FOSUN PHARMA
复星医药

上海復星醫藥（集團）股份有限公司
Shanghai Fosun Pharmaceutical (Group) Co., Ltd.*

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

(Stock Code: 02196)

ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2024

The Board of the Company is pleased to announce the audited consolidated financial results of the Group for the year ended 31 December 2024.

FINANCIAL HIGHLIGHTS

	2024	2023
	RMB million	*RMB million*
Operating results		
Revenue	**40,910**	41,249
Gross profit	**19,544**	19,653
Operating profit	**2,780**	1,100
EBITDA	**8,772**	7,720
Profit before tax	**4,169**	3,277
Profit for the year attributable to owners of the parent	**2,770**	2,399
Profitability		
Gross margin	**47.77%**	47.64%
Net profit margin	**8.59%**	7.05%
Earnings per share (RMB Yuan)		
Earnings per share — basic	**1.04**	0.90
Earnings per share — diluted	**1.04**	0.90
Assets		
Total assets	**117,422**	113,431
Equity attributable to owners of the parent	**47,223**	45,646
Total liabilities	**57,527**	56,853

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2024

	Notes	**2024** ***RMB'000***	2023 *RMB'000*
REVENUE	*3*	**40,909,878**	41,248,505
Cost of sales		**(21,365,574)**	(21,595,309)
Gross profit		**19,544,304**	19,653,196
Other income	*4*	**471,380**	524,980
Selling and distribution expenses		**(8,679,764)**	(9,712,237)
Administrative expenses		**(4,439,981)**	(4,495,128)
Impairment losses on financial assets		**(110,631)**	(131,927)
Research and development expenses		**(3,644,356)**	(4,346,045)
Other gains	*6*	**1,010,464**	1,392,007
Other expenses		**(567,269)**	(831,601)
Interest income		**373,210**	363,645
Finance costs	*7*	**(1,431,915)**	(1,324,831)
Share of profits and losses of:			
Joint ventures		**(184,409)**	(202,030)
Associates		**1,828,248**	2,386,879
PROFIT BEFORE TAX	*5*	**4,169,281**	3,276,908
Income tax expense	*8*	**(656,841)**	(369,504)
PROFIT FOR THE YEAR		**3,512,440**	2,907,404
Attributable to:			
Owners of the parent		**2,769,886**	2,398,606
Non-controlling interests		**742,554**	508,798
		3,512,440	2,907,404
Earnings per share attributable to ordinary equity holders of the parent:	*10*		
Basic		**RMB1.04**	RMB0.90
Diluted		**RMB1.04**	RMB0.90

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2024

	2024	2023
	RMB'000	*RMB'000*
PROFIT FOR THE YEAR	**3,512,440**	2,907,404
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**13,680**	183,615
Share of other comprehensive income of joint ventures	**3,034**	109
Share of other comprehensive income/(loss) of associates	**30,370**	(152,726)
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods	**47,084**	30,998
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:		
Equity investments designated at fair value through other comprehensive income:		
Changes in fair value	**(3,754)**	957
Income tax effect	**(187)**	(99)
Net other comprehensive (loss)/income that will not be reclassified to profit or loss in subsequent periods	**(3,941)**	858
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	**43,143**	31,856
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**3,555,583**	2,939,260
Attributable to:		
Owners of the parent	**2,753,658**	2,363,164
Non-controlling interests	**801,925**	576,096
	3,555,583	2,939,260

