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Sichuan Kelun-Biotech Biopharmaceutical Co., Ltd.
四川科倫博泰生物醫藥股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 6990)

CONTINUING CONNECTED TRANSACTION
2026 R&D-RELATED GOODS FRAMEWORK AGREEMENT

Reference is made to the prospectus of the Company dated June 29, 2023 in relation to the 2023 R&D-related Drugs and Consumables Framework Agreement, which expired on December 31, 2025.

In light of the above, on January 16, 2026, the Company has entered into the 2026 R&D-related Goods Framework Agreement for a term commencing from January 16, 2026 to December 31, 2028, pursuant to which the Company has agreed to procure R&D-related drugs, consumables and fixed assets from China Resources Kelun and/or its subsidiaries from time to time during the term of the 2026 R&D-related Goods Framework Agreement.

LISTING RULES IMPLICATIONS

China Resources Kelun is an associate of Mr. LIU Sichuan, a Director of the Company. Therefore, China Resources Kelun is a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the transactions contemplated under the 2026 R&D-related Goods Framework Agreement constitute a continuing connected transaction for the Company under Chapter 14A of the Listing Rules.

When aggregating the continuing connected transaction contemplated under the 2026 R&D-related Goods Framework Agreement with the existing continuing connected transaction between the Company and China Resources Kelun under the 2026 Sales and Distribution Framework Agreement (as defined and disclosed in the announcement of the Company dated December 31, 2025), the highest applicable percentage ratio (as defined under the Listing Rules) of the aggregated annual caps over the term of both agreements is more than 0.1% but less than 5%. Therefore, the 2026 R&D-related Goods Framework Agreement and the transactions contemplated thereunder are subject to the reporting and announcement requirements but are exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

INTRODUCTION

Reference is made to the prospectus of the Company dated June 29, 2023 in relation to the 2023 R&D-related Drugs and Consumables Framework Agreement, which expired on December 31, 2025.

In light of the above, on January 16, 2026, the Company has entered into the 2026 R&D-related Goods Framework Agreement for a term commencing from January 16, 2026 to December 31, 2028, pursuant to which the Company has agreed to procure R&D-related drugs, consumables and fixed assets from China Resources Kelun and/or its subsidiaries from time to time during the term of the 2026 R&D-related Goods Framework Agreement.

2026 R&D-related Goods Framework Agreement

The principal terms of the 2026 R&D-related Goods Framework Agreement and further details of the transactions thereunder are set out as follows, which are substantially the same as those of the 2023 R&D-related Drugs and Consumables Framework Agreement, save that the service scope under the 2026 R&D-related Goods Framework Agreement was expanded to include the procurement of fixed assets by the Company from China Resources Kelun and/or its subsidiaries:

Date of agreement	January 16, 2026
Parties	(1) the Company; and (2) China Resources Kelun (Sichuan) Medicine Limited (華潤科倫醫藥(四川)有限公司)
Term	January 16, 2026 to December 31, 2028
Subject matter	The Company shall procure R&D-related drugs, consumables and fixed assets, including but not limited to clinical control samples and medical supplies (specifically including medical equipment and laboratory supplies) (collectively, "**R&D-related Goods**"), from China Resources Kelun and/or its subsidiaries.

In respect of the terms of specific transactions of the R&D-related Goods contemplated under the 2026 R&D-related Goods Framework Agreement, the Company and China Resources Kelun and/or its subsidiaries may enter into individual agreements. In the event that the terms of an individual agreement and the 2026 R&D-related Goods Framework Agreement conflict, the terms of the 2026 R&D-related Goods Framework Agreement shall prevail.

The 2026 R&D-related Goods Framework Agreement further provides that all transactions contemplated thereunder shall be conducted in compliance with the terms of the 2026 R&D-related Goods Framework Agreement, the Listing Rules and the applicable laws and regulations.

Consideration and Pricing Policies

The price payable by the Company for procuring the R&D-related Goods will be determined through arm's length negotiation primarily based on the production cost of the R&D-related Goods, the sales price to external third parties and our procurement volume, with reference to a number of factors applicable to all suppliers, including but not limited to the prevailing market price of the relevant goods of same quality, specifications of the products, delivery capability, response time and the fees charged for historical transactions of similar nature.

