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JOINT ANNOUNCEMENT CONTINUING CONNECTED TRANSACTIONS SUPPLY CHAIN MANAGEMENT SERVICES REVISION OF ANNUAL CAPS AND EXTENSION OF TERM

Reference is made to the Announcement dated December 29, 2022 in relation to the Supply Chain Management Services provided by CR Medical Group to CR Pharmaceutical Group under the Existing Cooperation Framework Agreement.

SUPPLEMENTAL COOPERATION FRAMEWORK AGREEMENT

On April 26, 2024, CR Pharmaceutical and CR Medical entered into the Supplemental Cooperation Framework Agreement, pursuant to which the Parties agreed to revise the annual cap for the transactions under the Existing Cooperation Framework Agreement for the year ending December 31, 2024, to extend the term of the Existing Cooperation Framework Agreement to December 31, 2025 and to agree on the proposed annual cap for the transactions under the Cooperation Framework Agreement for the year ending December 31, 2025. Save for the Annual Caps and the duration of the agreement, the other terms and conditions of the Existing Cooperation Framework Agreement remain in full force and effect.

LISTING RULES IMPLICATIONS

As at the date of this announcement, CRH beneficially holds 53.05% equity interests in CR Pharmaceutical and 36.58% equity interests in CR Medical, respectively, it is therefore the controlling shareholder of both CR Pharmaceutical and CR Medical, and CR Pharmaceutical and CR Medical are connected persons of each other. Accordingly, the transactions contemplated under the Cooperation Framework Agreement constitute continuing connected transactions of both CR Pharmaceutical and CR Medical under Chapter 14A of the Listing Rules.

As one or more applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Annual Caps under the Supplemental Cooperation Framework Agreement for CR Pharmaceutical exceed 0.1% but are less than 5%, the Supplemental Cooperation Framework Agreement, the transactions contemplated thereunder and the Annual Caps are subject to the reporting, announcement and annual review requirements but are exempt from the circular and independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

As one or more applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Annual Caps under the Supplemental Cooperation Framework Agreement for CR Medical exceed 5%, the Supplemental Cooperation Framework Agreement, the transactions contemplated thereunder and the Annual Caps are subject to the requirements of reporting, annual review, announcement, circular and approval by the Independent Shareholders of CR Medical under Chapter 14A of the Listing Rules.

GENERAL INFORMATION AND EXTRAORDINARY GENERAL MEETING OF CR MEDICAL

CR Medical will convene the EGM of CR Medical for the Independent Shareholders of CR Medical to, among other things, consider and, if thought fit, approve the Supplemental Cooperation Framework Agreement, the transactions contemplated thereunder and the Annual Caps.

The Independent Board Committee of CR Medical, comprising all independent non-executive directors of CR Medical (excluding Mr. FU Tingmei), has been established to consider the Supplemental Cooperation Framework Agreement, the transactions contemplated thereunder and the Annual Caps and to advise and make recommendations to the Independent Shareholders of CR Medical as to how to vote at the EGM of CR Medical on the ordinary resolution(s) regarding the Supplemental Cooperation Framework Agreement, the transactions contemplated thereunder and the Annual Caps.

Maxa Capital has been appointed with the approval of the Independent Board Committee of CR Medical as the Independent Financial Adviser of CR Medical to advise the Independent Board Committee of CR Medical and the Independent Shareholders of CR Medical in relation to the Supplemental Cooperation Framework Agreement, the transactions contemplated thereunder and the Annual Caps.

As at the date of this announcement, CRH is a controlling shareholder of CR Medical, and has a material interest in the Supplemental Cooperation Framework Agreement. As such, CRH and its associates shall abstain from voting on the ordinary resolution(s) approving the Supplemental Cooperation Framework Agreement, the transactions contemplated thereunder and the Annual Caps at the EGM of CR Medical.

A circular containing, among other things, (i) a letter from the board of directors of CR Medical setting out details of the Supplemental Cooperation Framework Agreement, the transactions contemplated thereunder and the Annual Caps; (ii) a letter of recommendation from the Independent Board Committee of CR Medical to the Independent Shareholders of CR Medical; (iii) a letter of recommendation from the Independent Financial Adviser of CR Medical to the Independent Board Committee of CR Medical and the Independent Shareholders of CR Medical; (iv) a notice of the EGM of CR Medical; and (v) other information required under the Listing Rules, will be despatched to the shareholders of CR Medical on or before May 22, 2024 (as additional time is required for CR Medical to prepare and finalise certain information to be included in the circular).