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2024

	Notes	**31 December 2024** ***RMB'000***	31 December 2023 RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment		**22,202,927**	20,846,458
Right-of-use assets		**4,691,271**	4,248,080
Goodwill		**10,905,083**	10,851,999
Other intangible assets		**17,234,870**	15,301,788
Investments in joint ventures		**20,900**	78,910
Investments in associates		**24,632,224**	23,802,113
Equity investments designated at fair value through other comprehensive income		**16,434**	52,774
Financial assets at fair value through profit or loss		**1,157,129**	1,040,114
Deferred tax assets		**757,776**	624,471
Trade receivables-non-current		**199,436**	85,323
Other non-current assets		**1,113,080**	2,706,628
Total non-current assets		**82,931,130**	79,638,658
CURRENT ASSETS			
Inventories		**7,258,649**	7,537,768
Trade and bills receivables	*11*	**8,024,433**	7,668,229
Contract assets		**127,553**	145,887
Prepayments, other receivables and other assets		**2,272,554**	2,216,029
Financial assets at fair value through profit or loss		**2,595,997**	1,888,496
Debt investments at fair value through other comprehensive income		**612,973**	642,569
Cash and bank balances		**13,523,933**	13,693,591
		34,416,092	33,792,569
Assets of a disposal group classified as held for sale		**74,968**	—
Total current assets		**34,491,060**	33,792,569
CURRENT LIABILITIES			
Trade and bills payables	*12*	**5,997,385**	6,159,619
Other payables and accruals		**6,983,144**	6,748,494
Interest-bearing bank and other borrowings		**22,620,140**	19,068,818
Lease liabilities		**340,981**	329,525
Contract liabilities		**1,232,315**	1,200,496
Tax payable		**278,704**	250,629
Total current liabilities		**37,452,669**	33,757,581
NET CURRENT (LIABILITIES)/ASSETS		**(2,961,609)**	34,988
TOTAL ASSETS LESS CURRENT LIABILITIES		**79,969,521**	79,673,646

	31 December 2024	31 December 2023
	RMB'000	*RMB'000*
NON-CURRENT LIABILITIES		
Interest-bearing bank and other borrowings	**10,443,500**	13,504,923
Lease liabilities	**2,541,968**	2,049,589
Deferred tax liabilities	**3,245,159**	3,445,191
Contract liabilities	**434,635**	319,785
Deferred income	**657,891**	639,399
Other long-term liabilities	**2,751,016**	3,136,874
Total non-current liabilities	**20,074,169**	23,095,761
Net assets	**59,895,352**	56,577,885
EQUITY		
Equity attributable to owners of the parent		
Share capital	**2,671,326**	2,672,399
Treasury shares	**(234,375)**	(41,928)
Reserves	**44,785,779**	43,015,915
	47,222,730	45,646,386
Non-controlling interests	**12,672,622**	10,931,499
Total equity	**59,895,352**	56,577,885

1.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("**HKASs**") and Interpretations) as issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"), and the disclosure requirement of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for certain equity investments, debt investments and certain financial assets, which have been measured at fair value. Disposal groups held for sale are stated at the lower of their carrying amounts and fair values less costs to sell. These financial statements are presented in Renminbi ("**RMB**") and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "**Group**") for the year ended 31 December 2024. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(a) the contractual arrangement with the other vote holders of the investee;

(b) rights arising from other contractual arrangements; and

(c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, any non-controlling interest and the exchange fluctuation reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

1.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following revised HKFRS Accounting Standards for the first time for the current year's financial statements.

Amendments to HKFRS 16	*Lease Liability in a Sale and Leaseback*
Amendments to HKAS 1	*Classification of Liabilities as Current or Non-current* (the "2020 Amendments")
Amendments to HKAS 1	*Non-current Liabilities with Covenants* (the "2022 Amendments")
Amendments to HKAS 7 and HKFRS 7	*Supplier Finance Arrangements*

The nature and impact of the revised HKFRS Accounting Standards are described below:

(a) Amendments to HKFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. Since the Group has no sale and leaseback transactions with variable lease payments that do not depend on an index or a rate occurring from the date of initial application of HKFRS 16, the amendments did not have any impact on the financial position or performance of the Group.

1.3 ISSUED BUT NOT YET EFFECTIVE HKFRS ACCOUNTING STANDARDS

The Group has not applied the following new and revised HKFRS Accounting Standards, that have been issued but are not yet effective, in these financial statements. The Group intends to apply these new and revised HKFRS Accounting Standards, if applicable, when they become effective.

HKFRS 18	*Presentation and Disclosure in Financial Statements*[3]
HKFRS 19	*Subsidiaries without Public Accountability: Disclosures*[3]
Amendments to HKFRS 9 and HKFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*[2]
Amendments to HKFRS 9 and HKFRS 7	*Contracts Referencing Nature-dependent Electricity*[2]
Amendments to HKFRS 10 and HKAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[4]
Amendments to HKAS 21	*Lack of Exchangeability*[1]
Annual Improvements to HKFRS Accounting Standards — Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7[2]

[1] Effective for annual periods beginning on or after 1 January 2025
[2] Effective for annual periods beginning on or after 1 January 2026
[3] Effective for annual/reporting periods beginning on or after 1 January 2027
[4] No mandatory effective date yet determined but available for adoption

Further information about those HKFRS Accounting Standards that are expected to be applicable to the Group is described below.

