AND CORE CONNECTED PERSONS**

The Directors will exercise the power of the Company to repurchase Shares pursuant to the Repurchase Mandate in accordance with the Listing Rules, the Memorandum and the Bye-laws and applicable laws of Bermuda.

To the best of their knowledge, having made all reasonable enquiries, none of the Directors or any of their close associates, as defined in the Listing Rules, currently intends to sell any Shares to the Company, if the Repurchase Mandate is approved by the Shareholders.

No core connected person of the Company has notified the Company that he/ she/it has any present intention to sell any Shares to the Company, and none of them have undertaken not to do so, if the proposed Repurchase Mandate is approved by the Shareholders.

The Directors confirm that neither the Explanatory Statement nor the proposed Repurchase Mandate has any unusual features.

**STATUS OF REPURCHASED SHARES**

The Company may cancel any Shares it repurchased and/or hold them as Treasury Shares subject to market conditions and the Group's capital management needs at the relevant time of the repurchases.

**EFFECT OF TAKEOVERS CODE**

If as a result of a repurchase of Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert (within the meaning of the Takeovers Code), depending on the level of increase of the Shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best knowledge and belief of the Directors, Mr. Liu Dian Bo had deemed interests in 1,259,196,703 Shares under Part XV of the SFO, representing an approximate total of 33.47% of the existing issued share capital of the Company. The 1,259,196,703 Shares were held through his controlled corporations, namely Shorea LBG, Ginkgo (PTC) Limited, Nelumbo Investments Limited, Luye Group, Luye Pharma Holdings, Luye Pharma Intl and Luye Pharma Investment (the "**Controlled Corporations**").

In the event that the Repurchase Mandate should be exercised in full, the aggregate interests of Mr. Liu Dian Bo (through the Controlled Corporations) will be increased to approximately 37.19% of the issued share capital of the Company. Such exercise of the Repurchase Mandate may give rise to an obligation on Mr. Liu Dian Bo (through the Controlled Corporations) to make a mandatory offer under Rule 26 of the Takeovers Code.

However, the Directors currently have no intention to repurchase Shares which would trigger a mandatory general offer obligation on the part of the above persons. Save as disclosed above, the Directors are not aware of any consequences which will arise under the Takeovers Code as a result of any purchases to be made under the Repurchase Mandate.

**SHARE REPURCHASE MADE BY THE COMPANY**

In the six months immediately prior to the Latest Practicable Date, the Company had not repurchased any of its shares.

## SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange in each of the 12 months preceding the Latest Practicable Date were as follows:

<b>Month</b>	<b>Highest prices</b> <i>HK\$</i>	<b>Lowest prices</b> <i>HK\$</i>
<b>2023</b>		
April	4.05	3.36
May	4.03	3.33
June	3.91	3.16
July	3.67	3.15
August	3.66	2.83
September	3.61	2.75
October	3.85	3.29
November	4.00	3.69
December	3.96	3.42
<b>2024</b>		
January	3.77	2.59
February	3.01	2.34
March	3.20	2.69
April (up to 23 April 2024)	2.95	2.55

