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四环医药
SihuanPharm

Sihuan Pharmaceutical Holdings Group Ltd.

四環醫藥控股集團有限公司

(incorporated in Bermuda with limited liability)

(Stock Code: 0460)

GRANT OF SHARE AWARDS

This announcement is made pursuant to Rule 17.06A of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited.

The board of directors (the “**Board**”) of Sihuan Pharmaceutical Holdings Group Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) hereby announces that on 1 September 2026, the Company granted an aggregate of 116,150,000 share awards to eligible participants of the Company (the “**Grantees**”) pursuant to the 2026 Share Incentive Scheme adopted at the annual general meeting held on 26 June 2026, subject to acceptance by the Grantees.

Details of the grant of share awards are as follows:

Date of grant:	1 September 2026
Total number of share awards granted:	116,150,000 share awards, representing approximately 1.27% of the total number of issued shares of the Company (excluding treasury shares) as at the date of grant

Grantees:	i. 6,000,000 share awards were granted to Ms. Chen Yanling, an executive director of the Company; ii. 3,000,000 share awards were granted to Ms. Che Yutong, chairman's assistant of Beijing Meiyuan Space Biopharmaceutical Co., Ltd., a subsidiary of the Company, who is the daughter of Dr. Che Fengsheng, an executive director, chairman of the Board, controlling shareholder and the sister of Mr. Che Yuxuan, a non-executive director of the Company, therefore is an associate (within the meaning ascribed thereto under the Listing Rules); and iii. 107,150,000 share awards were granted to 104 other employee participants of the Group.
Purchase Price of the Shares granted:	HK\$0.74 per share
Closing price of the Shares on the date of grant:	HK\$0.74 per share
Vesting period of the share awards:	The share awards will vest over five years, with the first vesting period commencing no less than 12 months from the date of grant; subject to the satisfaction of vesting conditions, 20% will in principle vest in September of each year. The vesting schedule shall be subject to the requirements under the Listing Rules relating to inside information, share repurchases, black-out periods, etc., and where there is any conflict with the aforesaid restrictions, the vesting dates will be adjusted accordingly.
Performance targets:	The Grantees shall vest the share awards based on the Company's performance and the individual performance appraisal results. Given that the share awards will, in principle, vest in September of each year, each of the five tranches of awarded shares will be vested according to the Grantee's performance appraisal results for the preceding year as the vesting criteria for the relevant period. Share awards that have reached the vesting schedule but have not satisfied the performance conditions will be automatically cancelled in the relevant year.

Clawback mechanism: If any of the following circumstances stipulated under the 2026 Share Incentive Scheme occurs, the Board may, in its absolute discretion, determine that: (A) any awards granted to a Grantee but not yet exercised shall immediately lapse, regardless of whether such awards have vested; (B) in respect of any awarded shares that have been issued or transferred to such Grantee, require such Grantee to return to the Company or its nominee (1) an equivalent number of Shares, (2) a cash amount equivalent to the market value of such Shares, or (3) a combination of (1) and (2); and/or (C) in respect of any awarded shares held by the trustee for the benefit of a Grantee, such awarded shares shall no longer be held on trust for such Grantee and shall no longer ensure to the benefit of such Grantee:

- i. the Grantee ceases to be an Eligible Participant as a result of the termination of his/her employment or contractual relationship by the Group or a connected entity for cause or without notice (or payment in lieu of notice) (details of circumstances in which a person ceases to be an Eligible Participant are set out in the terms of the 2026 Share Incentive Scheme in the circular for the annual general meeting dated 3 June 2026);
- ii. the Grantee is convicted of a criminal offence involving his/her integrity or honesty; or
- iii. the Board reasonably considers that the Grantee has engaged in serious misconduct or has breached the terms of the 2026 Share Incentive Scheme in any material respect.

Financial assistance: The Group has not provided any financial assistance to the Grantees for the purchase of awarded shares under the 2026 Share Incentive Scheme.

The grant to the above executive director and associate has been approved by the Board (including the independent non-executive directors) and the remuneration committee of the Board in accordance with Rule 17.04(1) of the Listing Rules and the terms of the 2026 Share Incentive Scheme, and the director who is a Grantee (or an associate of a Grantee) has abstained from voting on the relevant resolution approving the grant to him/her.

