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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)

DISCLOSEABLE TRANSACTION PROPOSED ACQUISITION OF LIER CHEMICAL

The Board is pleased to announce that, on 29 July 2026, CR Double-Crane entered into the Share Purchase Agreement with the Vendors, pursuant to which CR Double-Crane has agreed to conditionally purchase, and the Vendors have agreed to conditionally sell, an aggregate of 188,102,749 shares of Lier Chemical (representing approximately 23.50% interest in Lier Chemical as at the date of this announcement) at a proposed consideration of RMB30.07 per share, i.e., RMB5,656,249,662.43 in total. Upon Completion, CR Double-Crane will hold approximately 23.50% equity interest in Lier Chemical and will become the largest shareholder of Lier Chemical and Lier Chemical will be accounted for as a non-wholly-owned subsidiary of the Company.

As one or more of the relevant percentage ratio(s) under the Listing Rules in respect of the Proposed Acquisition contemplated under the Share Purchase Agreement exceeds 5% but is less than 25%, the Proposed Acquisition constitutes a discloseable transaction for the Company under the Listing Rules and is subject to the notification and announcement requirements but exempt from shareholders' approval requirements under Chapter 14 of the Listing Rules.

As Completion of the Proposed Acquisition is subject to the fulfilment of the conditions precedent stated in the Share Purchase Agreement, the Proposed Acquisition may or may not proceed. Accordingly, Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company.

BACKGROUND

Reference is made to the announcement of the Company dated 15 July 2026 in relation to the participation by CR Double-Crane in the public solicitation and bidding process in connection with the Proposed Acquisition.

The Board is pleased to announce that, on 29 July 2026, CR Double-Crane entered into the Share Purchase Agreement with the Vendors, pursuant to which CR Double-Crane has agreed to conditionally purchase, and the Vendors have agreed to conditionally sell, an aggregate of 188,102,749 shares of Lier Chemical (representing approximately 23.50% interest in Lier Chemical as at the date of this announcement) at a proposed consideration of RMB30.07 per share, i.e., RMB5,656,249,662.43 in total.

THE PROPOSED ACQUISITION

A summary of the principal terms of the Share Purchase Agreement are set out as follows:

(1) Date

29 July 2026

(2) Parties

- (a) CR Double-Crane, as the purchaser; and
- (b) Jiuyuan Group and Huacai Technology, as the Vendors.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, each of the Vendors and their respective ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

(3) Subject Matter

Pursuant to the Share Purchase Agreement, CR Double-Crane has agreed to conditionally purchase, and the Vendors have agreed to conditionally sell, an aggregate of 188,102,749 shares of Lier Chemical (representing approximately 23.50% interest in Lier Chemical as at the date of this announcement) at a proposed consideration of RMB30.07 per share, i.e., RMB5,656,249,662.43 in total, of which:

- (a) CR Double-Crane has agreed to conditionally purchase, and Jiuyuan Group has agreed to conditionally sell 160,087,446 shares of Lier Chemical (representing approximately 20.00% interest in Lier Chemical as at the date of this announcement) at a proposed consideration of RMB4,813,829,501.22; and
- (b) CR Double-Crane has agreed to conditionally purchase, and Huacai Technology has agreed to conditionally sell 28,015,303 shares of Lier Chemical (representing approximately 3.50% interest in Lier Chemical as at the date of this announcement) at a proposed consideration of RMB842,420,161.21.

Upon Completion, CR Double-Crane will hold approximately 23.50% equity interest in Lier Chemical and will become the largest shareholder of Lier Chemical, and Lier Chemical will be accounted for as a non-wholly-owned subsidiary of the Company.

(4) Consideration

The proposed consideration for the Proposed Acquisition is RMB5,656,249,662.43, and was determined on arm's length basis after a public solicitation and bidding process among the parties with reference to, among others, (i) the percentage of equity interests in Lier Chemical to be acquired by CR Double-Crane under the Share Purchase Agreement; and (ii) the reasons for and benefits of the Proposed Acquisition as set out in the section headed "Reasons for and Benefits of the Proposed Acquisition".

