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Lee's Pharmaceutical Holdings Limited

李氏大藥廠控股有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 950)

SUPPLEMENTAL ANNOUNCEMENT INSIDE INFORMATION LAND RESUMPTION

References are made to the announcements made by Lee's Pharmaceutical Holdings Limited (the "**Company**") (a) dated 8 September 2015 in relation to the acquisition of the Land by Guangzhou Zhaokang; (b) dated 22 September 2022 in relation to the disposal of equity interest in Guangzhou Zhaokang (the "**Disposal Announcement**"); and (c) dated 30 December 2024 in relation to resumption of the land use rights of the Land pursuant to the Land Resumption Agreement (the "**Resumption Announcement**"). Unless otherwise defined, capitalised terms used in this announcement shall have the same meaning as used in the Disposal Announcement and the Resumption Announcement.

The Company would like to provide further information as follows:

RESUMPTION OF LAND

The Land was acquired by Guangzhou Zhaokang on 8 September 2015 at the consideration of RMB111,500,000, details of which is set out in the announcement of the Company dated 8 September 2015. The Government Notice received by Guangzhou Zhaokang was issued pursuant to the Measure on the Disposal of Idle Land* (閒置土地處置辦法) issued by the Local Government ("**Measure**"). In accordance with the Measure, there is an 20% idle land fee being levied by the Local Government in the resumption of land. The Compensation of RMB89,200,000 payable to Guangzhou Zhaokang by the Land Development Centre under the Land Resumption Agreement is determined with reference to the original acquisition cost of the Land and the idle land levy as stipulated under the Measure.

TERMINATION OF THE EQUITY TRANSFER AGREEMENT

As at the date of the Resumption Announcement, the Vendor has not received any of the consideration payable by the Purchaser pursuant to the terms of the Equity Transfer Agreement. The Vendor exercised its right to terminate the Equity Transfer Agreement due to default on the part of the Purchaser. Pursuant to the terms of the Equity Transfer Agreement, in the event of default on the part of the Purchaser that leads to the Equity Transfer Agreement being terminated or rescinded, the Purchaser shall pay a default penalty equivalent to 10% of the consideration, together with other losses and damages suffered by the Vendor. The Company is in the course of seeking legal advice from its PRC lawyers as to the course of actions to be taken. Further announcement will be issued by the Company as and when appropriate pursuant to the Listing Rules.

By order of the Board
Lee's Pharmaceutical Holdings Limited
Lee Siu Fong
Chairman

Hong Kong, 6 January 2025

As at the date of this announcement, Ms. Lee Siu Fong (Chairman) and Ms. Leelalertsuphakun Wanee are executive Directors of the Company; Dr. Li Xiaoyi, Mr. James Charles Gale and Mr. Huang Zuie Chin are non-executive Directors of the Company; and Dr. Chan Yau Ching, Bob, Ms. Cheang Yee Wah, Eva and Dr. Tsim Wah Keung, Karl are independent non-executive Directors of the Company.

* *For identification purpose only*