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**華潤醫藥集團有限公司**

**China Resources Pharmaceutical Group Limited**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 3320)**



**華潤醫療控股有限公司**

**China Resources Medical Holdings Company Limited**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1515)**

## **JOINT ANNOUNCEMENT CONTINUING CONNECTED TRANSACTIONS SUPPLY CHAIN MANAGEMENT SERVICES**

### **COOPERATION FRAMEWORK AGREEMENT 2026/2028**

Reference is made to the Announcements in relation to the Supply Chain Management Services provided by CR Medical Group to CR Pharmaceutical Group under the Existing Cooperation Framework Agreement.

As the Existing Cooperation Framework Agreement and the annual caps thereunder will expire and cease to have effect on December 31, 2025, on December 16, 2025, CR Pharmaceutical and CR Medical entered into the Cooperation Framework Agreement 2026/2028, pursuant to which CR Medical Group shall provide CR Pharmaceutical Group with Supply Chain Management Services of medical supplies in order to improve the efficiency of supply chain management of CR Pharmaceutical Group's medical supplies and reduce the corresponding costs. CR Medical Group shall receive management service fees from CR Pharmaceutical Group for the abovementioned services.

## **LISTING RULES IMPLICATIONS**

As at the date of this announcement, CRH beneficially holds 53.40% 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 2026/2028 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 Cooperation Framework Agreement 2026/2028 for both CR Pharmaceutical and CR Medical exceed 0.1% but all applicable percentage ratios are less than 5%, the Cooperation Framework Agreement 2026/2028, 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.

## **INTRODUCTION**

Reference is made to the Announcements in relation to the Supply Chain Management Services provided by CR Medical Group to CR Pharmaceutical Group under the Existing Cooperation Framework Agreement.

As the Existing Cooperation Framework Agreement and the annual caps thereunder will expire and cease to have effect on December 31, 2025, on December 16, 2025, CR Pharmaceutical and CR Medical entered into the Cooperation Framework Agreement 2026/2028, pursuant to which CR Medical Group shall provide CR Pharmaceutical Group with Supply Chain Management Services of medical supplies in order to improve the efficiency of supply chain management of CR Pharmaceutical Group's medical supplies and reduce the corresponding costs. CR Medical Group shall receive management service fees from CR Pharmaceutical Group for the abovementioned services.

## **THE COOPERATION FRAMEWORK AGREEMENT 2026/2028**

The major terms of the Cooperation Framework Agreement 2026/2028 are set out as follows:

Date of the Cooperation Framework Agreement 2026/2028: December 16, 2025

Parties:

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

Duration: From January 1, 2026 to December 31, 2028. Subject to compliance with the Listing Rules and other applicable laws and regulations, the Parties may renew the term of the Cooperation Framework Agreement 2026/2028.

### **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 by CR Medical Group. 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 2026/2028, 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 2026/2028.

### **Annual Caps and Basis of Determination**

Pursuant to the Cooperation Framework Agreement 2026/2028, the Parties agreed on the proposed annual caps for the transactions under the Cooperation Framework Agreement 2026/2028 for the years ending December 31, 2026, 2027 and 2028 which are set forth as follows.

	<b>For the year ending December 31,</b>		
	<b>2026</b>	<b>2027</b>	<b>2028</b>
	<b>(RMB)</b>	<b>(RMB)</b>	<b>(RMB)</b>
	<b>Proposed</b>	<b>Proposed</b>	<b>Proposed</b>
	<b>annual cap</b>	<b>annual cap</b>	<b>annual cap</b>
Management service fees payable by CR Pharmaceutical Group to CR Medical Group	170,000,000	170,000,000	170,000,000

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 RMB90.0 million for the year ended December 31, 2024 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 RMB50.78 million for the nine months ended September 30, 2025, based on the Parties' unaudited management accounts, as well as an expected transaction amount of approximately RMB100 million for the year ending 2025, considering currently ongoing services and a typical surge in demand for the management services towards year-end;
- (c) the changes in CR Medical Group's hospital business operation model, which would lead to settlement methods being changed for certain hospitals, and is expected to result in additional management services fees concerning medical supplies for such hospitals;
- (d) 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 2026/2028;
- (e) 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
- (f) the possible further increase in the level of cooperation between the Parties in 2026, 2027 and 2028 due to potential development or changes in their respective businesses.

As at the date of this announcement, the historical transaction amount has not exceeded the corresponding annual cap for the year ending December 31, 2025.

## 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. CR Pharmaceutical Group has implemented stringent internal policies and procedures on procurement, which set forth, among others, the selection and approval procedures of all of CR Pharmaceutical Group's suppliers and service providers in its ordinary course of business (whether or not connected persons are involved). Depending on the type and scale of the transaction involved, CR Pharmaceutical Group is required to follow specific internal procurement policies and procedures and selection and approval processes in order to select suppliers or service providers for CR Pharmaceutical Group. As part of CR Pharmaceutical Group's internal approval and monitoring procedures relating to the transactions with CR Medical Group, CR Pharmaceutical Group will (i) form a group of procurement personnel, and collate the specific requirements of the relevant transaction; (ii) to the extent reasonably practicable, obtain quotations from at least two independent third parties (where available) for the relevant transaction; (iii) evaluate the quotations obtained from each participating service provider with reference to the pricing policies set for the specific transaction, and consider various assessment criteria including, without limitation, (a) the competitiveness of the fee quotation (such as the fees and payment terms), (b) the suitability of the relevant service offered by the potential service provider to CR Pharmaceutical Group, (c) the quality of the potential service provider (such as the quality of services based on market reputation and/or past dealings with CR Pharmaceutical Group, time required for the provision of the products or services), and (d) business needs of CR Pharmaceutical Group in its ordinary and usual course of business; (iv) formulate a review report on the procurement results, and obtain internal approval for the procurement amount in accordance with the procurement results; and (v) notify the relevant parties of the procurement results, and complete internal filing of the procurement documents. 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):