APPENDIX III COMPARATIVE TABLE OF THE AMENDMENTS TO THE BYE-LAWS

BYE-LAWS			
Original Bye-laws		New Bye-laws	
Bye-laws No.	Bye-laws	Bye-laws No.	Bye-laws
Bye-law 2	<p>... ..</p> <p>-</p> <p>(k) references to a document (including but without limitation, a resolution in writing) being signed or executed include references to it being signed or executed under hand or under seal or by electronic signature or by electronic communication or by any other method and references to a notice or document include a notice or document recorded or stored in any digital, electronic, electrical, magnetic or other retrievable form or medium and information in visible form whether having physical substance or not.</p> <p>(l) references to a meeting shall mean a meeting convened and held in any manner permitted by these Bye-laws and any Members, proxies and/or Director (including, without limitation, the chairman of the meeting) attending and participating at a meeting by means of electronic facilities shall be deemed to be present at that meeting for all purposes of the Statutes and these Bye-laws, and attend, participate, attending, participating, attendance and participation shall be construed accordingly;</p>	Bye-law 2	<p>... ..</p> <p><u>(k)</u> a resolution shall be an extraordinary resolution when it has been passed by a majority of not less than two-thirds of votes cast by such Members as, being entitled so to do, vote in person or, in the case of such Members as are corporations, by their respective duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with Bye-law 59;</p> <p><u>(l)</u> references to a document (including but without limitation, a resolution in writing) being signed or executed include references to it being signed or executed under hand or under seal or by electronic signature or by electronic communication or by any other method and references to a notice or document include a notice or document recorded or stored in any digital, electronic, electrical, magnetic or other retrievable form or medium and information in visible form whether having physical substance or not;</p> <p><u>(m)</u> references to a meeting shall mean a meeting convened and held in any manner permitted by these Bye-laws and any Members, proxies and/or Director (including, without limitation, the chairman of the meeting) attending and participating at a meeting by means of electronic facilities shall be deemed to be present at that meeting for all purposes of the Statutes and these Bye-laws, and attend, participate, attending, participating, attendance and participation shall be construed accordingly;</p>

APPENDIX III COMPARATIVE TABLE OF THE AMENDMENTS TO THE BYE-LAWS

BYE-LAWS			
Original Bye-laws		New Bye-laws	
Bye-laws No.	Bye-laws	Bye-laws No.	Bye-laws
	<p>(m) references to a person’s participation in the business of a general meeting include without limitation and as relevant the right (including, in the case of a corporation, through a duly authorised representative) to speak or communicate, vote, be represented by a proxy and have access in hard copy or electronic form to all documents which are required by the Statutes and all other applicable laws, rules and regulations or these Bye-laws to be made available at the meeting, and participate and participating in the business of a general meeting shall be construed accordingly;</p> <p>(n) references to electronic facilities include, without limitation, online platform(s), website addresses, webinars, webcast, video or any form of conference call systems (telephone, video, web or otherwise);</p> <p>(o) where a Member is a corporation, any reference in these Bye-laws to a Member shall, where the context requires, refer to a duly authorised representative of such Member; and</p>		<p><u>(n)</u> references to a person’s participation in the business of a general meeting include without limitation and as relevant the right (including, in the case of a corporation, through a duly authorised representative) to speak or communicate, vote, be represented by a proxy and have access in hard copy or electronic form to all documents which are required by the Statutes and all other applicable laws, rules and regulations or these Bye-laws to be made available at the meeting, and participate and participating in the business of a general meeting shall be construed accordingly;</p> <p><u>(o)</u> references to electronic facilities include, without limitation, online platform(s), website addresses, webinars, webcast, video or any form of conference call systems (telephone, video, web or otherwise);</p> <p><u>(p)</u> where a Member is a corporation, any reference in these Bye-laws to a Member shall, where the context requires, refer to a duly authorised representative of such Member;</p>

APPENDIX III COMPARATIVE TABLE OF THE AMENDMENTS TO THE BYE-LAWS

BYE-LAWS			
Original Bye-laws		New Bye-laws	
Bye-laws No.	Bye-laws	Bye-laws No.	Bye-laws
	<p>(p) nothing in these Bye-laws precludes the holding and conducting of a general meeting in such way that persons who are not present together at the same place or places may by electronic means attend and participate in it.</p> <p>-</p>		<p>(g) nothing in these Bye-laws precludes the holding and conducting of a general meeting in such way that persons who are not present together at the same place or places may by electronic means attend and participate in it; <u>and</u></p> <p>(r) <u>to the extent any provision in these Bye-laws contradicts or is inconsistent with any provision of Part II or Part III of the Electronic Transactions Act 1999 (as amended from time to time) ("ETA") or Section 2AA of the Act, the provisions in these Bye-laws shall prevail; they shall be deemed as an agreement between the Company and the Members to vary the provisions of the ETA and/or to override the requirement of Section 2AA of the Act, as applicable.</u></p>
Bye-law 151	<p>The requirement to send to a person referred to in Bye-law 149 the documents referred to in that provision or a summary financial report in accordance with Bye-law 150 shall be deemed satisfied where, in accordance with all applicable Statutes, rules and regulations, including, without limitation, the rules of the Designated Stock Exchange, the Company publishes copies of the documents referred to in Bye-law 149 and, if applicable, a summary financial report complying with Bye-law 150, on the Company's computer network or in any other permitted manner (including by sending any form of electronic communication), and that person has agreed or is deemed to have agreed to treat the publication or receipt of such documents in such manner as discharging the Company's obligation to send to him a copy of such documents.</p>	Bye-law 151	<p>The requirement to send to a person referred to in Bye-law 149 the documents referred to in that provision or a summary financial report in accordance with Bye-law 150 shall be deemed satisfied where, in accordance with all applicable Statutes, rules and regulations, including, without limitation, the rules of the Designated Stock Exchange, the Company publishes copies of the documents referred to in Bye-law 149 and, if applicable, a summary financial report complying with Bye-law 150, <u>in any manner permitted by these Bye-laws, including on the Company's computer network.</u></p>