INTRODUCTION

Reference is made to the Announcement dated December 29, 2022 in relation to the Supply Chain Management Services provided by CR Medical Group to CR Pharmaceutical Group under the Existing Cooperation Framework Agreement.

On April 26, 2024, CR Pharmaceutical and CR Medical entered into the Supplemental Cooperation Framework Agreement, pursuant to which the Parties agreed to revise the annual cap for the transactions under the Existing Cooperation Framework Agreement for the year ending December 31, 2024, to extend the term of the Existing Cooperation Framework Agreement to December 31, 2025 and to agree on the proposed annual cap for the transactions under the Cooperation Framework Agreement for the year ending December 31, 2025. Save for the Annual Caps and the duration of the agreement, the other terms and conditions of the Existing Cooperation Framework Agreement remain in full force and effect.

THE EXISTING COOPERATION FRAMEWORK AGREEMENT AND THE SUPPLEMENTAL COOPERATION FRAMEWORK AGREEMENT

The major terms of the Cooperation Framework Agreement are set out as follows:

Date of the Supplemental Cooperation Framework Agreement: April 26, 2024

Parties: 1. CR Pharmaceutical; and
2. CR Medical (as service provider)

Duration: The term of the Existing Cooperation Framework Agreement is from January 1, 2023 to December 31, 2024. Pursuant to the Supplemental Cooperation Framework Agreement, the term of the Existing Cooperation Framework Agreement is extended to end on December 31, 2025. Subject to compliance with the Listing Rules and other applicable laws and regulations, the Parties may renew the term of the Cooperation Framework Agreement.

Scope of the Supply Chain Management Services:

CR Medical Group shall provide CR Pharmaceutical Group with Supply Chain Management Services of medical supplies which include establishing regional supply chain management platforms in specific regions and streamlining supply chain management procedures, based on the conditions of management, business operation and other relevant factors of CR Pharmaceutical Group. Through systems integration, the Supply Chain Management Services shall optimise the mechanism and enhance the process of supply chain management of medical supplies in order to assist CR Pharmaceutical Group in improving efficiency and reducing the costs.

Pricing Basis and Pricing Policies:

CR Pharmaceutical Group shall pay management service fees to CR Medical Group for the provision of the Supply Chain Management Services. The relevant fee is calculated by multiplying the management service fee rate by the scale of the Supply Chain Management Services provided to CR Pharmaceutical Group in specific regions within a specified period of time or in a specific scope.

The Parties shall determine the abovementioned scale of the Supply Chain Management Services based on the following factors, including (1) the specific cooperation regions or the scope of specific medical institutes; (2) the expected volume of the corresponding annual supply of medical supplies; and (3) the nature of the geographic area where specific management services are provided.

In respect of the management service fee rates for the Supply Chain Management Services, the Parties shall determine specific fee rates via arm's length negotiation between the Parties and on normal commercial terms and with reference to management service fee rates provided to third-party clients of CR Medical Group under similar service scope, service types and conditions, and the specifications of expected medical supplies and the number of brands involved, the expected medical material supply management complexity and the expected quality of the management services (i.e. the expected results of supply management services including timely arrival rate, quality pass rate and cost control effect, etc.).

Separate agreements will be entered into by the Parties in respect of specific Supply Chain Management Services pursuant to the Cooperation Framework Agreement, in which management service fee rates shall be determined on a case-by-case basis taking into account the factors mentioned above. The corresponding payment terms shall also be separately agreed in accordance with the principles laid down in the Cooperation Framework Agreement.

Annual Caps and Basis of Determination

The annual caps for the transactions under the Existing Cooperation Framework Agreement for the two years ending December 31, 2024 are set out below:

	For the year ending December 31,	
	2023	2024
	<i>(RMB)</i>	<i>(RMB)</i>
Management service fees payable by CR Pharmaceutical Group to CR Medical Group	74,000,000	84,000,000

Pursuant to the Supplemental Cooperation Framework Agreement, the Parties agreed to revise the annual cap for the transactions under the Cooperation Framework Agreement for the year ending December 31, 2024 and to agree on the proposed annual cap for the transactions under the Cooperation Framework Agreement for the year ending December 31, 2025, which are set forth as follows.