The R&D-related Goods can be readily sourced from third-party suppliers. The Company will identify alternative suppliers for the R&D-related Goods and continue to procure the relevant R&D-related Goods from China Resources Kelun and/or its subsidiaries only if they are provided to the Group on normal commercial terms or better when compared with other third-party suppliers.

Payment Terms

The fee(s) under the 2026 R&D-related Goods Framework Agreement shall be paid by the Company using the internal resources of the Group within 45 days upon delivery of the relevant R&D-related Goods.

Historical Amounts

Set out below are (1) the historical transaction amount paid by the Company to China Resources Kelun and/or its subsidiaries under the 2023 R&D-related Drugs and Consumables Framework Agreement from the Listing Date to December 31, 2023, from January 1, 2024 to December 31, 2024 and from January 1, 2025 to December 31, 2025, and (2) the annual caps of the 2023 R&D-related Drugs and Consumables Framework Agreement for the three years ended December 31, 2023, December 31, 2024 and December 31, 2025:

2023 R&D-related Drugs and Consumables Framework Agreement	*(RMB'000)*
Historical transaction amount from the Listing Date to December 31, 2023	3,922
Annual cap for the year ended December 31, 2023	20,000
Historical transaction amount from January 1, 2024 to December 31, 2024	4,035
Annual cap for the year ended December 31, 2024	40,000
Historical transaction amount from January 1, 2025 to December 31, 2025	529
Annual cap for the year ended December 31, 2025	30,000

Annual Caps

The proposed annual caps for the transactions contemplated under the 2026 R&D-related Goods Framework Agreement are set out below:

	From January 1, 2026 to December 31, 2026 *(RMB'000)*	**From January 1, 2027 to December 31, 2027** *(RMB'000)*	**From January 1, 2028 to December 31, 2028** *(RMB'000)*
Proposed annual caps for the procurement of R&D-related Goods	10,650	10,650	10,650

Basis of Determination of Annual Caps

The annual caps were determined based on the following factors:

(i) the expanded service scope under the 2026 R&D-related Goods Framework Agreement to include the procurement of fixed assets by the Company from China Resources Kelun and/or its subsidiaries;

(ii) the unit price of the R&D-related Goods and the potential price fluctuation;

(iii) the historical purchase volume of the R&D-related Goods by our Group from China Resources Kelun and/or its subsidiaries. Based on the historical transaction amounts, the utilization rates of the historical annual caps throughout the 2023 R&D-related Drugs and Consumables Framework Agreement were lower than originally anticipated. Therefore, the Company has made downward adjustment to the proposed annual caps for the transactions contemplated under the 2026 R&D-related Goods Framework Agreement;

(iv) the anticipated demand for the R&D-related Goods driven by the R&D progress of the Company's product candidates for the next three years. In view of the Group's historical growth rate of research and development expenses in recent years, which increased by 21.9% for the year ended December 31, 2023 as compared to the year ended December 31, 2022 and further increased by 17.0% for the year ended December 31, 2024, the Company expects that there will be a stable demand for the R&D-related Goods for the next three years; and

(v) the relevant supply capacity of China Resources Kelun and/or its subsidiaries in providing the R&D-related Goods.

Reasons for and benefits of entering into the 2026 R&D-related Goods Framework Agreement

In the ordinary course of business, the Group need to source clinical control samples in our clinical trials to compare the efficacy of our novel drugs to the efficacy of an existing treatment, procure consumables and medical equipment to facilitate our R&D activities. China Resources Kelun and/or its subsidiaries are primarily engaged in wholesale of medicines and medical consumables, which are able to source R&D-related Goods from various drug, consumable and fixed asset manufacturers that could satisfy the need of our R&D activities such as clinical trials. The Group have been procuring R&D-related drugs, consumables and fixed assets from China Resources Kelun and/or its subsidiaries from time to time, which are with high quality, stable and quick delivery at reasonable prices. To ensure continuously stable and high-efficient support of our R&D activities, our Directors are of the view that continuous procurement of the R&D-related Goods from China Resources Kelun and/or its subsidiaries is in the interest of the Company and the Shareholders as a whole and will be beneficial to the Group. In addition, through the Company's occasional procurement of R&D-related Drugs, Consumables and Fixed Assets from China Resources Kelun and/or its subsidiaries from time to time, the Company has established a good working relationship with China Resources Kelun and/or its subsidiaries. This enables the Company to save the costs associated with lengthy negotiations with new suppliers and provides the Company with a reliable and cost-effective source of R&D-related Drugs, Consumables and Fixed Assets.