HKFRS 18 replaces HKAS 1 *Presentation of Financial Statements*. While a number of sections have been brought forward from HKAS 1 with limited changes, HKFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in HKAS 1 are moved to HKAS 8 *Accounting Policies*, *Changes in Accounting Estimates and Errors*, which is renamed as HKAS 8 *Basis of Preparation of Financial Statements*. As a consequence of the issuance of HKFRS 18, limited, but widely applicable, amendments are made to HKAS 7 *Statement of Cash Flows*, HKAS 33 *Earnings per Share* and HKAS 34 *Interim Financial Reporting*. In addition, there are minor consequential amendments to other HKFRS Accounting Standards. HKFRS 18 and the consequential amendments to other HKFRS Accounting Standards are effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The Group is currently analysing the new requirements and assessing the impact of HKFRS 18 on the presentation and disclosure of the Group's financial statements.

HKFRS 19 allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other HKFRS Accounting Standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in HKFRS 10 Consolidated Financial Statements, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements available for public use which comply with HKFRS Accounting Standards. Earlier application is permitted. As the Company is a listed company, it is not eligible to elect to apply HKFRS 19. Some of the Company's subsidiaries are considering the application of HKFRS 19 in their specified financial statements.

Amendments to HKFRS 9 and HKFRS 7 *Amendments to the Classification and Measurement of Financial Instruments* clarify the date on which a financial asset or financial liability is derecognised and introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. The amendments shall be applied retrospectively with an adjustment to opening retained profits (or other component of equity) at the initial application date. Prior periods are not required to be restated and can only be restated without the use of hindsight. Earlier application of either all the amendments at the same time or only the amendments related to the classification of financial assets is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to HKFRS 9 and HKFRS 7 Contracts Referencing Nature-dependent Electricity clarify the application of the "own-use" requirements for in-scope contracts and amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts. The amendments also include additional disclosures that enable users of financial statements to understand the effects these contracts have on an entity's financial performance and future cash flows. The amendments relating to the own-use exception shall be applied retrospectively. Prior periods are not required to be restated and can only be restated without the use of hindsight. The amendments relating to the hedge accounting shall be applied prospectively to new hedging relationships designated on or after the date of initial application. Earlier application is permitted. The amendments to HKFRS 9 and HKFRS 7 shall be applied at the same time. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to HKFRS 10 and HKAS 28 address an inconsistency between the requirements in HKFRS 10 and in HKAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss resulting from a downstream transaction when the sale or contribution of assets constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to HKFRS 10 and HKAS 28 was removed by the HKICPA. However, the amendments are available for adoption now.

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. Earlier application is permitted. When applying the amendments, an entity cannot restate comparative information. Any cumulative effect of initially applying the amendments shall be recognised as an adjustment to the opening balance of retained profits or to the cumulative amount of translation differences accumulated in a separate component of equity, where appropriate, at the date of initial application. The amendments are not expected to have any significant impact on the Group's financial statements.

Annual Improvements to HKFRS Accounting Standards — Volume 11 set out amendments to HKFRS 1, HKFRS 7 (and the accompanying Guidance on implementing HKFRS 7), HKFRS 9, HKFRS 10 and HKAS 7. Details of the amendments that are expected to be applicable to the Group are as follows:

- HKFRS 7 *Financial Instruments: Disclosures:* The amendments have updated certain wording in paragraph B38 of HKFRS 7 and paragraphs IG1, IG14 and IG20B of the *Guidance on implementing HKFRS 7* for the purpose of simplification or achieving consistency with other paragraphs in the standard and/or with the concepts and terminology used in other standards. In addition, the amendments clarify that *the Guidance on implementing HKFRS 7* does not necessarily illustrate all the requirements in the referenced paragraphs of HKFRS 7 nor does it create additional requirements. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