- (i) the regular reporting of transaction volume to CR Medical Group's finance department, for monitoring the annual caps of the relevant transactions and assessing the risk of the annual caps being exceeded;
- (ii) the finance department and the supply chain centers of CR Medical Group will continuously review and collect and assess the actual transaction amount under the Cooperation Framework Agreement 2026/2028 on a monthly basis, to ensure the transactions contemplated under the agreement are conducted on normal commercial terms or terms no less favorable than those offered to independent third parties, and the total transaction amount does not exceed the relevant annual cap before relevant approval procedures;
- (iii) the board of directors of CR Medical and the relevant functional departments of CR Medical may make recommendations from time to time to strengthen CR Medical Group's procedural compliance and to ensure the integrity and effectiveness of CR Medical Group's internal controls measures; and
- (iv) CR Medical's auditors and independent non-executive directors will conduct annual review of the transactions contemplated under the Cooperation Framework Agreement 2026/2028 and provide annual confirmation letters in accordance with the Listing Rules that the transactions are conducted in accordance with the terms of the Cooperation Framework Agreement 2026/2028 and the applicable pricing policies, on normal commercial terms, and in the interests of CR Medical and its shareholders as a whole. Under the Cooperation Framework Agreement 2026/2028, CR Pharmaceutical and CR Medical will monitor and notify the other if the actual annual transaction amounts reach a prescribed threshold of the annual caps for the relevant year, and in such case, CR Pharmaceutical and CR Medical will discuss and consider suspending the services under the Cooperation Framework Agreement 2026/2028 to ensure CR Pharmaceutical's and CR Medical's compliance with the Listing Rules.



## **REASONS FOR AND BENEFITS OF ENTERING INTO THE COOPERATION FRAMEWORK AGREEMENT 2026/2028**

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 Cooperation Framework Agreement 2026/2028 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 entering into of the Cooperation Framework Agreement 2026/2028 together with the corresponding annual caps for the years ending December 31, 2026, 2027 and 2028 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 2026/2028 shall establish long-term, stable and satisfactory business support and strategic cooperation relationship between the Parties. The Cooperation Framework Agreement 2026/2028 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 and CR Medical are of the view that, the Cooperation Framework Agreement 2026/2028 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 Cooperation Framework Agreement 2026/2028 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 Cooperation Framework Agreement 2026/2028. In order to observe good corporate governance measures, 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 healthcare 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 53.40% 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 2026/2028 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 Cooperation Framework Agreement 2026/2028 for both CR Pharmaceutical and CR Medical exceed 0.1% but all applicable percentage ratios are less than 5%, the Cooperation Framework Agreement 2026/2028, 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.

## DEFINITIONS

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

“Announcements”	the joint announcements of CR Pharmaceutical and CR Medical dated December 29, 2022 and April 26, 2024 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 proposed annual caps for the years ending December 31, 2026, 2027 and 2028 for the transactions contemplated under the Cooperation Framework Agreement 2026/2028;
“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 2026/2028”	the Cooperation Framework Agreement 2026/2028 entered into between CR Pharmaceutical and CR Medical on December 16, 2025 in respect of the Supply Chain Management Services;
“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 53.40% 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;

“Existing Cooperation Framework Agreement”	the cooperation framework agreement entered into between CR Pharmaceutical and CR Medical on December 29, 2022, as amended and supplemented by the supplemental cooperation framework agreement dated April 26, 2024, in respect of the Supply Chain Management Services;
“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 the Cooperation Framework Agreement 2026/2028;
“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;
“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 2026/2028, further details of which are set out in the section headed “The Cooperation Framework Agreement 2026/2028 – 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**  
**Bai Xiaosong**  
*Chairman*

By order of the board of  
**China Resources Medical  
Holdings Company Limited**  
**YU Hai**  
*Chairman*

PRC, December 16, 2025

*As at the date of this announcement, the board of directors of CR Pharmaceutical comprises Mr. Bai Xiaosong as chairman and executive director; Mr. Cheng Jie and Mr. Liu Changan as executive directors; Mdm. Guo Wei, Mr. Sun Yongqiang, Mr. Wang Yuhang, Mr. Guo Chuan and Mdm. Jiao Ruifang as non-executive directors and Mdm. Chiu Mun Wai, Mr. Fu Tingmei, Mr. Zhang Kejian and Mr. Shi Luwen as independent non-executive directors.*

*As at the date of this announcement, the board of directors of CR Medical comprises Mr. YU Hai, Mr. ZHANG Chuang, Mr. WU Xinchun and Ms. YANG Min as executive directors; Ms. GE Lu as non-executive director; Mr. WU Ting Yuk, Anthony, Mr. FU Tingmei, Mr. ZHOU Peng and Ms. LO Wing Sze as independent non-executive directors.*