	For the year ending December 31,	
	2024	2025
	<i>(RMB)</i>	<i>(RMB)</i>
	Revised annual cap	Proposed annual cap
Management service fees payable by CR Pharmaceutical Group to CR Medical Group	150,000,000	200,000,000

The Annual Caps are determined based on arm's length negotiations between CR Pharmaceutical and CR Medical with reference to, among others, the following factors:

- (a) the historical total amount of management service fees paid by CR Pharmaceutical Group to CR Medical Group in the amount of RMB38 million for the year ended December 31, 2023 under the Existing Cooperation Framework Agreement;
- (b) the historical total amount of management service fees paid by CR Pharmaceutical Group to CR Medical Group in the amount of RMB16 million for the three months ended March 31, 2024, based on the Parties' unaudited management accounts;

- (c) the further expansion of CR Medical Group's hospital network, which resulted in the broadening of the scope of the Supply Chain Management Services that could be provided by CR Medical Group under the Cooperation Framework Agreement;
- (d) the continuous growth in the regional business performance of CR Pharmaceutical Group, which leads to (i) an expected increase in the volume of the annual supply of medical supplies by CR Pharmaceutical Group; and (ii) a rising demand by CR Pharmaceutical Group for the Supply Chain Management Services provided by CR Medical Group in order to improve the operational efficiency of the supply chain management of the medical supplies; and
- (e) the possible further increase in the level of cooperation between the Parties in 2024 and 2025.

Save for the Annual Caps and the duration of the agreement, the other terms and conditions of the Existing Cooperation Framework Agreement remain in full force and effect.

INTERNAL CONTROL MEASURES

When CR Pharmaceutical Group procures relevant services in its ordinary and usual course of business, it selects suppliers and determines the relevant procurement terms through negotiations based on the categories and scale of the procurement. As part of CR Pharmaceutical Group's internal approval and monitoring procedures relating to the transactions with CR Medical Group, CR Pharmaceutical Group will obtain quote from other independent suppliers for procurement of similar services and consider assessment criteria (including the price, quality, suitability, payment terms, and time required for the provision of the services) before it enters into any new procurement arrangement with CR Medical, and such quotes, together with the offer from CR Medical, will be reviewed and passed by CR Pharmaceutical Group's internal approval procedures. CR Pharmaceutical Group has implemented adequate internal control measures for monitoring all of its continuing connected transactions, including (without limitation) the regular reporting of transaction volume to CR Pharmaceutical Group's finance department for monitoring the annual caps of the relevant transactions.

CR Medical Group has implemented adequate internal control measures for monitoring all of its continuing connected transactions, including (without limitation) the regular reporting of transaction volume to CR Medical Group's finance department for monitoring the annual caps of the relevant transactions. In addition, CR Medical's auditors and independent non-executive directors will conduct annual review of the transactions contemplated under the Cooperation Framework Agreement and provide annual confirmations in accordance with the Listing Rules that the transactions are conducted in accordance with the terms of the Cooperation Framework Agreement, on normal commercial terms, in the interest of CR Medical and its shareholders as a whole, and in accordance with the relevant pricing policies.

REASONS FOR AND BENEFITS OF ENTERING INTO THE SUPPLEMENTAL COOPERATION FRAMEWORK AGREEMENT

CR Pharmaceutical Group has continued to grow in its regional business influence which leads to its increasing supply of medical supplies. At the same time, CR Medical Group has continued to expand its hospital network which resulted in the increasing scale and scope of its supply chain management business. As such, both the scale and scope of the cooperation between CR Pharmaceutical Group and CR Medical Group in relation to the Supply Chain Management Services has been increasing continuously. Accordingly, the Parties entered into the Supplemental Cooperation Framework Agreement to increase the relevant annual cap for the year ending December 31, 2024 in order to meet the actual needs of CR Pharmaceutical Group and CR Medical Group in respect of the Supply Chain Management Services. Furthermore, the extended term of the Cooperation Framework Agreement together with the corresponding annual cap for the year ending December 31, 2025 will enable CR Pharmaceutical Group and CR Medical Group to further enhance their cooperation, thereby improving the efficiency of supply chain management of medical supplies in the cooperation regions and reducing relevant costs. CR Pharmaceutical Group will be able to ensure steady supply of Supply Chain Management Services from CR Medical Group, while CR Medical Group will be able to receive a greater sum of management fees for more services provided and to continue growing its supply chain management service business.

The Parties believe that the entering into of the Cooperation Framework Agreement shall establish long-term, stable and satisfactory business support and strategic cooperation relationship between the Parties. The Cooperation Framework Agreement is expected to improve the efficiency of the supply chain management of the medical supplies of CR Pharmaceutical Group in the regions or its partner medical institutions, and reduce the associated supply chain management costs. CR Medical Group shall also receive supply chain management service fees from CR Pharmaceutical Group in respect of the provision of the Supply Chain Management Services accordingly.