- HKFRS 9 *Financial Instruments:* The amendments clarify that when a lessee has determined that a lease liability has been extinguished in accordance with HKFRS 9, the lessee is required to apply paragraph 3.3.3 of HKFRS 9 and recognise any resulting gain or loss in profit or loss. In addition, the amendments have updated certain wording in paragraph 5.1.3 of HKFRS 9 and Appendix A of HKFRS 9 to remove potential confusion. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

- HKFRS 10 *Consolidated Financial Statements:* The amendments clarify that the relationship described in paragraph B74 of HKFRS 10 is just one example of various relationships that might exist between the investor and other parties acting as de facto agents of the investor, which removes the inconsistency with the requirement in paragraph B73 of HKFRS 10. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

- HKAS 7 *Statement of Cash Flows:* The amendments replace the term "cost method" with "at cost" in paragraph 37 of HKAS 7 following the prior deletion of the definition of "cost method". Earlier application is permitted. The amendments are not expected to have any impact on the Group's financial statements.

2 OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has five reportable operating segments as follows:

(a) the pharmaceutical manufacturing segment mainly engages in the R&D, production and sale of medicine;

(b) the medical devices and medical diagnosis segment mainly engages in the R&D, production and sale of medical devices and diagnostic products;

(c) the healthcare service segment mainly engages in the provision of healthcare service and hospital management;

(d) the pharmaceutical distribution and retail segment mainly engages in distribution and retail of medicine and medical devices; and

(e) the other business operations segment comprises businesses other than those mentioned above.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit or loss, which is a measure of adjusted profit or loss after tax. The adjusted profit or loss after tax is measured consistently with the Group's profit or loss after tax except that fair value gain or loss on financial assets at fair value through profit or loss, as well as head office and investment management entities income and expenses are excluded from such measurement.

Intersegment revenues are eliminated on consolidation. Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

Segment assets exclude financial assets at fair value through profit or loss, equity investments designated at fair value through other comprehensive income, entrusted loan recorded in current assets and unallocated head office and investment management entities assets as these assets are managed on a group basis.

Segment liabilities exclude interest-bearing bank and other borrowings, interest payable and unallocated head office and investment management entities liabilities as these liabilities are managed on a group basis.

Year ended 31 December 2024

	Pharmaceutical manufacturing *RMB'000*	Medical devices and medical diagnosis *RMB'000*	Healthcare Service *RMB'000*	Pharmaceutical distribution and retail *RMB'000*	Other business operations *RMB'000*	Eliminations *RMB'000*	Total *RMB'000*
Segment revenue:							
Sales to external customers	28,776,374	4,319,831	7,641,520	—	172,153	—	40,909,878
Intersegment sales	349,805	28,923	26,084	—	18,772	(423,584)	—
Total segment revenue	29,126,179	4,348,754	7,667,604	—	190,925	(423,584)	40,909,878
Segment results*	3,304,450	(112,028)	71,407	—	(13,745)	(224,640)	3,025,444
Other income	317,971	42,234	57,933	—	20,305	—	438,443
Other gains	640,612	29,176	5,873	—	3,616	—	679,277
Interest income	271,627	22,920	27,761	—	969	(14,078)	309,199
Finance costs	(283,814)	(50,526)	(284,039)	—	(47,992)	111,167	(555,204)
Other expenses/Impairment losses on financial assets	(175,537)	(100,352)	(165,177)	—	51,467	—	(389,599)
Share of profits and losses of:							
Joint ventures	(177,081)	—	(2,380)	—	(4,948)	—	(184,409)
Associates	12,440	88,797	3,552	1,777,036	(53,577)	—	1,828,248
Unallocated other income, interest income, other gains, finance cost, and expenses							(982,118)
Profit/(loss) before tax	3,910,668	(79,779)	(285,070)	1,777,036	(43,905)	(127,551)	4,169,281
Tax	(661,037)	27,644	(29,544)	—	4,336	—	(658,601)
Unallocated tax							1,760
Profit/(loss) for the year	3,249,631	(52,135)	(314,614)	1,777,036	(39,569)	(127,551)	3,512,440
Segment assets	62,739,635	10,567,425	16,042,253	20,073,115	4,794,710	(3,490,489)	110,726,649
Including:							
Investments in joint ventures	5,420	—	5,590	—	9,890	—	20,900
Investments in associates	410,292	1,547,459	626,861	20,073,115	1,974,497	—	24,632,224
Unallocated assets							6,695,541
Total assets							117,422,190
Segment liabilities	22,786,278	3,014,253	6,873,212	—	2,268,299	(15,084,739)	19,857,303
Unallocated liabilities							37,669,535
Total liabilities							57,526,838
Other segment information:							
Depreciation and amortisation	2,104,612	256,361	717,155	—	164,018	—	3,242,146
Impairment losses recognised in the statement of profit or loss, net	66,608	52,060	88,533	—	(2,952)	—	204,249
Impairment losses recognised in the statement of profit or loss, net (unallocated)							2,952
Capital expenditure**	3,795,471	745,330	2,065,760	—	34,045	—	6,640,606

