CSPC

CSPC PHARMACEUTICAL GROUP LIMITED
石藥集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 1093)

DISCLOSEABLE TRANSACTION
ENTERING INTO OF
(1) FX SWAP CONTRACT
AND
(2) FX FORWARD CONTRACTS

ENTERING INTO OF FX SWAP CONTRACT AND FX FORWARD CONTRACTS

Since 16 June 2026, CSPC Zhongqi (a wholly-owned subsidiary of the Company) entered into the FX Swap Contract, the First FX Forward Contract and the Second FX Forward Contract with ICBC, an Independent Third Party, to actively manage the USD/RMB currency exposure in the ordinary course of its treasury management activities, which are all subsisting as at the date of this announcement.

LISTING RULES IMPLICATIONS

The applicable percentage ratios pursuant to Rule 14.07 of the Listing Rules in respect of each of the FX Swap Contract, the First FX Forward Contract and the Second FX Forward Contract and the transactions contemplated thereunder entered into between CSPC Zhongqi and ICBC, on a standalone basis, were all less than 5% and therefore, the entering into of each of these contracts did not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules on a standalone basis.

When aggregated with the FX Swap Contract and the First FX Forward Contract, one of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Second FX Forward Contract and the transactions contemplated thereunder (on an aggregated basis) exceeded 5% but all of them were less than 25%, the Second FX Forward Contract and the transactions contemplated thereunder thus constituted a discloseable transaction of the Company, which was subject to the reporting and announcement requirements but exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

INTRODUCTION

Since 16 June 2026, CSPC Zhongqi (a wholly-owned subsidiary of the Company) entered into the FX Swap Contract, the First FX Forward Contract and the Second FX Forward Contract with ICBC, an Independent Third Party, to actively manage the USD/RMB currency exposure in the ordinary course of its treasury management activities, which are all subsisting as at the date of this announcement.

1. FX SWAP CONTRACT

The key terms of the FX Swap Contract entered into between CSPC Zhongqi and ICBC on 16 June 2026 are summarised in the table below:

Near Leg Settlement Date	Far Leg Settlement Date	Near Leg Transaction *(CSPC Zhongqi sells USD/buys RMB)*	Far Leg Transaction *(CSPC Zhongqi buys USD/sells RMB)*
16 June 2026	16 September 2026	Sell USD134,000,000/ Buy RMB905,411,200	Buy USD134,000,000/ Sell RMB899,595,600

The amounts of the USD and RMB involved in the FX Swap Contract were determined with reference to the principal amount involved in the transaction. The USD/RMB exchange rate at the near leg under the FX Swap Contract was determined with reference to the prevailing market exchange rate as at the date of the FX Swap Contract, whereas the exchange rate at the far leg was a pre-agreed exchange rate determined with reference to the prevailing market exchange rate at the near leg adjusted by the forward points quoted by ICBC for the relevant term. To secure its obligations under the FX Swap Contract, CSPC Zhongqi is required to place an initial security deposit of USD3,189,200 in a designated bank account with ICBC on the trade date. The transactions were and will be funded by the Group from its internal resources.

2. FX FORWARD CONTRACTS

The key terms of the FX Forward Contracts entered into between CSPC Zhongqi and ICBC are summarised in the table below:

Contract	Contract Date	Buy currency amount *(USD)*	Sell currency amount *(RMB)*	Settlement Date
First FX Forward Contract	17 July 2026	USD120,000,000	RMB814,260,000	18 December 2026
Second FX Forward Contract	22 July 2026	USD90,000,000	RMB612,000,000	25 November 2026

On the respective settlement dates, CSPC Zhongqi shall pay ICBC the abovementioned agreed sum of RMB to purchase the corresponding USD notional amount based on the relevant pre-agreed forward rate.

The amounts of the USD and RMB involved in the FX Forward Contract were determined with reference to the principal amounts involved in the transactions. The USD/RMB forward rates under each of the FX Forward Contracts were determined with reference to the prevailing market forward exchange rates quoted by ICBC at the time of entering into the respective FX Forward Contracts. To secure its obligations under the FX Forward Contracts, CSPC Zhongqi is required to place initial security deposits of USD3,924,000 and USD2,943,000 respectively in a designated bank account with ICBC on the respective trade dates of the First FX Forward Contract and the Second FX Forward Contract. The transactions will be funded by the Group from its internal resources.

3. SECURITY DEPOSIT TERMS

Subsequent to the respective trade dates and before the settlement dates of the FX Swap Contract and the FX Forward Contracts, in the event that the floating loss of a transaction reaches 80% of its corresponding initial security deposit, ICBC has the right to require CSPC Zhongqi to provide an additional deposit until the floating loss is lower than 80% of the sum of the additional deposit and the initial security deposit. ICBC may also adjust the amount of any security deposit payable by CSPC Zhongqi based on any adjusted business risk coefficient determined with reference to changes in market conditions.