In addition, if during the period from the date of the Share Purchase Agreement to the Registration Date, Lier Chemical undertakes any bonus share issue, capitalisation issue, rights issue, cash dividend distribution or other ex-rights or ex-dividend corporate actions, the number and consideration of the shares to be transferred under the Share Purchase Agreement shall be adjusted accordingly, provided that any dividend declared prior to the date of the Share Purchase Agreement shall not result in an adjustment to the consideration for the Proposed Acquisition. The final consideration payable by CR Double-Crane for the Proposed Acquisition shall be confirmed by the SASAC, the Company and the Company's ultimate controlling shareholder, China Resources Company Limited. The Company will make further announcement on the determination of final consideration as and when appropriate and required.

Payment of Consideration

CR Double-Crane shall, within five working days from the date of the Share Purchase Agreement, pay a contract deposit to (i) Jiuyuan Group in the amount of RMB1,444,148,850.37; and (ii) Huacai Technology in the amount of RMB252,726,048.36, representing in aggregate 30% of the proposed consideration.

As at the date of this announcement, CR Double-Crane had paid an application deposit to (i) Jiuyuan Group in the amount of RMB200 million; and (ii) Huacai Technology in the amount of RMB40 million. Such application deposit has been automatically converted into the contract deposit on an interest-free basis on the date of the Share Purchase Agreement. Accordingly, CR Double-Crane shall pay a further contract deposit to (i) Jiuyuan Group in the amount of RMB1,244,148,850.37; and (ii) Huacai Technology in the amount of RMB212,726,048.36. The contract deposit will be automatically converted into the consideration on an interest-free basis from the effective date of the Share Purchase Agreement.

Should the Share Purchase Agreement not come into effect or be terminated, the Vendors will return the contract deposit paid by CR Double-Crane (without interest) within five working days from the occurrence of the above events, as applicable.

Payment of the consideration for the Proposed Acquisition shall be made in cash within five working days from the date of approval of the Proposed Acquisition by the relevant state-owned assets supervision and administration bodies and prior to the Registration Date.

It is expected that CR Double-Crane will satisfy the payment of the consideration for the Proposed Acquisition by its own funds or self-raised funds.

(5) Conditions precedent

The Share Purchase Agreement shall come into effect upon the fulfilment of certain conditions precedent, including without limitation:

- (a) the Share Purchase Agreement having been signed by the legal representatives or authorised representatives of each party and affixed with their respective company stamps;
- (b) the requisite internal approvals of each of the parties to the Share Purchase Agreement in respect of the Proposed Acquisition having been obtained;
- (c) the approval by the relevant state-owned assets supervision and administration bodies in respect of the Proposed Acquisition having been obtained;
- (d) merger control filing review or equivalent procedures in relevant jurisdictions in respect of the Proposed Acquisition having been completed in accordance with applicable laws prior to the Registration Date; and
- (e) CR Double-Crane having paid the contract deposit in accordance with the Share Purchase Agreement.

The Share Purchase Agreement shall come into effect upon fulfillment of all conditions precedent set forth therein, save that certain provisions of the Share Purchase Agreement, including the terms regarding the payment of contract deposit and consideration, transitional period arrangements, representation and warranties, and confidentiality, shall take effect from the date of the Share Purchase Agreement.

If the conditions precedent are not fulfilled within 120 days from the date of the Share Purchase Agreement, and the parties have not reached an agreement to extend such period, the Share Purchase Agreement shall not come into effect and shall be terminated.

(6) Completion

Within five working days after CR Double-Crane has paid the total consideration in accordance with the Share Purchase Agreement, the parties shall jointly apply to the Shenzhen Stock Exchange for the compliance confirmation of the Proposed Acquisition and submit the relevant materials as required by the Shenzhen Stock Exchange.

Within five working days after obtaining the written confirmation from the Shenzhen Stock Exchange in respect of the Proposed Acquisition, the parties shall jointly apply to China Securities Depository and Clearing Corporation Limited, Shenzhen Branch for the registration of the share transfer.