* Segment results are obtained as segment revenue less cost of sales, selling and distribution expenses, administrative expenses and research and development expenses.

** Capital expenditure consists of additions to property, plant and equipment, other intangible assets and prepaid land lease payments included in right-of-use assets (excluding the addition from acquisition of subsidiaries).

Year ended 31 December 2023

	Pharmaceutical manufacturing *RMB'000*	Medical devices and medical diagnosis *RMB'000*	Healthcare Service *RMB'000*	Pharmaceutical distribution and retail *RMB'000*	Others *RMB'000*	Eliminations *RMB'000*	Total *RMB'000*
Segment revenue:							
Sales to external customers	30,080,246	4,386,495	6,667,137	—	114,627	—	41,248,505
Intersegment sales	470,731	54,063	42,866	—	35,726	(603,386)	—
Total segment revenue	30,550,977	4,440,558	6,710,003	—	150,353	(603,386)	41,248,505
Segment results*	2,133,620	(126,443)	(200,661)	—	(80,398)	(119,758)	1,606,360
Other income	342,065	56,167	49,453	—	49,415	—	497,100
Other gains	329,170	56	23,039	—	149,667	—	501,932
Interest income	235,169	30,611	24,260	—	2,615	(23,896)	268,759
Finance cost	(254,032)	(34,398)	(245,598)	—	(44,186)	133,272	(444,942)
Other expenses/Impairment losses on financial assets	(288,780)	(93,932)	(65,354)	—	(1,002)	1,173	(447,895)
Share of profits and losses of:							
Joint ventures	(209,238)	—	(1,376)	—	8,584	—	(202,030)
Associates	27,365	128,527	1,427	2,242,195	(12,635)	—	2,386,879
Unallocated other income, interest income, other gains, finance cost, and expenses							(889,255)
Profit/(loss) before tax	2,315,339	(39,412)	(414,810)	2,242,195	72,060	(9,209)	3,276,908
Tax	(341,571)	6,666	(25,005)	—	(6,189)	—	(366,099)
Unallocated tax							(3,405)
Profit/(loss) for the year	1,973,768	(32,746)	(439,815)	2,242,195	65,871	(9,209)	2,907,404
Segment assets	60,228,777	10,328,867	15,575,622	18,972,525	5,096,173	(2,997,488)	107,204,476
Including:							
Investments in joint ventures	67,249	—	—	—	11,661	—	78,910
Investments in associates	505,797	1,483,895	688,591	18,972,525	2,151,305	—	23,802,113
Unallocated assets							6,226,751
Total assets							113,431,227
Segment liabilities	24,081,873	2,672,929	7,609,566	—	2,077,696	(13,666,779)	22,775,285
Unallocated liabilities							34,078,057
Total liabilities							56,853,342
Other segment information:							
Depreciation and amortisation	2,186,643	369,461	532,164	—	114,485	—	3,202,753
Impairment losses recognised in the statement of profit or loss, net	224,224	82,804	53,055	—	—	—	360,083
Impairment losses recognised in the statement of profit or loss, net (unallocated)							(8,414)
Capital expenditure**	4,470,575	551,519	602,539	—	133,195	—	5,757,828

* Segment results are obtained as segment revenue less cost of sales, selling and distribution expenses, administrative expenses and research and development expenses.

** Capital expenditure consists of additions to property, plant and equipment, other intangible assets and prepaid land lease payments included in right-of-use assets (excluding the addition from acquisition of subsidiaries).

Geographical information

(a) ***Revenue from external customers***

	2024	2023
	RMB'000	*RMB'000*
Chinese Mainland	**29,612,556**	30,877,890
Overseas countries and regions	**11,297,322**	10,370,615
Total revenue	**40,909,878**	41,248,505

The revenue information above is based on the locations of the customers.

