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Yues International Holdings Group Limited

樂氏國際控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1529)

VOLUNTARY ANNOUNCEMENT

ACQUISITION OF A TARGET COMPANY

This announcement is made by of Yues International Holdings Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis to provide shareholders and potential investors of the Company with the latest business update of the Group.

The board (the “**Board**”) of directors (“**Director(s)**”) of the Company is pleased to announce that, on 8 July 2025, the Group, through its indirect wholly owned subsidiary of the Company, entered into an equity transfer agreement to acquire 100% equity interest in Bozhou Lelaohao Medical Co., Ltd.* (亳州樂老號醫藥有限公司) (the “**Target Company**”) at a total consideration of RMB900,000, which was determined after arm’s length negotiations between the parties. The Board expects that the acquisition will not have any material adverse impact on the Group’s financial position or operations in the short term. Upon completion, the Target Company will become an indirect wholly-owned subsidiary of the Company, and its financial results will be consolidated into the Group’s consolidated financial statements.

The Target Company holds a Pharmaceutical Operation Permit (《藥品經營許可證》) and is principally engaged in the wholesale and distribution of pharmaceutical products, sales of Class I and Class II medical devices, and wholesale of protective medical supplies for healthcare personnel, among other related businesses. As a key link between pharmaceutical manufacturing and end-user consumption, the pharmaceutical distribution business operated by the Target Company plays a crucial role in safeguarding public health. The Board considers that the acquisition represents an important step in the Group’s strategic development in the traditional Chinese medicine sector, enabling the Group to extend its logistics capabilities into pharmaceutical logistics and connect the upstream Chinese medicine manufacturing with downstream retail pharmacies and hospitals. This acquisition marks a significant layout in the Group’s broader plan to develop in the field of Chinese medicine.

The Group plans to enhance management efficiency and integrate resources on the basis of the Target Company’s existing operations. The Group aims to become a comprehensive supply chain service provider, going beyond basic distribution to offer value-added services including financial, data, and management solutions across the industrial chain. The Group

also plans to apply digital technologies to reduce operating costs and leverage AI to improve decision-making accuracy. Through these efforts, the Group seeks to transform its logistics capabilities into data capabilities, service capabilities, and financial capabilities. In addition, the Group intends to leverage the Target Company as an entry point to further explore upstream and downstream opportunities along the industry chain, thereby expanding its value creation scope.

Based on above, the Board is of the view that the acquisition of the Target Company is in the interests of the Company and its shareholders as a whole, and aligns with the Group's long-term strategic objectives.

The Board is aware that enterprises engaged in pharmaceutical operations are exposed to risks in areas such as legal and regulatory compliance, supply chain management, and quality control. These risks may not only affect the economic performance of the enterprise but may also pose threats to public health. The Group will continue to strengthen training on applicable laws and regulations, optimise supply chain management, and enhance its quality control system to mitigate operational risks and improve overall market competitiveness, with the goal of delivering greater value to both society and shareholders.

By order of the Board
Yues International Holdings Group Limited
Le Kang
Chairman

Hong Kong, 8 July 2025

As at the date of this announcement, the Board consists of four executive Directors, Mr. Le Kang, Mr. Li Zhigang, Mr. Li Jiahao and Ms. Liu Ping, and three independent non-executive Directors, Mr. Lau Wai Piu Patrick, Dr. Wang Yi and Mr. Zhang Yao.

* *For identification purposes only*