Completion of the Proposed Acquisition will take place upon the Registration Date.

Upon Completion, CR Double-Crane will hold 23.50% equity interest in Lier Chemical and will become the largest shareholder of Lier Chemical and Lier Chemical will be accounted for as a non-wholly-owned subsidiary of the Company.

(7) Arrangements during transitional period

During the transitional period from the date of the Share Purchase Agreement to the Registration Date (the “**Transitional Period**”), each of the Vendors undertakes that, among other things:

- (i) it will ensure not to use its controlling stake in Lier Chemical to (a) misappropriate Lier Chemical’s funds, or cause Lier Chemical to provide irregular external guarantees of a significant amount, dispose of material assets or otherwise act to the detriment of the interests of Lier Chemical and its shareholders; and (b) reconstitute the board of directors of Lier Chemical, replace the key management personnel of Lier Chemical, or change the business objectives and policies of Lier Chemical so as to cause material changes to the management team and business of Lier Chemical;
- (ii) it will exercise its shareholder rights as usual and will not create any new pledge, judicial preservation or other encumbrance over the shares of Lier Chemical to be transferred pursuant to the Share Purchase Agreement;
- (iii) save as agreed in writing by CR Double-Crane or as required to be performed during the Transitional Period under the Share Purchase Agreement, each of the Vendors shall procure that Lier Chemical shall not, among other things, (a) distribute profits; (b) provide external guarantees, or create mortgages, pledges or other encumbrances over the assets of Lier Chemical and its subsidiaries in favour of any third party (save as already disclosed by Lier Chemical) or provide loans or prepay any indebtedness to any third party (excluding subsidiaries of Lier Chemical) except for purpose of ordinary courses of business; (c) plan or carry out any share issue to acquire assets, major asset restructuring, issue of shares to specific or non-specific investors, rights issue, issue of convertible bonds, corporate bonds or enterprise bonds; (d) increase or reduce its registered capital; (e) pass any resolution in respect of any issuance of corporate bonds, merger, demerger, dissolution, termination, liquidation or change of corporate form or adoption of employee incentive scheme of Lier Chemical; (f) adoption of employee incentive scheme or conduct any adjustment to employee remuneration which is not line with market practice or not for compliance with applicable laws or rules; (g) termination, limitation or non-renewal of material business licenses of Lier Chemical or its subsidiaries; and (h) conduct any other matter that may have a material adverse effect on the interests of Lier Chemical or its subsidiaries or that may cause the Vendors to breach the representations and warranties given under the Share Purchase Agreement; and
- (iv) it shall notify CR Double-Crane in writing within five working days after it becomes or should have become aware of (a) Lier Chemical or its subsidiaries purchasing, selling or otherwise disposing of any asset with a single or cumulative value of RMB100 million or above, save as incurred in the ordinary course of business; (b) any new borrowings from financial or non-financial institutions in addition to the existing loan facilities, save as already disclosed by Lier Chemical;

and (c) any negotiation or discussion relating to any acquisition, merger or capital restructuring involving Lier Chemical or its subsidiaries, or the entering into of any agreement with any third party in respect of such material transactions.

(8) Termination

Where any PRC law, judgment, award, ruling or injunction of a court, arbitral body or relevant government authority restricts, prohibits or cancels the Proposed Acquisition, or where any pending or potential litigation, arbitration, judgment, award, ruling or injunction has had or will have a material adverse effect on the Proposed Acquisition, such that the share transfer registration cannot be completed, the Share Purchase Agreement shall be terminated.

The Share Purchase Agreement may also be terminated by mutual written agreement of the parties.

INFORMATION OF THE PARTIES

The Vendors

As at the date of this announcement, Lier Chemical was owned by Jiuyuan Group and Huacai Technology as to approximately 23.78% and 8.42%, respectively. Each of Jiuyuan Group and Huacai Technology is wholly owned by China Academy of Engineering Physics (中國工程物理研究院), a state-level research institution of the PRC.