Taking into account the abovementioned factors, the directors (including independent non-executive directors) of CR Pharmaceutical are of the view that, the Supplemental Cooperation Framework Agreement was negotiated on arm's length basis and entered into on normal commercial terms, in the ordinary and usual course of business of the Parties, and the terms of the Supplemental Cooperation Framework Agreement and the Annual Caps are fair and reasonable and are in the interests of the Parties and their respective shareholders as a whole.

Likewise, taking into account the abovementioned factors, the directors (excluding the independent non-executive directors whose views will be contained in the circular to be published by CR Medical after considering the advice from the Independent Financial Adviser of CR Medical) of CR Medical are of the view that, the Supplemental Cooperation Framework Agreement was negotiated on arm's length basis and entered into on normal commercial terms, in the ordinary and usual course of business of the Parties, and the terms of the Supplemental Cooperation Framework Agreement and the Annual Caps are fair and reasonable and are in the interests of the Parties and their respective shareholders as a whole.

No directors of the Parties are considered to have a material interest in the Supplemental Cooperation Framework Agreement. In order to observe good corporate governance measures, Mr. HAN Yuewei, the non-executive director of CR Pharmaceutical, and Mr. SONG Qing, Mr. YU Hai, Mr. SHAN Baojie, and Ms. YANG Min, the executive directors of CR Medical, and Ms. GE Lu, the non-executive director of CR Medical have abstained from voting on the corresponding board resolutions of CR Pharmaceutical and CR Medical, given that they serve as senior management in CRH and/or CR Healthcare; and Mr. FU Tingmei, an independent non-executive director of each of CR Pharmaceutical and CR Medical, has abstained from voting on the corresponding board resolutions given his overlapping roles as a director in CR Pharmaceutical and CR Medical.

INFORMATION OF THE PARTIES

CR Pharmaceutical Group's core business encompasses research and development, manufacturing, distribution and retail of an extensive range of pharmaceutical and other healthcare products.

Headquartered in Beijing, CR Medical Group is mainly engaged in the provision of general healthcare services, hospital management services and sale of pharmaceuticals, medical devices and medical consumables and provision of other hospital-derived services in the PRC.

CRH is the intermediate holding company of CR Pharmaceutical and CR Medical. CRH is a company incorporated in Hong Kong with limited liability. The holding company and ultimate beneficial owner of CRH is China Resources Company Limited, which is a company established in the PRC with limited liability and is a state-owned enterprise under the supervision of the State-owned Assets Supervision and Administration Commission of the State Council in the PRC. China Resources Company Limited is a conglomerate which holds a variety of businesses in the PRC and Hong Kong including but not limited to consumer products, integrated energy, urban construction and operation, healthcare, industrial finance, technology and emerging sectors.

LISTING RULES IMPLICATIONS

As at the date of this announcement, CRH beneficially holds 53.05% equity interests in CR Pharmaceutical and 36.58% equity interests in CR Medical respectively, it is therefore the controlling shareholder of both CR Pharmaceutical and CR Medical, and CR Pharmaceutical and CR Medical are connected persons of each other. Accordingly, the transactions contemplated under the Cooperation Framework Agreement constitute continuing connected transactions of both CR Pharmaceutical and CR Medical under Chapter 14A of the Listing Rules.

As one or more applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Annual Caps under the Supplemental Cooperation Framework Agreement for CR Pharmaceutical exceed 0.1% but are less than 5%, the Supplemental Cooperation Framework Agreement, the transactions contemplated thereunder and the Annual Caps are subject to the reporting, announcement and annual review requirements but are exempt from the circular and independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

As one or more applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Annual Caps under the Supplemental Cooperation Framework Agreement for CR Medical exceed 5%, the Supplemental Cooperation Framework Agreement, the transactions contemplated thereunder and the Annual Caps are subject to the requirements of reporting, annual review, announcement, circular and approval by the Independent Shareholders of CR Medical under Chapter 14A of the Listing Rules.