Taking the above into consideration, the Directors, including the independent non-executive Directors, are of the view that the terms of the 2026 R&D-related Goods Framework Agreement are fair and reasonable, the transactions contemplated thereunder are on normal commercial terms and in the ordinary and usual course of business of the Group, and are in the interests of the Company and its Shareholders as a whole.

INTERNAL CONTROL MEASURES

In order to ensure that the transactions contemplated under the 2026 R&D-related Goods Framework Agreement are conducted in accordance with the terms of the agreement, on normal commercial terms and in accordance with the pricing policies and principles above, the Company will comply with its existing internal control measures, which include the following:

(1) transaction will be conducted pursuant to an individual agreement which complies with the terms of the 2026 R&D-related Goods Framework Agreement and the pricing policies and principles above. The individual agreement will be approved by each of the relevant departments, including but not limited to the legal and finance departments, the deputy general managers of the Company and finally the general manager of the Company, who will execute the agreement;

(2) When assessing the pricing of a transaction, information with respect to referential purchase prices, such as those solicited from third-party suppliers and research from industry websites, among other things, will be made available to the relevant departments and personnel including but not limited to the purchasing department;

(3) the internal audit department of the Company and the departments responsible for the connected transactions of the Company will monitor the transactions under the 2026 R&D-related Goods Framework Agreement, in particular to monitor that the Company is paying the relevant connected party the applicable fees stipulated in the relevant individual agreement and seek further information from individual departments where necessary to ensure, among other things, that such transactions are conducted in accordance with the terms of the 2026 R&D-related Goods Framework Agreement and the pricing policies and principles above. Such internal audit department will be monitored by the Audit Committee of the Company; and

(4) the finance department will closely monitor the actual transaction amounts under the 2026 R&D-related Goods Framework Agreement and closely and continuously review such amounts against the applicable annual cap. The finance department will conduct monthly review on the actual transaction amounts under the 2026 R&D-related Goods Framework Agreement. When the total transaction amounts under the 2026 R&D-related Goods Framework Agreement exceed 80% of the relevant annual cap, the finance team will determine there is a possibility that the relevant annual cap may be exceeded and timely report to the management of the Company, which may consider actions to ensure compliance with the Listing Rules, including obtaining the approval from independent Shareholders to revise the proposed annual cap if necessary.

Pursuant to the Listing Rules, the independent non-executive Directors and the auditor of the Company will conduct an annual review of the continuing connected transaction under the 2026 R&D-related Goods Framework Agreement in respect of whether, among other things, the transaction was conducted in accordance with the terms of the 2026 R&D-related Goods Framework Agreement and whether the relevant proposed annual cap has been exceeded.

The Company will continue to adopt and implement such internal procedures and corporate governance measures for all ongoing and proposed continuing connected transactions of the Company in order to ensure that the pricing mechanism and terms of the transactions, are fair and reasonable and no less favourable than the terms provided by any independent third parties, so as to ensure that they serve the interests of the Company and its Shareholders as a whole.

By implementing such internal control measures and procedures, the Directors (including the independent non-executive Directors) consider that the Company has sufficient internal control measures and procedures to ensure that the transactions contemplated under the 2026 R&D-related Goods Framework Agreement will be on normal commercial terms and no less favorable to the Company than that available from independent third parties.

INFORMATION OF THE PARTIES

The Company

The Company is a biopharmaceutical company, principally engaged in the R&D, manufacturing and commercialization of novel drugs in oncology, immunology and other therapeutic areas.

China Resources Kelun

China Resources Kelun is primarily engaged in the wholesaling and retailing of medicines and medical consumables and provision of online information services for medicines and medical devices. As at the date of this announcement, China Resources Kelun was (i) 51.0% held by China Resources Pharmaceutical Commercial Group Company Limited (華潤醫藥商業集團有限公司), which is a subsidiary of China Resources Pharmaceutical Group (華潤醫藥集團有限公司), a company listed on the Stock Exchange (Hong Kong Stock Exchange stock code: 3320); (ii) 33.4% held by Sichuan Huifeng Biotechnology Group Co., Ltd. (四川惠豐生物科技集團有限責任公司), a company held by our Directors Mr. LIU Sichuan and Mr. LIU Gexin as to 80% and 20%, respectively; (iii) 14.6% held by Sichuan Kelun Industrial Group Co., Ltd. (四川科倫實業集團有限公司), a company controlled by our Director Mr. LIU Gexin; and (iv) 0.98% held by Mr. LIU Sichuan directly.