4. REASONS FOR AND BENEFITS OF THE TRANSACTIONS

CSPC Zhongqi entered into the FX Swap Contract and the FX Forward Contracts in the ordinary course of its treasury management activities.

The Group mainly operates in the PRC with most of the transactions denominated and settled in RMB. However, several subsidiaries of the Company (including CSPC Zhongqi) have foreign currency liabilities denominated in USD, and bank balances and cash denominated in USD. To actively manage such USD/RMB currency exposure and enhance the Group's capability in managing exchange rate volatility, the FX Swap Contract and the FX Forward Contracts were entered into, which can effectively safeguard the Group's financial stability against the exchange rate fluctuations of RMB against USD. By locking in the pre-agreed exchange rates and forward rates, the Group can hedge against potential exchange rate volatility.

In view of the reasons and benefits described above, the Directors are of the view that the entering into of the FX Swap Contract and the FX Forward Contracts and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable, and in the interests of the Company and its shareholders as a whole.

5. LISTING RULES IMPLICATIONS

The applicable percentage ratios pursuant to Rule 14.07 of the Listing Rules in respect of each of the FX Swap Contract, the First FX Forward Contract and the Second FX Forward Contract and the transactions contemplated thereunder entered into between CSPC Zhongqi and ICBC, on a standalone basis, were all less than 5% and therefore, the entering into of each of these contracts did not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules on a standalone basis.

When aggregated with the FX Swap Contract and the First FX Forward Contract, one of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Second FX Forward Contract and the transactions contemplated thereunder (on an aggregated basis) exceeded 5% but all of them were less than 25%, the Second FX Forward Contract and the transactions contemplated thereunder thus constituted a discloseable transaction of the Company which was subject to the reporting and announcement requirements but exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

6. INFORMATION ON THE PARTIES

The Group

The Group is principally engaged in the research and development, manufacture, and sale of pharmaceutical products.

The principal business activity of CSPC Zhongqi is research and development of pharmaceutical products.

ICBC

ICBC is a joint stock limited company incorporated in the PRC, the H Shares and offshore preference shares of which are listed on the Hong Kong Stock Exchange (H Shares Stock Code: 1398 and USD Preference Shares Stock Code: 4620), and the A Shares and domestic preference shares of which are listed on the Shanghai Stock Exchange (A Shares Stock Code: 601398 and Domestic Preference Shares Stock Codes: 360011, 360036), respectively. It is a commercial bank principally engaged in the provision of banking services.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, ICBC and its ultimate beneficial owners are Independent Third Parties.

DEFINITIONS

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

"Board"	the board of Directors
"Company"	CSPC Pharmaceutical Group Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1093)
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"CSPC Zhongqi"	CSPC Zhongqi Pharmaceutical Technology (Shijiazhuang) Co., Ltd. (石藥集團中奇製藥技術(石家莊)有限公司), a limited liability company established in the PRC and is a wholly-owned subsidiary of the Company
"Director(s)"	the director(s) of the Company
"First FX Forward Contract"	the foreign exchange forward contract entered into between CSPC Zhongqi and ICBC on 17 July 2026, pursuant to which CSPC Zhongqi agreed to pay to ICBC RMB814,260,000 to purchase USD120,000,000 from ICBC at a pre-agreed forward rate on 18 December 2026

"FX Forward Contracts"	the First FX Forward Contract and the Second FX Forward Contract
"FX Swap Contract"	the foreign currency swap contract entered into between CSPC Zhongqi and ICBC on 16 June 2026, pursuant to which CSPC Zhongqi agreed to sell USD134,000,000 to ICBC in exchange for RMB905,411,200 at a pre-agreed exchange rate on 16 June 2026 and pay RMB899,595,600 to ICBC to purchase USD134,000,000 at a pre-agreed exchange rate on 16 September 2026
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"ICBC"	Industrial and Commercial Bank of China Limited (acting through its Shijiazhuang branch)
"Independent Third Party(ies)"	party(ies) which is/are independent of and not connected with the Company and its connected persons
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"PRC"	the People's Republic of China
"RMB"	Renminbi, the lawful currency of the PRC
"Second FX Forward Contract"	the foreign exchange forward contract entered into between CSPC Zhongqi and ICBC on 22 July 2026, pursuant to which CSPC Zhongqi agreed to pay to ICBC RMB612,000,000 to purchase USD90,000,000 from ICBC at a pre-agreed forward rate on 25 November 2026
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"USD"	United States dollar, the lawful currency of the United States of America
"%"	per cent

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

Hong Kong, 30 July 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, 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.