APPENDIX III      COMPARATIVE TABLE OF THE AMENDMENTS TO THE BYE-LAWS

BYE-LAWS			
Original Bye-laws		New Bye-laws	
Bye-laws No.	Bye-laws	Bye-laws No.	Bye-laws
Bye-law 152	<p>... ..</p> <p>(3) The Members may, at any general meeting convened and held in accordance with these Bye-laws, by special resolution remove the Auditor at any time before the expiration of his term of office and shall by ordinary resolution at that meeting appoint another Auditor in his stead for the remainder of his term.</p>	Bye-law 152	<p>... ..</p> <p>(3) The Members may, at any general meeting convened and held in accordance with these Bye-laws, by <u>extraordinary resolution</u> remove the Auditor at any time before the expiration of his term of office and shall by ordinary resolution at that meeting appoint another Auditor in his stead for the remainder of his term.</p>
Bye-law 155	<p>Subject to compliance with the rules of the Designated Stock Exchange, the Directors may fill any casual vacancy in the office of Auditor but while any such vacancy continues the surviving or continuing Auditor, or Auditors, if any, may act. Subject to compliance with the rules of the Designated Stock Exchange, the remuneration of any Auditor appointed by the Directors under this Bye-law may be fixed by the Board. Subject to Bye-law 151(1), an Auditor appointed under this Bye-law shall hold office until the next following annual general meeting of the Company and shall then be subject to appointment by the Members under Bye-law 151(1) at such remuneration to be determined by the Members under Bye-law 153.</p>	Bye-law 155	<p>Subject to compliance with the rules of the Designated Stock Exchange, the Directors may fill any casual vacancy in the office of Auditor but while any such vacancy continues the surviving or continuing Auditor, or Auditors, if any, may act. Subject to compliance with the rules of the Designated Stock Exchange, the remuneration of any Auditor appointed by the Directors under this Bye-law may be fixed by the Board. Subject to Bye-law <u>152(3)</u>, an Auditor appointed under this Bye-law shall hold office until the next following annual general meeting of the Company and shall then be subject to appointment by the Members under Bye-law <u>152(1)</u> at such remuneration to be determined by the Members under Bye-law <u>154</u>.</p>

APPENDIX III      COMPARATIVE TABLE OF THE AMENDMENTS TO THE BYE-LAWS

BYE-LAWS			
Original Bye-laws		New Bye-laws	
Bye-laws No.	Bye-laws	Bye-laws No.	Bye-laws
Bye-law 158	<p>(1) Any Notice or document (including any “corporate communication” within the meaning ascribed thereto under the rules of the Designated Stock Exchange), whether or not, to be given or issued under these Bye-laws from the Company shall be in writing or by cable, telex or facsimile transmission message or other form of electronic transmission or electronic communication and any such Notice and document may be given or issued by the following means:</p> <p>... ..</p> <p>(d) by placing an advertisement in appointed newspapers (as defined in the Act) or in newspapers published daily and circulating generally in the territory of and in accordance with the requirements of the Designated Stock Exchange;</p> <p>(e) by sending or transmitting it as an electronic communication to the relevant person at such electronic address as he may provide under Bye-law 158(5), subject to the Company complying with the Statutes and any other applicable laws, rules and regulations from time to time in force with regard to any requirements for the obtaining of consent (or deemed consent) from such person;</p>	Bye-law 158	<p>(1) Any Notice or document (including any “corporate communication” <u>and “actionable corporate communication”</u> within the meaning ascribed thereto under the <u>Listing Rules</u>), whether or not, to be given or issued under these Bye-laws from the Company shall be in writing or by cable, telex or facsimile transmission message or other form of electronic transmission or electronic communication and, <u>subject to compliance with the Listing Rules</u>, any such Notice and document may be given or issued by the following means:</p> <p>... ..</p> <p>(d) by placing an advertisement in appointed newspapers (as defined in the Act) <u>or other publication or, where applicable,</u> in newspapers published daily and circulating generally in the territory of and in accordance with the requirements of the Designated Stock Exchange;</p> <p>(e) by sending or transmitting it as an electronic communication to the relevant person at such electronic address as he may provide under Bye-law 158(3) <u>without the need for any additional consent or notification</u>;</p>