LISTING RULES IMPLICATIONS

China Resources Kelun is an associate of Mr. LIU Sichuan, a Director of the Company. Therefore, China Resources Kelun is a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the transactions contemplated under the 2026 R&D-related Goods Framework Agreement constitute a continuing connected transaction for the Company under Chapter 14A of the Listing Rules.

When aggregating the continuing connected transaction contemplated under the 2026 R&D-related Goods Framework Agreement with the existing continuing connected transaction between the Company and China Resources Kelun under the 2026 Sales and Distribution Framework Agreement (as defined and disclosed in the announcement of the Company dated December 31, 2025), the highest applicable percentage ratio (as defined under the Listing Rules) of the aggregated annual caps over the term of both agreements is more than 0.1% but less than 5%. Therefore, the 2026 R&D-related Goods Framework Agreement and the transactions contemplated thereunder are subject to the reporting and announcement requirements but are exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

Mr. LIU Sichuan, being a Director, has abstained from voting on the Company's board resolution(s) for approving 2026 R&D-related Goods Framework Agreement and the transactions contemplated thereunder in view of his material interest by being an associate and director of China Resources Kelun. Mr. LIU Gexin, being a Director, has abstained from voting on the Company's board resolution(s) for approving the 2026 R&D-related Goods Framework Agreement and the transactions contemplated thereunder in view of his material interest by being an indirect shareholder of China Resources Kelun. Save as aforesaid, no other Director has any material interest in the 2026 R&D-related Goods Framework Agreement and the transactions contemplated thereunder and was required to abstain from voting.

"2023 R&D-related Drugs and Consumables Framework Agreement"	the framework agreement in relation to the procurement of R&D-related drugs and consumables dated June 1, 2023, between the Company and China Resources Kelun
"2026 R&D-related Goods Framework Agreement"	the framework agreement in relation to the procurement of R&D-related goods dated January 16, 2026 between the Company and China Resources Kelun and/or its subsidiaries
"2026 Sales and Distribution Framework Agreement"	the sales and distribution framework agreement dated December 31, 2025 between the Company and China Resources Kelun, details of which are set out in the announcement of the Company dated December 31, 2025
"Board"	the board of directors of the Company
"China Resources Kelun"	China Resources Kelun (Sichuan) Medicine Limited (華潤科倫醫藥(四川)有限公司) (former name: Sichuan Kelun Medicine & Trade Group Co. Ltd. (四川科倫醫藥貿易集團有限公司)), an associate of Mr. LIU Sichuan and a connected person of the Company
"Company"	Sichuan Kelun-Biotech Biopharmaceutical Co., Ltd. (四川科倫博泰生物醫藥股份有限公司), a joint stock company incorporated in the PRC with limited liability, the shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited (stock code: 6990)
"connected person(s)"	has the meaning ascribed thereto under the Listing Rules
"Director(s)"	the director(s) of the Company
"Group"	the Company and its subsidiaries
"Listing Date"	July 11, 2023
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

"PRC"	the People's Republic of China, which for the purpose of this announcement, shall not include Hong Kong Special Administrative Region of the PRC, Macau Special Administrative Region of the PRC and Taiwan
"Prospectus"	the prospectus issued by the Company dated June 29, 2023
"RMB"	Renminbi, the lawful currency of the PRC
"Share(s)"	ordinary shares in the share capital of the Company with a nominal value of RMB1.00 each
"Shareholders"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"%"	per cent

By order of the Board
Sichuan Kelun-Biotech Biopharmaceutical Co., Ltd.
LIU Gexin
Chairman of the Board and Non-executive Director

Hong Kong, January 16, 2026

As at the date of this announcement, the Board comprises Mr. LIU Gexin as the chairman of the Board and non-executive Director, Dr. GE Junyou as executive Director, Mr. LIU Sichuan, Mr. LAI Degui, Mr. FENG Hao, Ms. LIAO Yihong and Mr. ZENG Xuebo as non-executive Directors, and Dr. ZHENG Qiang, Dr. TU Wenwei, Dr. JIN Jinping and Dr. LI Yuedong as independent non-executive Directors.