(b) ***Non-current assets***

	2024	2023
	RMB'000	*RMB'000*
Chinese Mainland	**66,727,040**	63,249,069
Overseas countries and regions	**14,036,115**	14,390,165
Total non-current assets	**80,763,155**	77,639,234

The non-current asset information above is based on the locations of the assets and excludes financial instruments and deferred tax assets.

3. REVENUE

An analysis of the Group's revenue is as follows:

	2024	2023
	RMB'000	*RMB'000*
Revenue from contracts with customers	**40,821,957**	41,185,904
Revenue from other sources		
Gross rental income	**87,921**	62,601
Total	**40,909,878**	41,248,505

Revenue from contracts with customers

(i) Disaggregated revenue information

For the year ended 31 December 2024

Segments	Pharmaceutical manufacturing *RMB'000*	Medical devices and medical diagnosis *RMB'000*	Healthcare Service *RMB'000*	Pharmaceutical distribution and retail *RMB'000*	Other business operations *RMB'000*	Total *RMB'000*
Types of goods or services						
Sale of medical products	**26,856,459**	**4,175,615**	**274,442**	**—**	**82,613**	**31,389,129**
Rendering of services and others	**1,878,581**	**136,539**	**7,359,117**	**—**	**39,780**	**9,414,017**
Sale of materials	**17,113**	**1,183**	**515**	**—**	**—**	**18,811**
Total	**28,752,153**	**4,313,337**	**7,634,074**	**—**	**122,393**	**40,821,957**
Geographical markets						
Chinese Mainland	**20,485,123**	**1,299,258**	**7,626,518**	**—**	**113,736**	**29,524,635**
Overseas countries and regions	**8,267,030**	**3,014,079**	**7,556**	**—**	**8,657**	**11,297,322**
Total	**28,752,153**	**4,313,337**	**7,634,074**	**—**	**122,393**	**40,821,957**
Timing of revenue recognition						
Goods and materials transferred at a point in time	**26,873,572**	**4,176,798**	**274,957**	**—**	**82,613**	**31,407,940**
Services transferred at a point in time	**1,438,174**	**24,139**	**7,359,117**	**—**	**39,780**	**8,861,210**
Services transferred over time	**440,407**	**112,400**	**—**	**—**	**—**	**552,807**
Total	**28,752,153**	**4,313,337**	**7,634,074**	**—**	**122,393**	**40,821,957**

Revenue from contracts with customers (Continued)

For the year ended 31 December 2023

Segments	Pharmaceutical manufacturing *RMB'000*	Medical devices and medical diagnosis *RMB'000*	Healthcare Service *RMB'000*	Pharmaceutical distribution and retail *RMB'000*	Others *RMB'000*	Total *RMB'000*
Type of goods or services						
Sale of industrial products	28,532,071	4,245,408	686,595	—	32,949	33,497,023
Rendering of services and others	1,517,980	127,270	5,976,603	—	33,450	7,655,303
Sale of materials	22,320	11,258	—	—	—	33,578
Total	30,072,371	4,383,936	6,663,198	—	66,399	41,185,904
Geographical markets						
Chinese Mainland	22,629,786	1,466,935	6,654,040	—	64,528	30,815,289
Overseas countries and regions	7,442,585	2,917,001	9,158	—	1,871	10,370,615
Total	30,072,371	4,383,936	6,663,198	—	66,399	41,185,904
Timing of revenue recognition						
Goods and materials transferred at a point in time	28,554,391	4,256,666	686,595	—	32,949	33,530,601
Services transferred at a point in time	1,205,727	34,162	5,976,603	—	33,450	7,249,942
Services transferred over time	312,253	93,108	—	—	—	405,361
Total	30,072,371	4,383,936	6,663,198	—	66,399	41,185,904

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period and recognised from performance obligations satisfied in previous periods:

	2024 ***RMB'000***	2023 *RMB'000*
Revenue recognised that was included in contract liabilities as at the beginning of the reporting period		
Advances from customers	**1,145,708**	1,493,312
Warranty services	**54,788**	51,450
Total	**1,200,496**	1,544,762

(ii) Performance obligations

Information about the Group's performance obligations is summarised below:

Sale of goods

The performance obligation is satisfied at the point when control of the asset is transferred to the customer.