GENERAL INFORMATION AND EXTRAORDINARY GENERAL MEETING OF CR MEDICAL

CR Medical will convene the EGM of CR Medical for the Independent Shareholders of CR Medical to, among other things, consider and, if thought fit, approve the Supplemental Cooperation Framework Agreement, the transactions contemplated thereunder and the Annual Caps. The Independent Board Committee of CR Medical, comprising Mr. WU Ting Yuk, Anthony, Mr. KWONG Kwok Kong and Mr. ZHOU Peng, all being independent non-executive directors of CR Medical, has been established to consider the Supplemental Cooperation Framework Agreement, the transactions contemplated thereunder and the Annual Caps and to advise and make recommendations to the Independent Shareholders of CR Medical as to how to vote at the EGM of CR Medical on the ordinary resolution(s) regarding the Supplemental Cooperation Framework Agreement, the transactions contemplated thereunder and the Annual Caps. As Mr. FU Tingmei is an independent non-executive director of each of CR Pharmaceutical and CR Medical, he has been excused from being a member of the Independent Board Committee of CR Medical.

For determining the entitlement to attend and vote at the EGM of CR Medical to be held on Wednesday, June 5, 2024, the register of members of CR Medical will be closed from Friday, May 31, 2024 to Wednesday, June 5, 2024, both days inclusive, during which period no transfer of shares will be registered. In order to qualify as members entitled to attend and vote at the EGM of CR Medical, investors should lodge all transfers of shares accompanied by the relevant share certificates with CR Medical's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. (Hong Kong time) on Thursday, May 30, 2024.

Maxa Capital has been appointed with the approval of the Independent Board Committee of CR Medical as the Independent Financial Adviser of CR Medical to advise the Independent Board Committee of CR Medical and the Independent Shareholders of CR Medical in relation to the Supplemental Cooperation Framework Agreement, the transactions contemplated thereunder and the Annual Caps.

Any shareholders of CR Medical who have a material interest in the Supplemental Cooperation Framework Agreement shall abstain from voting on the resolutions in relation thereto to be proposed at the EGM of CR Medical. As at the date of this announcement, CRH is a controlling shareholder of CR Medical, and has a material interest in the Supplemental Cooperation Framework Agreement. As such, CRH and its associates shall abstain from voting on the ordinary resolution(s) approving the Supplemental Cooperation Framework Agreement, the transactions contemplated thereunder and the Annual Caps at the EGM of CR Medical. Save as disclosed above, as at the date of this announcement, no other shareholder of CR Medical has any material interests in the Supplemental Cooperation Framework Agreement and no other shareholder of CR Medical is required to abstain from voting on the ordinary resolution(s) approving the Supplemental Cooperation Framework Agreement, the transactions contemplated thereunder and the Annual Caps at the EGM of CR Medical.

A circular containing, among other things, (i) a letter from the board of directors of CR Medical setting out details of the Supplemental Cooperation Framework Agreement, the transactions contemplated thereunder and the Annual Caps; (ii) a letter of recommendation from the Independent Board Committee of CR Medical to the Independent Shareholders of CR Medical; (iii) a letter of recommendation from the Independent Financial Adviser of CR Medical to the Independent Board Committee of CR Medical and the Independent Shareholders of CR Medical; (iv) a notice of the EGM of CR Medical; and (v) other information required under the Listing Rules, will be despatched to the shareholders of CR Medical on or before May 22, 2024 (as additional time is required for CR Medical to prepare and finalise certain information to be included in the circular).

DEFINITIONS

In this announcement, unless the context requires otherwise, the following expressions shall have the following meanings:

“Announcement”	the joint announcement of CR Pharmaceutical and CR Medical dated December 29, 2022 in relation to the Supply Chain Management Services provided by CR Medical Group to CR Pharmaceutical Group under the Existing Cooperation Framework Agreement;
“Annual Caps”	the revised annual cap for the year ending December 31, 2024 and the proposed annual cap for the year ending December 31, 2025 for the transactions contemplated under the Cooperation Framework Agreement as agreed in the Supplemental Cooperation Framework Agreement;
“connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules;
“Cooperation Framework Agreement”	the Existing Cooperation Framework Agreement, as supplemented by the Supplemental Cooperation Framework Agreement;
“CR Healthcare”	China Resources Healthcare Group Limited, a company incorporated in Hong Kong with limited liability, a wholly-owned subsidiary of CRH;
“CR Medical”	China Resources Medical Holdings Company Limited, a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the main board of the Stock Exchange (stock code: 1515). As at the date of this announcement, CRH beneficially holds 36.58% equity interests in it;
“CR Medical Group”	CR Medical and its subsidiaries;

