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CSPC PHARMACEUTICAL GROUP LIMITED

石藥集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 1093)

VOLUNTARY ANNOUNCEMENT ADOPTION OF THE 2026 SHARE AWARD SCHEME

Reference is made to the announcement of the Company dated 20 August 2018 in relation to the adoption of the 2018 Share Award Scheme, the terms of which were subsequently amended as disclosed in the voluntary announcement of the Company dated 21 May 2024.

As the total number of Shares purchased on-market pursuant to the terms and conditions of the 2018 Share Award Scheme has nearly reached the relevant scheme limit, representing not more than 2% of the Company's total number of issued Shares as at 20 August 2018, the Board is pleased to announce that it has resolved to adopt the 2026 Share Award Scheme on 25 March 2026.

Following the amendments to the terms of the 2018 Share Award Scheme on 21 May 2024, the Board may only instruct the trustee to purchase existing Shares on-market to satisfy share awards to be granted under the 2018 Share Award Scheme. Since the adoption of the 2018 Share Award Scheme in 2018, no share award granted thereunder has been satisfied by way of issuance or allotment of new Shares.

As at the date of this announcement, the number of Shares available for future grants under the 2018 Share Award Scheme is 64,019,868 and there are 53,318,500 outstanding share awards granted but unvested under the 2018 Share Award Scheme. The 2018 Share Award Scheme shall continue to be in full force and effect until its expiry on 19 August 2028, being 10 years from its adoption date, without prejudice to the subsisting rights of the selected participants under the 2018 Share Award Scheme.

The purposes of the 2026 Share Award Scheme are (a) to provide the Selected Participants with an opportunity to acquire a proprietary interest in the Company; (b) to encourage and retain such individuals to work with the Company; and (c) to provide additional incentive for them to achieve performance goals, with a view to achieving the objectives of increasing the value of the Company and aligning the interests of the Selected Participants directly to the Shareholders through ownership of Shares. The Board may from time to time determine the number of Restricted Shares to be granted to the Selected Participants and at its absolute discretion select any Participant to be a Selected Participant under the 2026 Share Award Scheme.

The 2026 Share Award Scheme constitutes a share scheme under Chapter 17 of the Listing Rules and shall be subject to the applicable disclosure requirements under Rule 17.12 of the Listing Rules. However, the 2026 Share Award Scheme does not involve granting awards that are to be satisfied by issue of new Shares. Therefore, the 2026 Share Award Scheme does not constitute a scheme involving the issue of new shares as referred to in Chapter 17 of the Listing Rules and the adoption of the 2026 Share Award Scheme will not be subject to Shareholders' approval and this announcement is made on a voluntary basis.

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SUMMARY OF PRINCIPAL TERMS OF THE 2026 SHARE AWARD SCHEME

Purposes

The purposes of the 2026 Share Award Scheme are (a) to provide the Selected Participants with an opportunity to acquire a proprietary interest in the Company; (b) to encourage and retain such individuals to work with the Company; and (c) to provide additional incentive for them to achieve performance goals, with a view to achieving the objectives of increasing the value of the Company and aligning the interests of the Selected Participants directly to the Shareholders through ownership of Shares.

Duration

Subject to any early termination of the 2026 Share Award Scheme in accordance with the Scheme Rules, the 2026 Share Award Scheme shall be valid and effective for a period of ten (10) years commencing from the Adoption Date.

Administration

The 2026 Share Award Scheme shall be subject to the administration of the Board and the Trustee in accordance with the Scheme Rules.

Scheme Limits

The total number of Shares which may be purchased pursuant to the 2026 Share Award Scheme shall not in aggregate exceed 3 per cent. of the Company's total number of issued Shares as at the Adoption Date.

The maximum number of Restricted Shares which may be granted to a Selected Participant at any one time or in aggregate under the 2026 Share Award Scheme must not exceed 0.5 per cent. of the Company's total number of issued Shares as at the Adoption Date.

As at the Adoption Date, there are 11,522,451,732 Shares in issue.

Operation of the 2026 Share Award Scheme

Grant of Restricted Shares to Selected Participants

The Board may from time to time determine the number of Restricted Shares to be granted to the Selected Participant(s) (subject to the fulfillment of any vesting condition(s) or performance targets) and at its absolute discretion select any Participant to be a Selected Participant under the 2026 Share Award Scheme. The Grant Shares are subject to acceptance of the Selected Participants. Any Grant made under the 2026 Share Award Scheme shall be personal to the Selected Participant to whom it is made and shall not be assignable.