Save as disclosed above, to the best of the knowledge, information and belief of the Directors after making all reasonable enquiries, as at the date of grant, none of the Grantees is (i) a director, chief executive or substantial shareholder of the Company or an associate of any of them; (ii) a participant who has been or will be granted options and awards in excess of the 1% individual limit pursuant to Rule 17.03D(1) of the Listing Rules; and (iii) a related entity participant or service provider participant who has been or will be granted options and awards in excess of 0.1% of the total number of issued shares within any twelve-month period. The grant is not subject to shareholders' approval.

REASONS FOR AND BENEFITS OF THE GRANT OF SHARE AWARDS

In 2025, Sihuan Pharmaceutical successfully achieved a turnaround from loss to profit for the full year and completed a key historical turning point in its operating cycle, officially entering a new stage of growth realisation characterised by parallel strategic implementation and performance release. In 2026, both the domestic pharmaceutical and medical aesthetics sectors have been undergoing profound structural transformations, completely reshaping the logic of industry development and presenting new challenges for enterprises. In the first half of the year, based on industry trends, the Group firmly anchored its medium to long-term core development strategy of a dual-wheel drive of “medical aesthetics + innovative pharmaceuticals”, with medical aesthetics having become the Group’s primary growth pillar and the most critical growth engine at this stage. The Company has definitively outlined a new medium- to long-term strategy aimed at becoming a provider of comprehensive solutions within the medical aesthetics industry in China and globally. It is currently undergoing a strategic transformation from a single-product seller to a one-stop provider of comprehensive medical aesthetics solutions. The long-term development of the Company’s medical aesthetics business depends on four continuously strengthening core strengths that will support future competitive barriers: laying out all categories of compliant products and integrated solutions, building a robust R&D team to support the five self-developed platforms, creating a full-chain comprehensive marketing system and brand system, and establishing a pharmaceutical-grade production quality control system. The Company’s core strengths and long-term development are inseparable from the cultivation, stability, and motivation of the talent pool. To further improve the Group’s long-term incentive and restraint mechanism, attract, retain and motivate outstanding management talent, professional R&D and technical talent and core business talent in the medical aesthetics segment of the Group, and fully mobilise the enthusiasm, creativity and sense of responsibility of the core teams, the Board considers that the grant of share awards pursuant to the 2026 Share Incentive Scheme can deeply align the personal value of employees with the long-term development of the Group and the overall interests of shareholders, jointly promoting the Group’s sustained and healthy development in core areas such as medical aesthetics product R&D, compliant operations, brand building and market expansion, and striving to become a globally leading and domestically renowned leading enterprise in the medical aesthetics and health industry.

Accordingly, the Board (including the independent non-executive directors) is of the view that the terms of the grant of share awards are fair and reasonable, incentivise the Grantees to contribute to the development of the Company, and are in the overall best interests of the Company and its shareholders. Based on positive indicators towards long-term growth, the Company has initiated an employee share incentive scheme to fully motivate the team, fortify its core talent pool, and continuously drive steady growth in revenue and profits, thereby supporting the Company's long-term development and enhancing its value.

NUMBER OF SHARES AVAILABLE FOR FUTURE GRANT

The total number of awarded shares that may be issued in respect of any awards to be granted under the 2026 Share Incentive Scheme and any other share incentive schemes (if any) is 912,598,820 Shares (the “**Scheme Mandate Limit**”), and the total number of awarded shares that may be issued in respect of awards to be granted to service provider participants under the 2026 Share Incentive Scheme is 182,519,764 Shares (the “**Service Provider Sublimit**”).

As of the date of this announcement, 796,448,820 Shares remain available for future grant under the Scheme Mandate Limit, and 182,519,764 Shares remain available for future grant under the Service Provider Sublimit.

By order of the Board
Sihuan Pharmaceutical Holdings Group Ltd.
Dr. Che Fengsheng
Chairman and Executive Director

Hong Kong, 1 September 2026

As at the date of this announcement, the executive directors of the Company are Dr. Che Fengsheng (Chairman), Dr. Guo Weicheng (Deputy Chairman and Chief Executive Officer), Dr. Zhang Jionglong and Ms. Chen Yanling; the non-executive director of the Company is Mr. Che Yuxuan; and the independent non-executive directors of the Company are Mr. Tsang Wah Kwong, Dr. Zhu Xun and Mr. Wang Guan.