Jiuyuan Group is a company established in the PRC with limited liability and is principally engaged in the management of its invested enterprises, equity investment, real estate investment, provision of financial guarantee and consultancy services.

Huacai Technology is a company established in the PRC with limited liability and is principally engaged in the provision of technology services and technology development, research and manufacturing of new materials and synthetic materials, production and sales of chemical products, software development, information technology and artificial intelligence services, and manufacturing and sales of industrial automation and robotics, mechanical and specialised equipment.

The Group

The Group's core business encompasses research and development, manufacturing, distribution and retail of an extensive range of pharmaceutical and other healthcare products. CR Double-Crane is a non-wholly-owned subsidiary of the Company, which is indirectly owned as to approximately 60.25% by the Company as at the date of this announcement.

INFORMATION ABOUT LIER CHEMICAL

Lier Chemical and its subsidiaries are principally engaged in the research and development, production and sales of high efficiency, low-toxicity and low-residue safe pesticide ingredients and pesticide formulations. The shares of Lier Chemical have been listed on the Shenzhen Stock Exchange (stock code: 002258) since July 2008.

As at the date of this announcement and prior to Completion of the Proposed Acquisition, the actual controller of Lier Chemical was China Academy of Engineering Physics, which controlled approximately 32.20% of the equity interest in Lier Chemical through Jiuyuan Group and Huacai Technology.

According to the audited annual report and the unaudited quarterly report published by Lier Chemical prepared in accordance with the PRC generally accepted accounting principles, the financial information of Lier Chemical for the years ended 31 December 2024 and 31 December 2025 and for the three months ended 31 March 2026 are set out as follows:

	For the year ended 31 December		For the three months ended 31 March
	2024	2025	2026
	<i>(RMB)</i>	<i>(RMB)</i>	<i>(RMB)</i>
Revenue	7,310,881,683.09	9,007,754,105.58	2,312,456,683.18
Net profit before taxation	342,516,769.28	693,911,731.33	161,499,810.18
Net profit after taxation	298,426,903.77	580,714,772.49	136,338,038.69
Total assets	15,648,477,597.25	16,123,592,031.84	16,777,672,360.24
Net assets	9,010,617,191.39	9,254,340,915.52	9,392,756,380.68

REASONS FOR AND BENEFITS OF THE PROPOSED ACQUISITION

The Group has been developing in the synthetic biology sector through CR Double-Crane and its subsidiaries. CR Double-Crane's 15th Five-Year strategic plan identifies synthetic biology as its second growth curve, with the aim of establishing itself as a leading enterprise in the synthetic biology sector. Since 2022, CR Double-Crane has been building its presence in biomanufacturing through acquisitions, and in 2023 it established the Synthetic Biology Research Institute. The Synthetic Biology Research Institute has established seven major technology platforms, focusing on four key areas, being pharmaceutical ingredient intermediates, health-related novel food products, crop and animal protection (such as pesticides and veterinary drugs), and new materials.

In the field of synthetic biology pesticides, CR Double-Crane has developed a pipeline of insecticides, fungicides and biostimulants, but currently lacks an industrialisation platform for commercial deployment. The commercialisation of products faces numerous challenges including business qualifications, registration of research and development, manufacturing capabilities, sales channels, industry positioning and talent. Strategic acquisitions to obtain relevant qualifications represent an effective pathway to scaling its synthetic biology business.

Lier Chemical is principally engaged in the research and development, production and sales of pesticide ingredients and formulations, and has established seven production bases with a relatively complete industrial chain covering chemical raw materials, intermediates, ingredients and formulations. Lier Chemical is the largest producer of chloropyridine-based pesticide ingredients and formulations in the PRC, and is also a major producer of glufosinate-ammonium and glufosinate-P ingredients. Lier Chemical has also established a synthetic biology manufacturing platform with full-chain capabilities, from engineered strain construction and pilot testing to commercial-scale production. CR Double-Crane possesses a number of synthetic biology pipeline products which can be commercialised through Lier Chemical's mature industrialisation platform in the future.

