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.

Simcere Pharmaceutical Group Limited
先聲藥業集團有限公司
(Incorporated in Hong Kong with limited liability)
(Stock code: 2096)

FURTHER REVISION OF THE 2025 AND 2026 ANNUAL CAPS OF EXCLUSIVE PROMOTION SERVICES COOPERATION AGREEMENT

Reference is made to the announcements of Simcere Pharmaceutical Group Limited (the "**Company**", together with its subsidiaries, the "**Group**") dated December 29, 2023, January 17, 2024 and January 24, 2025 (the "**Announcements**"). Unless otherwise defined, capitalized terms used herein shall have the same meanings as those defined in the Announcements.

As disclosed in the Announcements, on December 29, 2023, Jiangsu Simcere entered into the Exclusive Promotion Services Cooperation Agreement with Beijing Simcere Sanroad, pursuant to which Jiangsu Simcere agreed to grant the exclusive promotion rights to Beijing Simcere Sanroad to promote a generic drug of the Group (i.e. Fumarate Bedaquiline Tablets) within the Promotion Indications and the Promotion Region. The Exclusive Promotion Services Cooperation Agreement has come into effect from the date of approval at the general meeting of Beijing Simcere Sanroad on January 16, 2024 and shall be valid until December 31, 2026.

As disclosed in the Announcements, the Original Annual Caps for the years ending December 31, 2025 and 2026 under the Exclusive Promotion Services Cooperation Agreement were revised as follows (the "**First Revised Annual Caps**"):

	For the year ending December 31,	
	2025	**2026**
	(RMB'000)	
Promotion service fees	65,000	100,000

FURTHER REVISION OF THE 2025 AND 2026 ANNUAL CAPS

In accordance with the enhanced internal control measures for continuing connected transactions, the Group has proactively monitored the transaction progress under the Exclusive Promotion Services Cooperation Agreement. Dedicated personnel have also reported such progress to the management and the Board in a timely manner with reference to the First Revised Annual Caps. For the nine months ended September 30, 2025, the actual transaction amount under the Exclusive Promotion Services Cooperation Agreement reached approximately RMB59.71 million, which has been close to the First Revised Annual Cap for the year ending December 31, 2025. As of the date of this announcement, the actual transaction amount under the Exclusive Promotion Services Cooperation Agreement has not exceeded the First Revised Annual Cap for the year ending December 31, 2025.

Notably, during the nine months ended September 30, 2025, the Group has achieved a significant increase in the volume of centralized procurement of the Product by local government authorities. The Group expects such momentum of government centralized procurement to persist for the remainder of 2025 and throughout 2026. Meanwhile, driven by ongoing efforts to expand the Product's inclusion in target hospitals and extend its customer base, the sales volume of the Product is expected to continue growing in the rest of 2025 and 2026, further increasing promotion service fees.

In light of the above, the Board estimates that the First Revised Annual Caps for the years ending December 31, 2025 and 2026 will be insufficient to meet the actual operational needs of the Group. The Board has thereby resolved to further revise the First Revised Annual Caps for the years ending December 31, 2025 and 2026 under the Exclusive Promotion Services Cooperation Agreement as follows (the "**Further Revised Annual Caps**"):

	For the year ending December 31,	
	2025	**2026**
	(RMB'000)	
Promotion service fees	100,000	150,000

The Further Revised Annual Caps are estimated with reference to the relevant factors adopted for determining the First Revised Annual Caps (including the fair price of the Product and a buffer at a reasonable ratio to cope with unprecedented market changes). On this basis, the Board has further taken into account the following additional factors:

(i) the actual amount of promotion service fees incurred under the Exclusive Promotion Services Cooperation Agreement for the nine months ended September 30, 2025; and

(ii) the estimated continued growth in the sales amount of the Product promoted and sold through Beijing Simcere Sanroad under the Exclusive Promotion Services Cooperation Agreement. Specifically, the sales amount of the Product is expected to grow by approximately 166% in 2025 as compared to 2024, and to further grow by approximately 52% in 2026 as compared to 2025. This updated growth forecast is primarily supported by the following positive developments that have been proven or further strengthened since the determination of the First Revised Annual Caps:

   (a) the significant increase in government centralized procurement volume for the Product in the first nine months of 2025. Although such trend was considered when setting up the First Revised Annual Caps, the actual performance has substantially outpaced expectations, driven primarily by expanded government procurement initiatives. The Group expects this momentum of government centralized procurement to remain stable for the remainder of 2025 and throughout 2026, forming a solid driver for the Product's sales growth; and

   (b) the Group's ongoing efforts to expand the Product's coverage in target hospitals and enlarge its customer base. Such market expansion efforts have already shown initial results in 2025 and the Group expects to further enhance the Product's availability in target hospitals and its reach to potential patients in 2026, thereby directly driving continued sales growth.

In view of the above, the Directors consider that the Further Revised Annual Caps are fair and reasonable. Save for the Further Revised Annual Caps, all other terms and conditions under the Exclusive Promotion Services Cooperation Agreement will remain unchanged. Please refer to the Announcements for the principal terms (including the pricing policy) and details of the Exclusive Promotion Services Cooperation Agreement.

