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Shanghai Bao Pharmaceuticals Co., Ltd.

上海寶濟藥業股份有限公司

(A joint stock company established in the People's Republic of China with limited liability)

(Stock Code: 2659)

**VOLUNTARY ANNOUNCEMENT
UNUSUAL PRICE AND TRADING VOLUME MOVEMENTS
AND
PROPOSED SHAREHOLDING INCREASE BY CONTROLLING
SHAREHOLDER AND INTENTION TO PROPOSE SHARE REPURCHASE
MANDATE**

This announcement is made by Shanghai Bao Pharmaceuticals Co., Ltd. (上海寶濟藥業股份有限公司) (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis.

UNUSUAL PRICE AND TRADING VOLUME MOVEMENTS

The board (the “**Board**”) of directors (the “**Directors**”) of the Company has noted the recent unusual movements in the price and trading volume of the H shares of the Company (the “**H Shares**”). Having made all such enquiries with respect to the Company as is reasonable in the circumstances, the Board confirms that it is not aware of (i) any reason for such unusual price and trading volume movements of the H Shares; or (ii) any information which must be announced to avoid a false market in the Company’s securities; or (iii) any inside information that needs to be disclosed under Rule 13.09(2) of the Listing Rules and Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The Board also confirms that the Group’s business operation remains normal, and that there is no material change in the business operation and financial position of the Group.

PROPOSED SHAREHOLDING INCREASE BY CONTROLLING SHAREHOLDER AND INTENTION TO PROPOSE SHARE REPURCHASE MANDATE

The Company has received a notice from Dr. Liu Yanjun (劉彥君), the chairman of the Board and a member of the controlling shareholders group of the Company¹ (the “**Controlling Shareholder Group**”, each member a “**Controlling Shareholder**”), that, based on his confidence in the Group’s prospects and growth potential, and his recognition of the Company’s long-term investment value, he intends to increase his shareholdings in the Company’s shares (“**Shares**”) through open market transactions within three months from the date of this announcement. Pursuant to the relevant minimum public float requirements under the Listing Rules (i.e. at least 25% of the total issued Shares of the Company (excluding any treasury shares) must be held by the public), and in order to ensure the Company’s continuing compliance with such requirements, the maximum number of Shares may be acquired by the Controlling Shareholder shall not exceed 38,893,903 H Shares (the “**Shareholding Increase Plan**”).

As of the date of this announcement, the Controlling Shareholder Group is interested in an aggregate of 25,956,915 H Shares and 106,290,230 domestic Shares, representing approximately 40.57% of the total issued Shares of the Company. In accordance with the intention of the Controlling Shareholder, upon implementation of the Shareholding Increase Plan, the total shareholding of the Controlling Shareholder Group in the Company is not expected to trigger a mandatory offer obligation under Rule 26 of the Code on Takeovers and Mergers with regard to shareholding interest of a controlling shareholder of a listed company in Hong Kong which lies between 30% and 50% during any 12-month period (i.e. will not increase its aggregate shareholding by more than 2% compared to its lowest shareholding level in the 12 months preceding the proposed acquisition). Based on the information available to the Company and to the best knowledge of the Board, it is expected that upon the completion of the Shareholding Increase Plan, the Company will continue to comply with the minimum public float percentage requirement under Rule 19A.28B(1) of the Listing Rules.

The Company further announces that a special resolution will be proposed at the upcoming annual general meeting of the Company (the “**AGM**”) to approve a share repurchase mandate authorizing the directors of the Company to repurchase H Shares not exceeding 10% of the total number of H Shares in issue (excluding any treasury shares) as at the date of passing such resolution at the upcoming AGM (the “**Proposed Share Repurchase Mandate**”). Subject to passing of the special resolution for the Proposed Share Repurchase Mandate, the Board intends to utilize the Proposed Share Repurchase Mandate to conduct Share repurchases in the open market from time to time as it considers appropriate, subject to the market conditions during the authorization period.

There are certain risks that the Shareholding Increase Plan may not be implemented, or may be partially not implemented, as a result of changes in the capital market or other unpredictable factors. The Company will fulfill its information disclosure obligation in a timely manner where the above risks occurred during the implementation of the Shareholding Increase Plan.

¹ As of the date of this announcement, the Controlling Shareholders Group comprises Dr. Liu Yanjun (劉彥君), Ms. Wang Zheng (王徵), Mr. Tan Jingwei (譚靖偉), Shanghai Luoxu Management Consulting Partnership (Limited Partnership) (上海羅旭管理諮詢合夥企業(有限合夥)), Ningbo Hongsheng Enterprise Management Partnership (Limited Partnership) (寧波鴻晟企業管理合夥企業(有限合夥)) and Shanghai LuoJun Management Consulting Partnership (Limited Partnership) (上海羅君管理諮詢合夥企業(有限合夥)).

As at the date of this announcement, the Proposed Share Repurchase Mandate is subject to the passing of the special resolution by the shareholders of the Company at the upcoming AGM. Shareholders and potential investors should note that any repurchase of Shares that may be conducted will be subject to market conditions and at the absolute discretion of the Board. There is no assurance of the timing, quantity or price of any repurchase of Shares.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

By order of the Board
Shanghai Bao Pharmaceuticals Co., Ltd.
Dr. Liu Yanjun
Chairman of the Board and Executive Director

Shanghai, PRC, May 3, 2026

As at the date of this announcement, the Board comprises: (i) Dr. Liu Yanjun, Ms. Wang Zheng, Mr. Tan Jingwei and Ms. Li Cui as executive Directors; (ii) Ms. Lin Chia-Ling, Mr. Diao Juanhuan and Mr. Li Chen as non-executive Directors; and (iii) Mr. Cai Zhongxi, Dr. Zeng Fanyi, Dr. Ju Dianwen and Mr. Zhang Senquan as independent non-executive Directors.