

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



LUYE PHARMA GROUP LTD

绿叶制药集团有限公司

(incorporated in Bermuda with limited liability)

(Stock Code: 02186)

ANNOUNCEMENT

APPROVAL OF REGISTRATION CERTIFICATE FOR THE GROUP'S ONCOLOGY PRODUCT

The board of directors (the “**Board**”) of Luye Pharma Group Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) announces that mucoadhesive oral wound rinse developed by the Group has obtained the registration certificate from the China Food and Drug Administration.

Mucoadhesive oral wound rinse is categorised within the oncology therapeutic area. It is used for the prevention and treatment of oral mucositis or stomatitis that may be caused by radiotherapy and/or chemotherapy and other types of oral ulcers, including recurrent oral ulcers and traumatic ulcers caused by surgery, dentures or braces. It forms a layer of protective film made from polymer nanoparticles on the surface of oral mucosa and ulcer, thereby exerting preventive and curative effects.

Clinical studies showed that patients who used mucoadhesive oral wound rinse nanopolymer formula before chemotherapy or radiation treatments were often able to successfully prevent, delay, or significantly reduce oral mucositis symptoms. Patients treated with mucoadhesive oral wound rinse have shown a reduction in erythema, pain, and need for opiate analgesia and nasogastric/gastrostomy tube use, shortened hospitalisation and improved quality of life. Further, mucoadhesive oral wound rinse is safe to use and presents no risk of adverse effects from drug interactions, which allows it to be used in conjunction with other pharmaceutical products.

Oncology diseases are commonly known as cancer, malignant tumours and neoplasms. According to the Ministry of Health of the PRC's Fourth National Survey on the PRC's Healthcare Services, the total diagnosed cases of oncology diseases increased from two million cases in 1993 to four million in 2008. Oncology disease has been a major cause of death in the PRC. According to the China National Bureau of Statistics, oncology diseases were responsible for approximately 25% of deaths caused by diseases in the PRC in 2012 and represent the largest cause of death in the same year. Oral mucositis occurs in 90% of patients undergoing head and neck radiation and 40% of patients receiving cycled chemotherapy. Mucoadhesive oral wound rinse is especially designed for patients who are preparing for radiotherapy and/or chemotherapy. The launch of this product is expected to provide a new alternative to oncologists for the prevention and treatment of oral mucositis or stomatitis that may be caused by radiotherapy and/or chemotherapy.

The approval of registration certificate for mucoadhesive oral wound rinse will promote the Group's development in the oncology therapeutic area. It is expected to further enrich the Group's product portfolio, which will have a positive impact on the Group's future sales.

By Order of the Board
Luye Pharma Group Ltd.
LIU Dian Bo
Chairman

Hong Kong, 17 September 2014

As at the date of this announcement, the executive directors are Mr. LIU Dian Bo, Mr. YUAN Hui Xian, Mr. YANG Rong Bing and Ms. ZHU Yuan Yuan, the non-executive directors are Mr. PAN Jian, Mr. LIU Dong and Ms. WANG Xin, and the independent non-executive directors are Mr. ZHANG Hua Qiao, Professor LO Yuk Lam, Mr. LEUNG Man Kit and Mr. CHOY Sze Chung Jojo.