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上海醫藥集團股份有限公司

Shanghai Pharmaceuticals Holding Co., Ltd.*

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

(Stock Code: 02607)

CONTINUING CONNECTED TRANSACTION
RENEWAL OF PROCUREMENT FRAMEWORK AGREEMENT

RENEWAL OF PROCUREMENT FRAMEWORK AGREEMENT

On 29 October 2026, the Company and Wing Fat Printing entered into the Procurement Framework Agreement for a term of one year commencing from 1 January 2027 and ending on 31 December 2027, pursuant to which, Wing Fat Group will continue to provide printed packaging materials for pharmaceutical products to the Group.

IMPLICATIONS UNDER THE LISTING RULES

As SIIC is a controlling shareholder of the Company and Shanghai Industrial and Wing Fat Printing is an indirect non-wholly-owned subsidiary of Shanghai Industrial, Wing Fat Printing is a connected person of the Company under Rule 14A.07 of the Listing Rules. As such, according to Chapter 14A of the Listing Rules, the transactions with the Wing Fat Group contemplated under the Procurement Framework Agreement would constitute continuing connected transactions of the Company.

As the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) of the proposed annual cap for the transactions contemplated under the Procurement Framework Agreement is more than 0.1% but less than 5%, such continuing connected transactions are subject to the reporting, annual review and announcement requirements but are exempt from the circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

BACKGROUND

We refer to the announcement of the Company dated 31 October 2025 in relation to the Existing Procurement Framework Agreement. The Existing Procurement Framework Agreement will expire on 31 December 2026.

PRINCIPAL TERMS OF THE PROCUREMENT FRAMEWORK AGREEMENT

Parties	(a) the Company

(b) Wing Fat Printing

Term	From 1 January 2027 to 31 December 2027
Subject Matter	Pursuant to the Procurement Framework Agreement, any members of the Wing Fat Group may enter into Individual Agreements with any members of the Group to supply printed packaging materials for pharmaceutical products, subject to the pricing principles and annual cap of the procurement amount. The specific payment arrangements shall be stipulated in the Individual Agreements. Terms and conditions of the Individual Agreements shall be consistent with the Procurement Framework Agreement.
Pricing Principles	The procurement amount chargeable by Wing Fat Group for the supply of printed packaging materials for pharmaceutical products shall be determined after arm's length negotiations between the parties with reference to various factors for each Individual Agreement, including but not limited to, the prevailing market price, type and quantity of printed packaging materials, specifications, complexity of tasks involved and delivery date, and such procurement amount shall be in line with the market price.

ANNUAL CAP AND BASIS OF DETERMINATION

The historical transaction amount for the procurement of printed packaging materials for pharmaceutical products by the Group from Wing Fat Group for the year ending 31 December 2025 and the nine months ended 30 September 2026 amounted to approximately RMB58,579,200 and RMB44,514,800, respectively.

The annual cap for the total procurement amount payable by the Group to the Wing Fat Group for the transactions contemplated under the Procurement Framework Agreement for the year ending 31 December 2027 is RMB90,000,000, which remains unchanged from the annual cap for the total procurement amount set for the financial year ending 31 December 2026.

The annual cap set out above has been determined after taking into account: (i) the estimated amount of printed packaging materials for pharmaceutical products to be requested by the Group for the year ending 31 December 2027; and (ii) the historical transaction amount of printed packaging materials for pharmaceutical products purchased by the Group from Wing Fat Group.

REASONS FOR AND BENEFITS OF THE PROCUREMENT FRAMEWORK AGREEMENT

The Company is of the view that entering into the Procurement Framework Agreement is able to ensure the stableness of the Group's business and to satisfy future demand of the Group from time to time, which is in the overall interests of the Group. In addition, Wing Fat Group is familiar with the business demand of the Group, which is in favor of the Group in reducing its administrative cost.

The Board (including the independent non-executive Directors) are of the view that the continuing connected transactions contemplated under the Procurement Framework Agreement are entered into in the ordinary and usual course of business of the Company, on normal commercial terms, the terms are fair and reasonable and are in the interests of the Company and its shareholders as a whole.

Pursuant to the requirements of relevant laws and regulations, the Listing Rules and the articles of association of the Company, when the Board reviewed the resolution in respect of the Procurement Framework Agreement, Mr. YANG Qiuhua, as a connected director, abstained from voting. Save for the above, to the best of Directors' knowledge, information and belief, and after making all reasonable enquiries, no other Director had a material interest in the Procurement Framework Agreement or shall abstain from voting on board resolutions approving the Procurement Framework Agreement and the transactions contemplated thereunder.

INTERNAL CONTROL MEASURES

In order to effectively implement the Procurement Framework Agreement, the Company has adopted the following internal control measures:

(a) the financial department and other relevant departments of the Company will continuously monitor and regularly collect and evaluate the pricing principles, transaction terms and actual transaction amounts under the Procurement Framework Agreement to ensure that the transactions thereunder are conducted on normal commercial terms or on terms no less favorable than those available from independent third parties and that the total transaction amount will not exceed the proposed annual cap before the relevant approval procedures; and

(b) the Company's auditor and the independent non-executive Directors will conduct annual review on the pricing principles, transaction terms and the proposed annual cap under the Procurement Framework Agreement.