“CR Pharmaceutical”	China Resources Pharmaceutical Group Limited, a company incorporated in Hong Kong with limited liability, the issued shares of which are listed on the main board of the Stock Exchange (stock code: 3320). As at the date of this announcement, CRH beneficially holds 53.05% equity interests in it;
“CR Pharmaceutical Group”	CR Pharmaceutical and its subsidiaries;
“CRH”	China Resources (Holdings) Company Limited, a company incorporated in Hong Kong with limited liability and the intermediate holding company of CR Pharmaceutical and CR Medical;
“EGM of CR Medical”	the extraordinary general meeting of CR Medical to be convened on Wednesday, June 5, 2024 for, among others, the Independent Shareholders of CR Medical to consider and, if thought fit, approve the Supplemental Cooperation Framework Agreement, the transactions contemplated thereunder and the Annual Caps;
“Existing Cooperation Framework Agreement”	the cooperation framework agreement entered into between CR Pharmaceutical and CR Medical on December 29, 2022 in respect of the Supply Chain Management Services;
“Independent Board Committee of CR Medical”	the independent board committee of CR Medical comprising Mr. WU Ting Yuk, Anthony, Mr. KWONG Kwok Kong and Mr. ZHOU Peng, all being independent non-executive directors of CR Medical, to consider the terms of the Supplemental Cooperation Framework Agreement, the transactions contemplated thereunder and the Annual Caps, and to advise and make recommendations to the Independent Shareholders of CR Medical as to how to vote at the EGM of CR Medical on the ordinary resolution(s) regarding the Supplemental Cooperation Framework Agreement, the transactions contemplated thereunder and the Annual Caps;

“Independent Financial Adviser of CR Medical” or “Maxa Capital”	Maxa Capital Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), being the independent financial adviser to the Independent Board Committee of CR Medical and the Independent Shareholders of CR Medical in respect of the Supplemental Cooperation Framework Agreement, the transactions contemplated thereunder and the corresponding revised annual caps;
“Independent Shareholders of CR Medical”	shareholders of CR Medical who will not be required under the Listing Rules to abstain from voting at the EGM of CR Medical;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time);
“Parties”	CR Pharmaceutical and CR Medical, being the parties to each of the Existing Cooperation Framework Agreement and the Supplemental Cooperation Framework Agreement;
“PRC”	the People’s Republic of China which, for the purpose of this announcement only, excludes the Hong Kong Special Administrative Region of the People’s Republic of China, the Macau Special Administrative Region of the People’s Republic of China and Taiwan;
“RMB”	Renminbi, the lawful currency of the PRC;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Supplemental Cooperation Framework Agreement”	the supplemental cooperation framework agreement entered into between CR Pharmaceutical and CR Medical on April 26, 2024 in respect of supplemental particulars agreed in relation to the Supply Chain Management Services;

“Supply Chain
Management Services”

the supply chain management services to be provided by CR Medical Group to CR Pharmaceutical Group under the Cooperation Framework Agreement, further details of which are set out in the section headed “The Existing Cooperation Framework Agreement and the Supplemental Cooperation Framework Agreement – Scope of the Supply Chain Management Services” of this announcement; and

“%”

per cent.

For ease of reference, the names of the PRC established companies or entities have been included in this announcement in both the Chinese and English languages, and in the event of any inconsistency, the Chinese version shall prevail.

By order of the board of
**China Resources Pharmaceutical
Group Limited**
HAN Yuewei
Non-executive Director and Chairman

By order of the board of
**China Resources Medical
Holdings Company Limited**
SONG Qing
Chairman

PRC, April 26, 2024

As at the date of this announcement, the board of directors of CR Pharmaceutical comprises Mr. HAN Yuewei as chairman and non-executive director, Mr. BAI Xiaosong, Mr. TAO Ran and Mdm. DENG Rong as executive directors, Mdm. GUO Wei, Mr. SUN Yongqiang, Mr. HOU Bo and Mdm. JIAO Ruifang as non-executive directors and Mdm. SHING Mo Han Yvonne, Mr. KWOK Kin Fun, Mr. FU Tingmei and Mr. ZHANG Kejian as independent non-executive directors.

As at the date of this announcement, the board of directors of CR Medical comprises Mr. SONG Qing, Mr. YU Hai, Mr. SHAN Baojie and Ms. YANG Min as executive directors; Ms. GE Lu as non-executive director; Mr. WU Ting Yuk, Anthony, Mr. KWONG Kwok Kong, Mr. FU Tingmei and Mr. ZHOU Peng as independent non-executive directors.