APPENDIX III COMPARATIVE TABLE OF THE AMENDMENTS TO THE BYE-LAWS

BYE-LAWS			
Original Bye-laws		New Bye-laws	
Bye-laws No.	Bye-laws	Bye-laws No.	Bye-laws
	<p>(f) by publishing it on the Company’s website to which the relevant person may have access, subject to the Company complying with the Statutes and any other applicable laws, rules and regulations from time to time in force with regard to any requirements for the obtaining of consent (or deemed consent) from such person and/or giving notification any such person stating that the notice, document or publication is available on the Company’s computer network website (a “notice of availability”); or</p> <p>... ..</p> <p>(2) The notice of availability may be given by any of the means set out above other than by posting it on a website.</p> <p>(3) In the case of joint holders of a share all notices shall be given to that one of the joint holders whose name stands first in the Register and notice so given shall be deemed a sufficient service on or delivery to all the joint holders.</p> <p>(4) Every person who, by operation of law, transfer, transmission, or other means whatsoever, shall become entitled to any share, shall be bound by every notice in respect of such share, which, previously to his name and address (including electronic address) being entered in the Register as the registered holder of such share, shall have been duly given to the person from whom he derives title to such share.</p>		<p>(f) by publishing it on the Company’s website <u>or the website of the Designated Stock Exchange without the need for any additional consent or notification</u>; or</p> <p>... ..</p> <p>–</p> <p>(2) In the case of joint holders of a share all notices shall be given to that one of the joint holders whose name stands first in the Register and notice so given shall be deemed a sufficient service on or delivery to all the joint holders.</p> <p>–</p>

APPENDIX III COMPARATIVE TABLE OF THE AMENDMENTS TO THE BYE-LAWS

BYE-LAWS			
Original Bye-laws		New Bye-laws	
Bye-laws No.	Bye-laws	Bye-laws No.	Bye-laws
	<p>(5) Every Member or a person who is entitled to receive notice from the Company under the provisions of the Statutes or these Bye-laws may register with the Company an electronic address to which notices can be served upon him.</p> <p>(6) Subject to any applicable laws, rules and regulations and the terms of these Bye-laws, any notice, document or publication, including but not limited to the documents referred to in Bye-laws 149, 150 and 158 may be given to a Member either in the English language only or in both the English language and the Chinese language, subject to due compliance with all applicable Statutes, rules and regulations.</p>		<p><u>(3)</u> Every Member or a person who is entitled to receive notice from the Company under the provisions of the Statutes or these Bye-laws may register with the Company an electronic address to which notices can be served upon him.</p> <p><u>(4)</u> Subject to any applicable laws, rules and regulations and the terms of these Bye-laws, any notice, document or publication, including but not limited to the documents referred to in Bye-laws 149, 150 and 158 may be given to a Member either in the English language only or in both the English language and the Chinese language, subject to due compliance with all applicable Statutes, rules and regulations.</p>