Through the Proposed Acquisition, CR Double-Crane will be able to rapidly achieve the industrialisation of its synthetic biology products, and Lier Chemical will be able to leverage CR Double-Crane's leading synthetic biology technology and corporate management experience to enhance its product competitiveness and market position, realizing strong business synergies. The Company believes that this is beneficial to the overall business development of the Group.

The Board is of the view that the terms of the Share Purchase Agreement and the transactions contemplated thereunder are on normal commercial terms after arm's length basis negotiation, fair and reasonable and in the interests of the Company and its Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As one or more of the relevant percentage ratio(s) under the Listing Rules in respect of the Proposed Acquisition contemplated under the Share Purchase Agreement exceeds 5% but is less than 25%, the Proposed Acquisition constitutes a discloseable transaction for the Company under the Listing Rules and is subject to the notification and announcement requirements but exempt from shareholders' approval requirements under Chapter 14 of the Listing Rules.

As Completion of the Proposed Acquisition is subject to the fulfilment of the conditions precedent stated in the Share Purchase Agreement, the Proposed Acquisition may or may not proceed. Accordingly, Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Board”	the board of Directors of the Company;
“Company”	China Resources Pharmaceutical Group Limited, a company incorporated in Hong Kong with limited liability, the share of which are listed on The Stock Exchange of Hong Kong Limited (stock code: 3320);

“Completion”	the completion of the Proposed Acquisition pursuant to the terms and conditions of the Share Purchase Agreement;
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules;
“CR Double-Crane”	China Resources Double-Crane Pharmaceutical Co., Ltd. (華潤雙鶴藥業股份有限公司), a company established in the PRC with limited liability and the shares of which are listed on the Shanghai Stock Exchange (stock code: 600062), and a non-wholly owned subsidiary of the Company;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Huacai Technology”	Sichuan Huacai Technology Co., Ltd. (四川化材科技有限公司), a company established in the PRC with limited liability and an independent third party of the Company;
“Jiuyuan Group”	Sichuan Jiuyuan Investment Holdings Group Co., Ltd. (四川久遠投資控股集團有限公司), a company established in the PRC with limited liability and an independent third party of the Company;
“Lier Chemical”	Lier Chemical Group Co., Ltd. (利爾化學股份有限公司), a company established in the PRC with limited liability and the shares of which are listed on the Shenzhen Stock Exchange (stock code: 002258);
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time;
“PRC” or “China”	the People’s Republic of China, for the purposes of this announcement only, excluding Hong Kong, Macau Special Administrative Region of the PRC and Taiwan;
“Proposed Acquisition”	the proposed acquisition by CR Double-Crane of an aggregate of 188,102,749 shares of Lier Chemical (representing approximately 23.50% interest in Lier Chemical as at the date of this announcement) pursuant to the terms and conditions of the Share Purchase Agreement;
“Registration Date”	the date on which the registration of share transfer contemplated under the Share Purchase Agreement is completed;
“RMB”	Renminbi Yuan, the lawful currency of the PRC;

“SASAC”	the State-owned Assets Supervision and Administration Commission of the State Council of the PRC (中國國務院國有資產監督管理委員會);
“Share Purchase Agreement”	the share purchase agreement dated 29 July 2026 entered into between CR Double-Crane and the Vendors in respect of the Proposed Acquisition;
“Shareholder(s)”	the shareholder(s) of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“subsidiary(ies)”	has the meaning ascribed thereto under the Listing Rules;
“Vendors”	collectively, Jiuyuan Group and Huacai Technology, and each a Vendor.

Certain amounts and percentage figures included in this announcement have been subject to rounding adjustments, or have been rounded to one or two decimal places. Any discrepancies in any table, chart or elsewhere between totals and sums of amounts listed therein are due to rounding.

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 versions shall prevail.

By order of the Board
China Resources Pharmaceutical Group Limited
Mr. Bai Xiaosong
Chairman

PRC, 30 July 2026

As at the date of this announcement, the Board 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, Mdm. Zhang Jing 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.