REASONS FOR AND BENEFITS OF FURTHER REVISING THE 2025 AND 2026 ANNUAL CAPS

Beijing Simcere Sanroad has a mature product promotion team in the field of tuberculosis treatment with rich experience. Fumarate Bedaquiline Tablets is a generic drug of the Group which obtained approval in February 2023. As the Group focuses on the business of innovative drugs, it currently does not maintain a sales team in generic drugs, therefore, entrusting Beijing Simcere Sanroad to promote the Product can revitalize the existing products of the Group, utilize the sales experience advantages of Beijing Simcere Sanroad, and save the promotion costs of the Product. In addition, as tuberculosis is an infectious disease threatening the public health, it often requires treatment in specialized hospitals, while Beijing Simcere Sanroad has established a mature sales network in the PRC, cooperation with it will help the Group to improve promotion efficiency. The Board considers that the further revision of the 2025 and 2026 annual caps will be conducive to the further cooperation between the Group and Beijing Simcere Sanroad under the Exclusive Promotion Services Cooperation Agreement, which will provide the Group with additional room to promote the marketing and sales of the Product through the exclusive promotion services provided by Beijing Simcere Sanroad. In addition, the promotion service fees payable by Jiangsu Simcere to Beijing Simcere Sanroad under the Exclusive Promotion Services Cooperation Agreement are determined in accordance with market-oriented principles, and are no less favorable than those offered by the Independent Third Parties to the Group.

The Directors (including the independent non-executive Directors but excluding the Directors who are required to abstain from voting on the relevant resolution) are of view that the transactions under the Exclusive Promotion Services Cooperation Agreement have been and will continue to be conducted on normal commercial terms, in the ordinary and usual course of business of the Group, and the terms and conditions therein as well as the Further Revised Annual Caps are fair and reasonable, and are in the best interests of the Company and the Shareholders as a whole.

Since Beijing Simcere Sanroad is ultimately controlled by Mr. Ren Jinsheng, and Ms. Wang Xi is the spouse of Mr. Ren Jinsheng, Mr. Ren Jinsheng and Ms. Wang Xi, both being Directors, are considered to have material interests in the transactions contemplated under the Exclusive Promotion Services Cooperation Agreement and have abstained from voting on the Board resolution in respect of the approval of the Further Revised Annual Caps. Save as disclosed above, none of the other Directors has material interest in the transactions contemplated under the Exclusive Promotion Services Cooperation Agreement and is required to abstain from voting on the relevant Board resolution.

INTERNAL CONTROL MEASURES FOR CONTINUING CONNECTED TRANSACTIONS

To protect the interests of the Group, the Group has adopted and will continue to adopt the following internal control measures:

(i) the relevant business department, the office of the Board and the finance department of the Group shall closely monitor the transactions contemplated under the Exclusive Promotion Services Cooperation Agreement to ensure that the transaction amounts do not exceed the relevant annual caps set for the transactions under the Exclusive Promotion Services Cooperation Agreement;

(ii) the auditors of the Company shall conduct annual reviews on pricing and annual caps of such continuing connected transactions to ensure that the transaction amounts are within the annual caps and that the transactions in all material aspects are conducted on the terms in the relevant agreement of such transactions; and

(iii) the independent non-executive Directors of the Company shall conduct annual reviews on the continuing connected transactions under the Exclusive Promotion Services Cooperation Agreement to ensure that such transactions are conducted on normal commercial terms and are in the ordinary and usual course of business of the Group, and the terms thereof are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Beijing Simcere Sanroad is held as to approximately 85.46% by Shanghai BioSciKin Investment Management Co., Ltd.* (上海百家匯投資管理有限公司), which is indirectly wholly owned by Mr. Ren Jinsheng. Beijing Simcere Sanroad is also held as to approximately 8.95% by Nanjing Baijiarui Enterprise Management Consulting LLP.* (南京百佳瑞企業管理諮詢合夥企業(有限合夥)), which is in turn held as to approximately 42.41% by its general partner, Shanghai BioSciKin Investment Management Co., Ltd. As a result, Beijing Simcere Sanroad is an associate of Mr. Ren Jinsheng and a connected person of the Company. Accordingly, the transactions contemplated under the Exclusive Promotion Services Cooperation Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio of the Further Revised Annual Caps exceeds 0.1% but is less than 5%, pursuant to Chapter 14A of the Listing Rules, the further revision of the Revised Annual Caps for the years ending December 31, 2025 and 2026 under the Exclusive Promotion Services Cooperation Agreement is only subject to the reporting, announcement and annual review requirements but exempted from the independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

INFORMATION ON THE PARTIES

Information on the Company

The Company is an innovation and R&D-driven pharmaceutical company and has established a "State Key Laboratory of Neurology and Oncology Drug Development". The Company focuses on the therapeutic areas of neuroscience, anti-oncology, autoimmune and anti-infection, with forward-looking layout of disease areas that may have significant clinical needs in the future, aiming to achieve the mission of "providing today's patients with medicines of the future". Driven by its in-house R&D efforts and synergistic innovation, the Company has established strategic cooperation partnerships with many innovative companies and research institutes.