APPENDIX III      COMPARATIVE TABLE OF THE AMENDMENTS TO THE BYE-LAWS

BYE-LAWS			
Original Bye-laws		New Bye-laws	
Bye-laws No.	Bye-laws	Bye-laws No.	Bye-laws
Bye-law 159	<p>... ..</p> <p>(b) if sent by electronic communication, shall be deemed to be given on the day on which it is transmitted from the server of the Company or its agent. A Notice placed on the Company's website or the website of the Designated Stock Exchange is deemed given by the Company to a Member on the day following that on which a notice of availability is deemed served on the Member;</p> <p>(c) if published on the Company's website, shall be deemed to have been served on the day on which the notice, document or publication first so appears on the Company's website to which the relevant person may have access or the day on which the notice of availability is deemed to have been served or delivered to such person under these Bye-laws, whichever is later;</p> <p>(d) if served or delivered in any other manner contemplated by these Bye-laws, shall be deemed to have been served or delivered at the time of personal service or delivery or, as the case may be, at the time of the relevant despatch or transmission; and in proving such service or delivery a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board as to the fact and time of such service, delivery, despatch or transmission shall be conclusive evidence thereof; and</p> <p>... ..</p>	Bye-law 159	<p>... ..</p> <p>(b) if sent by electronic communication, shall be deemed to be given on the day on which it is transmitted from the server of the Company or its agent;</p> <p>(c) <u>if placed or published on either the Company's website or the website of the Designated Stock Exchange, shall be deemed to have been given or served on the day on which the notice, document or publication first so appears on the relevant website, unless the Listing Rules specify a different date. In such cases, the deemed date of service shall be as provided or required by the Listing Rules;</u></p> <p>(d) if served or delivered in any other manner contemplated by these Bye-laws, shall be deemed to have been served or delivered at the time of personal service or delivery or, as the case may be, at the time of the relevant despatch, transmission <u>or publication</u>; and in proving such service or delivery a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board as to the fact and time of such service, delivery, <u>dispatch</u>, transmission <u>or publication</u> shall be conclusive evidence thereof; and</p> <p>... ..</p>

APPENDIX III      COMPARATIVE TABLE OF THE AMENDMENTS TO THE BYE-LAWS

BYE-LAWS			
Original Bye-laws		New Bye-laws	
Bye-laws No.	Bye-laws	Bye-laws No.	Bye-laws
Bye-law 161	For the purposes of these Bye-laws, a facsimile or electronic transmission message purporting to come from a holder of shares or, as the case may be, a Director or alternate Director, or, in the case of a corporation which is a holder of shares from a director or the secretary thereof or a duly appointed attorney or duly authorised representative thereof for it and on its behalf, shall in the absence of express evidence to the contrary available to the person relying thereon at the relevant time be deemed to be a document or instrument in writing signed by such holder or Director or alternate Director in the terms in which it is received.	Bye-law 161	For the purposes of these Bye-laws, a facsimile or electronic transmission message purporting to come from a holder of shares or, as the case may be, a Director or alternate Director, or, in the case of a corporation which is a holder of shares from a director or the secretary thereof or a duly appointed attorney or duly authorised representative thereof for it and on its behalf, shall in the absence of express evidence to the contrary available to the person relying thereon at the relevant time be deemed to be a document or instrument in writing signed by such holder or Director or alternate Director in the terms in which it is received. <u>The signature to any notice or document to be given by the Company may be written, printed or in electronic form.</u>

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## NOTICE OF ANNUAL GENERAL MEETING

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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)

NOTICE IS HEREBY GIVEN THAT the annual general meeting (the “**Annual General Meeting**”) of Luye Pharma Group Ltd. (the “**Company**”) will be held at Canvas 4, level 26, The Park Lane Hong Kong, 310 Gloucester Road, Causeway Bay, Hong Kong on Tuesday, 28 May 2024, at 3:00 p.m. for the following purposes:

#### AS ORDINARY RESOLUTIONS

1. To receive and adopt the audited consolidated financial statements of the Company and the reports of the directors of the Company (the “**Directors**”) and of the auditor of the Company (the “**Auditor**”) for the year ended 31 December 2023.
2.
  - (a) To re-elect Mr. YANG Rong Bing as an executive Director;
  - (b) To re-elect Mr. YUAN Hui Xian as an executive Director;
  - (c) To re-elect Dr. LYU Dong as a non-executive Director;
  - (d) To re-elect Mr. ZHANG Hua Qiao as an independent non-executive Director;
  - (e) To re-elect Mr. CHOY Sze Chung Jojo as an independent non-executive Director; and
  - (f) To authorise the board of directors of the Company (the “**Board**”) to fix the remuneration of the Directors.
3. To re-appoint Ernst & Young as the Auditor to hold office until the conclusion of the next annual general meeting of the Company and to authorise the Board to fix their remuneration for the year ending 31 December 2024.
4. To consider and, if thought fit, pass the following resolutions as ordinary resolutions:
  - (A) “**That:**
    - (a) subject to paragraph (c) below, and pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of