Rendering of services

— The performance obligation is recognised at the point in time when the service is provided.

— The performance obligation is satisfied over time as services are rendered and payment is generally due upon completion of installation and customer acceptance.

The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December are as follows:

	2024	2023
	RMB'000	*RMB'000*
Amounts expected to be recognised as revenue:		
Within one year	**1,232,315**	1,200,496
After one year	**434,635**	319,785
Total	**1,666,950**	1,520,281

The amounts disclosed above do not include variable consideration which is constrained.

4. OTHER INCOME

	2024	2023
	RMB'000	*RMB'000*
Dividend income from financial assets at fair value through profit or loss	**48,231**	61,239
Dividend income from equity investments at fair value through other comprehensive income	**209**	203
Government grants	**422,940**	463,538
Total	**471,380**	524,980

5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	2024	2023
	RMB'000	*RMB'000*
Cost of inventories sold	**14,617,911**	16,189,857
Cost of services provided	**6,747,663**	5,405,452
Staff costs (including Directors', Supervisors' and Chief Executive's remuneration)		
Salaries and other staff costs	**10,079,294**	9,322,174
Retirement benefits:		
Defined contribution fund	**638,481**	553,831
Accommodation benefits:		
Defined contribution fund	**338,108**	328,098
Share-based payment expense	**21,069**	35,898
	11,076,952	10,240,001
Research and development costs:		
Current year expenditure excluding amortisation of other intangible assets	**3,373,228**	3,877,623
Less: Government grants for R&D projects*	**(40,256)**	(56,687)
	3,332,972	3,820,936
Auditors' remuneration	**4,660**	4,660
Depreciation of property, plant and equipment	**1,712,575**	1,517,737
Amortisation of other intangible assets	**983,864**	1,282,683
Provision for impairment of property, plant and equipment	**1,106**	2,408
Provision for impairment of inventories	**60,352**	121,339
Impairment losses on financial assets, net		
Impairment of trade receivables, net	**107,676**	110,362
Impairment of other receivables, net	**2,955**	21,565
Provision for other intangible assets	**35,112**	21,592
Provision for impairment of investment in associates	**—**	61,284
Provision for other non-current assets	**—**	13,119
Depreciation of right-of-use assets	**474,540**	318,258
Lease payments not included in the measurement of lease liabilities	**120,832**	113,749
Loss/(Gain) on disposal of financial assets at fair value through profit or loss	**138,723**	(558,489)
Loss/(Gain) on fair value change of other financial liabilities at fair value through profit or loss, net	**40,305**	(47,204)
Loss on fair value change of financial assets at fair value through profit or loss, net	**69,929**	452,384
Gain on disposal of interests in associates and joint ventures	**(580,558)**	(710,599)
Foreign exchange loss/(gain), net	**13,357**	(13,027)
Loss on disposal of subsidiaries	**29,508**	1,046
Gain on disposal of items of property, plant and equipment and other intangible assets	**(349,299)**	(538)
Donations	**52,493**	45,909

* The Group received various government grants related to research and development projects. The government grants received have been recorded in other income. Government grants received for which related expenditure has not yet been undertaken are included in deferred income in the consolidated statement of financial position. There are no unfulfilled conditions or contingencies relating to these grants.

6. OTHER GAINS

	2024	2023
	RMB'000	*RMB'000*
Gain on disposal of interests in associates and joint ventures	**580,558**	710,599
Gain on disposal of financial assets at fair value through profit or loss	**—**	558,489
Gain on fair value change of other financial liabilities at fair value through profit or loss, net	**—**	47,204
Foreign exchange gain, net	**—**	13,027
Gain on disposal of items of property, plant and equipment and other intangible assets	**371,013**	5,564
Others	**58,893**	57,124
Total	**1,010,464**	1,392,007

7. FINANCE COSTS

	2024	2023
	RMB'000	*RMB'000*
Interest on bank and other borrowings (excluding lease liabilities)	**1,353,843**	1,323,035
Interest on lease liabilities	**99,863**	50,920
Subtotal	**1,453,706**	1,373,955
Less: Interest capitalised	**(21,791)**	(49,124)
Total	**1,431,915**	1,324,831

8. INCOME TAX

The provision for Chinese Mainland current income tax is based on a statutory rate of 25% of the assessable profits of the Group as determined in accordance with the PRC Corporate Income Tax Law which was approved and became effective on 1 January 2008, except for certain subsidiaries of the Group in Chinese Mainland, which are taxed at preferential rates of 0% to 20%.