Criteria for Determining Selected Participants

Where any grant of Restricted Shares is proposed to be made to any Selected Participant who is a Director (including any independent non-executive Director or his/her respective associates), such grant must first be approved by all the independent non-executive Directors (excluding any independent non-executive Director who is the proposed Selected Participant).

In determining the number of Grant Shares to any Selected Participant, the Board shall take into consideration matters including, but without limitation to, (a) the present contribution and expected contribution of the relevant Selected Participant to the profits of the Group; (b) the general financial condition of the Group; (c) the Group's overall business objectives and future development plan; and (d) any other matter which the Board considers relevant.

Purchase of Shares by Trustee

The Board may from time to time cause to be paid to the Trustee such amount required for the completion of the purchase of all the Grant Shares on the Stock Exchange out of the Company's resources. The Trustee shall apply such amount towards the purchase of the Shares in board lots only on the Stock Exchange at the prevailing market price.

The Trustee shall hold such Shares in accordance with the terms of the Trust Deed and shall transfer such Shares to the relevant Selected Participants after all the relevant vesting conditions or performance targets (if any) are fulfilled.

Vesting

The vesting of the Restricted Shares is subject to the Selected Participant remaining at all times after the date of the Grant and on the vesting date a Participant of the Group.

In accordance with the Scheme Rules, a Selected Participant shall automatically cease to be a Participant and any Grant Shares shall not vest on the relevant vesting date upon the occurrence of certain events, including but not limited to, in the event that the Selected Participant: (i) is terminated by the Company or any subsidiary of the Company by reason of among others, fraud or dishonesty or serious misconduct, incompetence or negligence in the performance of his/her duties; (ii) is convicted for any criminal offence involving his/her integrity or honesty; or (iii) is charged, convicted or held liable for any offence under securities laws in Hong Kong or other applicable laws or regulations.

Save as determined by the Board and provided in the grant notice, there is no performance target stipulated under the terms of the 2026 Share Award Scheme which a Selected Participant is required to achieve before any Grant Shares awarded under the 2026 Share Award Scheme can be vested. However, the Board may, at its absolute discretion, establish performance targets for the vesting of Grant Shares on a case-by-case basis. Such performance targets may comprise a mixture of attaining satisfactory key performance indicators, including without limitation, individual performance of the Selected Participant, financial performance of the Group, performance of the departments or business lines managed by the Selected Participant and/or any other criteria relevant to the Selected Participant's role as determined by the Board from time to time. For the avoidance of doubt, performance targets are not applicable to independent non-executive Directors of the Company.

Subject to the vesting conditions and the performance targets (if any) as stipulated pursuant to the Scheme Rules, any Share held by the Trustee on behalf of a Selected Participant pursuant to the Scheme Rules shall vest in such Selected Participant in accordance with the vesting condition(s) or vesting schedule as set out in the grant notice.

Restricted Shares which do not vest in a Selected Participant will be forfeited and may be re-granted to other Selected Participants by the Board in accordance with the Scheme Rules.

Voting

The Trustee shall not exercise any voting rights in respect of any Shares held under the Trust.

No instructions may be given by a Selected Participant to the Trustee in respect of the Grant Shares prior to the vesting of such Grant Shares in the Selected Participant.

Compliance

No Grant of Restricted Shares shall be made by the Company, no payment shall be made and no instruction shall be given by the Company to the Trustee to purchase Shares under the 2026 Share Award Scheme where any Director is in possession of Inside Information (as defined in the SFO) in relation to the Company or where dealings in the Shares are prohibited under all applicable laws, rules and regulations including without limitation the Listing Rules and/or the SFO.

Consolidation, sub-division and capitalisation issue

In the event that the Company undertakes a sub-division or consolidation of the Shares, corresponding changes will be made to the number of Grant Shares that have been granted provided that the adjustments shall be made in such manner as the Board determines to be fair and reasonable in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the 2026 Share Award Scheme.

In the event of an issue of Shares by the Company credited as fully paid to the holders of the Shares by way of capitalisation of profits or reserves, the Shares attributable to any Grant Shares shall be deemed to be an accretion to such Grant Shares and all the provisions under the Scheme Rules in relation to the original Grant Shares shall apply to such additional Shares.

Amendment and Termination

The 2026 Share Award Scheme may be amended in any respect by the Board provided that no such amendment shall operate to affect adversely any rights of any Selected Participant which accrued prior to such amendment becoming effective, and provided that no such amendment or alteration to the 2026 Share Award Scheme which affects the Trustee's rights and obligations under the Trust Deed shall be made without the prior written consent of the Trustee (save as may be required to comply with the applicable laws, rules or regulations including the Listing Rules and the SFO).