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Hong Kong Limited (the “**Listing Rules**”), the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with any unissued ordinary shares of the Company (the “**Shares**”) and to sell and transfer any treasury shares of the Company (“**Treasury Shares**”) and to make or grant offers, agreements, options and awards (including but not limited to warrants, bonds and debentures convertible into Shares) which might require the exercise of such power be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period (as hereinafter defined) to make or grant offers, agreements, options and awards (including warrants, bonds and debentures convertible into Shares) which might require the shares in the capital of the Company to be issued or sold either during or after the end of the Relevant Period (as hereinafter defined);
- (c) the aggregate number of shares so allotted, issued, sold, transferred or dealt with or agreed conditionally or unconditionally to be allotted, issued, sold, transferred or dealt with (whether pursuant to an option or award or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to:
  - (i) a Rights Issue (as hereinafter defined);
  - (ii) any scrip dividend scheme or other similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the bye-laws of the Company from time to time in effect (the “**Bye-laws**”);
  - (iii) exercise of any subscription or conversion rights attaching to any warrants or any securities which are convertible into Shares in issue prior to the date of passing of this resolution; or
  - (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any existing convertible notes issued by the Company or any existing securities of the Company which carry rights to subscribe for or are convertible into Shares, shall not exceed the aggregate of:
    - (a) 20% of the total number of issued shares of the Company (excluding Treasury Shares, if any) as at the date of passing this resolution; and



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- (b) (if the Board is so authorised by resolution 4(C)) the aggregate number of Shares repurchased by the Company pursuant to the authority given under resolution 4(B) (if the Board is so authorised); and
- (d) for the purpose of this resolution 4(A):
  - (a) **“Relevant Period”** means the period from the passing of this resolution until whichever is the earliest of:
    - (1) the conclusion of the next annual general meeting of the Company;
    - (2) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws or any other applicable laws to be held; or
    - (3) the date when it is varied or revoked by an ordinary resolution of the shareholders of the Company in a general meeting; and
  - (b) **“Rights Issue”** means an offer of Shares or issue of options, warrants or other securities giving the right to subscribe for Shares, open for a period fixed by the Directors to holders of Shares whose names appear on the register of members of the Company (and, where appropriate, to the holders of other securities of the Company entitled to the offer) on a fixed record date in proportion to their then holdings of such Shares (or, where appropriate, such other securities), subject in all cases to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company.”

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(B) **“That:**

(a) having considered an explanatory statement set out in the circular, subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all powers for and on behalf of the Company to repurchase Shares on The Stock Exchange of Hong Kong Limited (the **“Stock Exchange”**) or on any other stock exchange on which the securities may be listed and which is recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the Listing Rules or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved; the aggregate number of Shares which may be repurchased pursuant to the approval in this resolution shall not exceed 10% of the total number of issued shares of the Company (excluding Treasury Shares, if any) as at the date of passing of this resolution, and the said approval shall be limited accordingly;

(b) for the purposes of this resolution 4(B):

**“Relevant Period”** means the period from the passing of this resolution until whichever is the earliest of:

- (1) the conclusion of the next annual general meeting of the Company;
- (2) the expiration of the period within which the Company’s next annual general meeting is required by the Bye-laws or any other applicable laws to be held; or
- (3) the date when it is varied or revoked by an ordinary resolution of the shareholders of the Company in a general meeting.”

(C) **“That** conditional upon resolutions 4(A) and 4(B) set out in this notice being passed, the aggregate number of Shares which are repurchased by the Company after the date of passing of resolution 4(B) (up to a maximum of 10% of the total number of issued shares of the Company (excluding Treasury Shares, if any) as at the date of passing of resolution 4(B)), shall be added to the aggregate number of Shares that may be (or agreed conditionally or unconditionally to be) allotted, issued, sold, transferred or otherwise dealt with by the Directors pursuant to resolution 4(A).”