Information on Jiangsu Simcere

Jiangsu Simcere is a limited liability company established in the PRC on March 28, 1995 and an indirectly wholly-owned subsidiary of the Company. Jiangsu Simcere is principally engaged in pharmaceutical wholesale, pharmaceutical import and export, chemical product sales, technical services and medical research and experimental development, etc.

Information on Beijing Simcere Sanroad

Beijing Simcere Sanroad is a limited liability company established in the PRC on March 14, 2000 and is currently listing on the NEEQ (stock code: 873821). As of September 5, 2025 (being the latest inquiry date of the Beijing Simcere Sanroad's register of members), the Beijing Simcere Sanroad is directly owned by its top ten shareholders as to approximately 98.80%, including (i) as to approximately 85.46% and 1.20%, respectively, by Shanghai BioSciKin Investment Management Co., Ltd. and Hainan Simcere BioSciKin Technology Development Co., Ltd., both of which are ultimately wholly-owned by Mr. Ren Jinsheng (任晉生) through State Good Group Limited and Nanjing BioSciKin Technology, (ii) as to approximately 8.95% by Nanjing Baijiarui Enterprise Management Consulting Partnership (Limited Partnership) (南京百佳瑞企業管理諮詢合夥企業(有限合夥)), an employee shareholding platform of Beijing Simcere Sanroad, which is owned as to approximately (a) 42.41% by Shanghai BioSciKin Investment Management Co., Ltd. as a general partner;

and (b) 57.59% by its limited partners, including 37.85% by Mr. Tian Jialun (田家倫), an independent third party, and other limited partners whose shareholdings range from approximately 0.44% to 5.26%, (iii) as to approximately 1.41% by Beijing Zhongyi Jintai Investment Management Co., Ltd. (北京仲頤金泰投資管理有限公司), which is owned as to approximately 60% and 40%, respectively, by Zhang Minghao and Zhang Youkui, both of which are independent third parties, (iv) as to approximately 0.33% by Zhuhai Shenhonggejin Medical and Health Industry Investment Fund Partnership Enterprise (Limited Partnership) (珠海申宏格金醫療健康產業投資基金合夥企業(有限合夥)), which is owned as to (a) 20% by Shenyin & Wanguo Investment Co., Ltd. (申銀萬國投資有限公司) ("**Shenyin & Wanguo**") as a general partner, and Shenyin & Wanguo is owned as to 100% by Shenwan Hongyuan Seceurities Co., Ltd (申萬宏源證券有限公司) which in turn is owned as to 100% by Shenwan Hongyuan Group Co., Ltd. (申萬宏源集團股份有限公司) (stock code: 000166.SZ); (b) approximately 44.8% by Zhuhai Gree Group Co., Ltd. (珠海格力集團有限公司), which is owned as to 90% and 10%, respectively, by Zhuhai Municipal State-owned Assets Supervision and Administration Commission (珠海市人民政府國有資產監督管理委員會) ("**Zhuhai SASAC**") and Department of Finance of Guangdong Province (廣東省財政廳) ("**Department of Finance of Guangdong**"); and (c) 30% by Zhuhai Development and Investment Fund (Limited Partnership) (珠海發展投資基金(有限合夥)), which is owned as to 1% by Zhuhai Development & Investment Fund Management Co., Ltd. (珠海發展投資基金管理有限公司) (ultimately owned by Zhuhai SASAC and Department of Finance of Guangdong) as a general partner, and 42.2% by Zhuhai HUAFA Investment Holdings Group Co., Ltd. (珠海華發投資控股集團有限公司) (ultimately controlled by Zhuhai SASAC and Department of Finance of Guangdong through Zhuhai HUAFA Group Co., Ltd. (珠海華發集團有限公司) and Zhuhai HUAFA Comprehensive Development Co., Ltd. (珠海華發綜合發展有限公司)), and (v) approximately 1.19%, 0.10%, 0.08%, 0.05% and 0.03%, respectively, by Zhu Hong, Xu Wengen, Yu Fengchang, Liao Qiwen and You Houwen, all of which are independent third parties. The remaining approximately 1.2% share capital of Beijing Simcere Sanroad was held by over 500 public shareholders.

By order of the Board
Simcere Pharmaceutical Group Limited
Mr. Ren Jinsheng
Chairman and Chief Executive Officer

Hong Kong, October 20, 2025

As of the date of this announcement, the Board comprises Mr. REN Jinsheng as the Chairman and executive Director; Mr. TANG Renhong, Mr. WAN Yushan and Ms. WANG Xi as the executive Directors; Mr. SONG Ruilin, Mr. WANG Jianguo, Mr. WANG Xinhua and Mr. SUNG Ka Woon as the independent non-executive Directors.