The 2026 Share Award Scheme shall terminate (a) upon expiry of the period of 10 years commencing from the Adoption Date; or (b) on the date determined or resolved by the Board to terminate the 2026 Share Award Scheme pursuant to the Scheme Rules, whichever is the earlier. Any termination of the 2026 Share Award Scheme shall be without prejudice to any subsisting rights of any Selected Participant(s).

IMPLICATIONS UNDER THE LISTING RULES

Under the 2026 Share Award Scheme, existing Shares will be purchased on-market by the Trustee out of cash contributed by the Company and be held on trust for the Selected Participants until such Shares are vested in the Selected Participants in accordance with the Scheme Rules. The 2026 Share Award Scheme constitutes a share scheme under Chapter 17 of the Listing Rules and shall be subject to the applicable disclosure requirements under Rule 17.12 of the Listing Rules. However, it does not involve granting awards that are to be satisfied by issue of new Shares. Accordingly, the 2026 Share Award Scheme does not constitute a scheme involving the issue of new shares as referred to in Chapter 17 of the Listing Rules and the adoption of the 2026 Share Award Scheme will not be subject to Shareholders' approval and this announcement is made on a voluntary basis.

Under the 2026 Share Award Scheme, Restricted Shares may be granted to a Selected Participant who is a director of the Company or any of its subsidiaries. The Company will comply with the relevant requirements under Chapter 14A of the Listing Rules for any Grant to connected person(s) of the Company under the 2026 Share Award Scheme (if applicable).

DEFINITIONS

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

“2018 Share Award Scheme”	the CSPC Restricted Share Award Scheme adopted by the Company on 20 August 2018
“2026 Share Award Scheme”	the 2026 CSPC Restricted Share Award Scheme as constituted by the Scheme Rules in its present or any amended form
“Adoption Date”	25 March 2026, the date on which the 2026 Share Award Scheme is adopted by the Company by a resolution of the Board
“associate(s)”	shall have the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors, which shall include such committee or sub-committee or person(s) as from time to time delegated with the power and authority of the board of Directors to administer the 2026 Share Award Scheme
“Company”	CSPC Pharmaceutical Group Limited, a company incorporated in Hong Kong with limited liability under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“connected person(s)”	shall have the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Grant”	the grant of Restricted Shares under the 2026 Share Award Scheme
“Grant Share(s)”	the Restricted Share(s) to be granted to Selected Participant(s) pursuant to the 2026 Share Award Scheme
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Participant”	any individual being a director (including executive and non-executive director), employee or officer of the Company or any subsidiary of the Company
“Restricted Shares”	Shares granted pursuant to and subject to the Scheme Rules
“Scheme Rules”	the rules relating to the 2026 Share Award Scheme adopted by the Company on the Adoption Date in its present form or any amended form

“Selected Participant(s)”	any Participant selected by the Board in accordance with the terms of and entitled to receive a Grant under the 2026 Share Award Scheme
“SFO”	Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) as amended, extended or replaced and reference to any part of the SFO includes the corresponding part in any replacement
“Share(s)”	share(s) of the Company with no par value
“Shareholder(s)”	holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Trust”	the trust constituted by the Trust Deed and known as the 2026 CSPC Restricted Share Award Scheme Trust or such other name as the Board shall determine from time to time;
“Trust Deed”	the trust deed to be entered into between the Company and the Trustee constituting the Trust, as restated, supplemented and amended from time to time
“Trustee”	BOCI Trustee (Hong Kong) Limited, being the trustee for the time being of the Trust, or any additional or replacement trustee(s)

By Order of the Board
CSPC Pharmaceutical Group Limited
CAI Dong Chen
Chairman

Hong Kong, 25 March 2026

As at the date of this announcement, the Board comprises Mr. CAI Dong Chen, Dr. CAI Lei, Mr. WEI Qingjie, Mr. ZHANG Cuilong, Mr. WANG Zhenguo, Mr. WANG Huaiyu, Dr. LI Chunlei, Dr. YAO Bing, Mr. CAI Xin, Mr. CHEN Weiping, Mr. QU Zhiyong and Mr. ZHANG Yiwei as Executive Directors; and Mr. WANG Bo, Mr. CHEN Chuan, Prof. WANG Hongguang, Mr. AU Chun Kwok Alan, Mr. LAW Cheuk Kin Stephen and Ms. LI Quan as Independent Non-executive Directors.