IMPLICATIONS UNDER THE LISTING RULES

As SIIC is a controlling shareholder of the Company and Shanghai Industrial, and Wing Fat Printing is an indirect non-wholly-owned subsidiary of Shanghai Industrial, Wing Fat Printing is a connected person of the Company under Rule 14A.07 of the Listing Rules. As such, according to Chapter 14A of the Listing Rules, the transactions with the Wing Fat Group contemplated under the Procurement Framework Agreement would constitute continuing connected transactions of the Company.

As the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) of the proposed annual cap for the transactions contemplated under the Procurement Framework Agreement is more than 0.1% but less than 5%, such continuing connected transactions are subject to the reporting, annual review and announcement requirements but are exempt from the circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

GENERAL INFORMATION

Company

Headquartered in Shanghai, the Company is a national integrated pharmaceutical company in the PRC that has leading positions in both pharmaceutical production and distribution markets. The Company's business mainly covers two segments, namely, pharmaceutical industry and pharmaceutical business. The A shares and H shares of the Company are listed on the Shanghai Stock Exchange and the Hong Kong Stock Exchange, respectively. The controlling shareholders of the Company are SIIC, Shanghai Pharmaceutical (Group) Co., Ltd. (上海醫藥(集團)有限公司) and Shanghai Shangshi (Group) Co., Ltd. (上海上實(集團)有限公司).

Wing Fat Printing

Wing Fat Printing is a company incorporated according to the laws of Hong Kong. Wing Fat Printing is mainly engaged

in the business of printing of packaging materials. Wing Fat Printing is an indirect non-wholly-owned subsidiary of Shanghai Industrial of which the controlling shareholder is SIIC.

DEFINITIONS

Unless the context otherwise requires, the following expressions in this announcement shall have the following meanings:

"Board"	the board of directors of the Company
"Company"	Shanghai Pharmaceuticals Holding Co., Ltd.* (上海醫藥集團股份有限公司), a joint stock company incorporated in the PRC with limited liability (listed on the Shanghai Stock Exchange with stock code 601607 and on the Main Board of the Hong Kong Stock Exchange with stock code 02607)
"connected person(s)"	has the meaning ascribed thereto under the Listing Rules
"controlling shareholder(s)"	has the meaning ascribed thereto under the Listing Rules
"Directors"	the directors of the Company
"Existing Procurement Framework Agreement"	the procurement framework agreement entered into between the Company and Wing Fat Printing dated 30 October 2025 in respect of the procurement of printed packaging materials for pharmaceutical products by the Group from Wing Fat Group
"Group"	the Company and its subsidiaries and, in the context of the Procurement Framework Agreement, their 30%-controlled companies
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Individual Agreement(s)"	individual procurement agreement(s) entered into between the Group and Wing Fat Group in accordance with the terms set out in the Procurement Framework Agreement
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"PRC" or "China"	the People's Republic of China, but for the purpose of this announcement only, excluding Hong Kong, Macau Special Administrative Region and Taiwan
"Procurement Framework Agreement"	the procurement framework agreement entered into between the Company and Wing Fat Printing dated 29 October 2026 in respect of the procurement of printed packaging materials for pharmaceutical products by the Group from Wing Fat Group
"RMB"	Renminbi, the lawful currency of the PRC
"Shanghai Industrial"	Shanghai Industrial Holdings Limited* (上海實業控股有限公司), a company incorporated in Hong Kong with limited liability, the shares of

	which are listed on the Main Board of the Hong Kong Stock Exchange (stock code: 00363)
"SIIC"	Shanghai Industrial Investment (Holdings) Company Limited* (上海實業(集團)有限公司), a company incorporated in Hong Kong with limited liability and a controlling shareholder of the Company and Shanghai Industrial
"Wing Fat Printing"	The Wing Fat Printing Company, Limited, a company established in Hong Kong with limited liability and an indirect non-wholly-owned subsidiary of Shanghai Industrial
"Wing Fat Group"	Wing Fat Printing and its subsidiaries
"%"	per cent

By order of the Board
Shanghai Pharmaceuticals Holding Co., Ltd.*
YANG Qiuhua
Chairman

Shanghai, the PRC, 30 October 2026

As of the date of this announcement, the executive Directors of the Company are Mr. YANG Qiuhua, Mr. SHEN Bo, Mr. LI Yongzhong and Mr. DONG Ming; the non-executive Director is Mr. ZHANG Wenxue; the employee representative Director is Mr. ZHAO Yong and the independent non-executive Directors are Mr. WANG Zhong, Ms. MAN Kwan, Mr. XUE Yunkui and Mr. WANG Qian.

* *For identification purpose only*