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## NOTICE OF ANNUAL GENERAL MEETING

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### AS SPECIAL RESOLUTION

5. As special business to consider and, if thought fit, pass with or without amendments, the following resolution as a special resolution:

“**That** the Bye-laws of the Company be amended in the manner as set out in the circular of the Company dated 30 April 2024; and the amended and restated Bye-laws of the Company in the form produced to the meeting, a copy of which has been produced to the meeting marked “A” and signed by the chairman of the annual general meeting for the purpose of identification, which consolidates all the proposed amendments to the existing Bye-laws of the Company, be approved and adopted in substitution for and to the exclusion of the existing Bye-laws of the Company with immediate effect after the close of the meeting and that any one of the Directors be and is hereby authorized to do all things necessary to implement the adoption of the amended and restated Bye-laws of the Company.”

By order of the Board  
**LUYE PHARMA GROUP LTD.**  
**LIU Dian Bo**  
*Chairman*

Hong Kong, 30 April 2024

<i>Registered Office:</i>	<i>Head Offices and Principal Places of Business in the People's Republic of China:</i>	<i>Principal Place of Business in Hong Kong:</i>
Clarendon House 2 Church Street Hamilton HM 11 Bermuda	No. 15 Chuang Ye Road High-tech Industrial Development Zone Yantai, Shandong 264003 People's Republic of China	Unit 3207, 32/F Champion Tower 3 Garden Road Central Hong Kong
	22/F, Gubei International Fortune Center II Hongqiao Road 1438 Changning District Shanghai People's Republic of China	

*Notes:*

- (i) A shareholder entitled to attend and vote at the above Annual General Meeting is entitled to appoint another person as his/her proxy to attend and vote instead of him/her. A proxy need not be a shareholder.

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## NOTICE OF ANNUAL GENERAL MEETING

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- (ii) In the case of joint holders of any Share, any one of such persons may vote at the above Annual General Meeting, either personally or by proxy, in respect of such Share as if he/she were solely entitled thereto. However, if more than one of such joint holders be present at the above Annual General Meeting personally or by proxy, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose seniority shall be determined as that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
- (iii) In order to be valid, a form of proxy must be completed, signed and returned to the Hong Kong share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Center, 183 Queen's Road East, Wanchai, Hong Kong together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy thereof) not less than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjournment thereof. The completion and delivery of the form of proxy shall not preclude the shareholders from attending and voting in person at the Annual General Meeting (or any adjourned meeting thereof) if they so wish.
- (iv) The transfer books and register of members of the Company will be closed from Thursday, 23 May 2024 to Tuesday, 28 May 2024, both days inclusive, to determine the entitlement of shareholders to attend and vote at the Annual General Meeting, during which period no share transfers can be registered. All transfers accompanied by the relevant share certificates must be lodged with the Hong Kong share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Wednesday, 22 May 2024.
- (v) In respect of ordinary resolution 2 above, Mr. YANG Rong Bing, Mr. YUAN Hui Xian, Dr. LYU Dong, Mr. ZHANG Hua Qiao, and Mr. CHOY Sze Chung Jojo will retire and be eligible to stand for re-election at the Annual General Meeting. Details of the above retiring Directors standing for re-election are set out in Appendix I to the circular dated 30 April 2024 containing this notice.
- (vi) In respect of ordinary resolution 4(A) above, the Directors have no immediate plans to issue any new shares of the Company. Approval is being sought from shareholders of the Company as a general mandate for the purposes of the Listing Rules.
- (vii) In respect of ordinary resolution 4(B) above, the Directors will exercise the powers conferred by the general mandate to repurchase shares of the Company in circumstances which they deem appropriate for the benefits of shareholders of the Company. The explanatory statement containing the information necessary to enable shareholders of the Company to make an informed decision on whether to vote for or against the resolution to approve the repurchase by the Company of its own shares, as required by the Listing Rules, is set out in Appendix II to the circular dated 30 April 2024 containing this notice.