Taxes on profits assessable in overseas countries and regions have been calculated at the tax rates prevailing in the jurisdictions in which the Group operates. Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profits arising in Hong Kong during the year, the first HKD2,000,000 of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. The provision of current income tax of Alma Lasers Ltd., a subsidiary of the Company incorporated in Israel, enjoyed a preferential effective tax rate of 6% for being a Special Preferred Technological Enterprise ("**SPTE**"). The provision of current tax of Gland Pharma Limited ("**Gland Pharma**"), a subsidiary of the Company incorporated in India, was based on a statutory rate of 25.17%. The provision of current tax of Breas Medical Holdings AB ("**Breas**"), a subsidiary of the Company incorporated in Sweden, is based on a statutory rate of 20.6%. The provision of current tax of Tridem Pharma S.A.S ("**Tridem Pharma**"), a subsidiary of the Company incorporated in France, is based on a statutory rate of 25.83%. The provision

of current income tax of Phixen SAS ("**Phixen**"), a subsidiary of the Company incorporated in France, is based on a statutory rate of 25.83%.

	2024	2023
	RMB'000	*RMB'000*
Current	**1,017,620**	529,206
Deferred	**(360,779)**	(159,702)
Total	**656,841**	369,504

9. DIVIDENDS

Cash dividend

	2024	2023
	RMB'000	*RMB'000*
Proposed final — RMB0.32 (2023: RMB0.27) per ordinary share	**850,275**	721,548

The Company proposed to distribute a cash dividend of RMB0.32 (before tax) for each ordinary share to all shareholders whose names are registered in the register of members and are entitled to participate in the distribution on the record date. The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting and the final dividend amount will be determined by the number of the ordinary shares available for distribution on the corresponding date of share registration for the dividend payment.

The amount of the proposed final dividend of RMB 850,275 thousand is calculated based on the total number of ordinary shares of the Company of 2,671,326,465 shares as at 25 March 2025, net of 14,218,200 shares repurchased but not cancelled, which resulted in 2,657,108,265 shares.

10. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the parent, adjusted to reflect the cash dividends distributed to the Restricted A Share Incentive Scheme, and the weighted average number of ordinary shares of 2,670,408,116 (2023: 2,669,655,211) in issue during the period.

The calculation of the diluted earnings per share amounts is based on the profit for the period attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the period, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed conversion of all dilutive potential ordinary shares into ordinary shares.

The calculations of basic and diluted earnings per share are based on:

	2024	2023
	RMB'000	*RMB'000*
Earnings		
Profit attributable to ordinary equity holders of the parent	**2,769,886**	2,398,606
Less: Cash dividends distributed to the Restricted A Share Incentive Scheme	**—**	(1,050)
Adjusted profit attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation	**2,769,886**	2,397,556
Cash dividends distributed to the Restricted A Share Incentive Scheme	**—**	1,050
Total	**2,769,886**	2,398,606

	Number of shares	
	2024	2023
Shares		
Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation	**2,670,408,116**	2,669,655,211
Effect of dilution — weighted average number of ordinary shares: — the Restricted A Share Incentive Scheme	**—**	253,150
Total	**2,670,408,116**	2,669,908,361

11. TRADE AND BILLS RECEIVABLES

	2024	2023
	RMB'000	*RMB'000*
Trade receivables	**7,952,073**	7,643,737
Bills receivable	**72,360**	24,492
Total	**8,024,433**	7,668,229

The credit period for trade receivables is generally three months, which may be extended up to six months for major customers. Trade and bills receivables are non-interest-bearing.

An ageing analysis of trade receivables, based on the invoice date and net of loss allowance, as at the respective reporting dates is as follows:

	2024	2023
	RMB'000	*RMB'000*
Within 1 year	**7,754,376**	7,436,979
1 to 2 years	**275,391**	333,408
2 to 3 years	**143,146**	77,594
Over 3 years	**89,807**	64,952
	8,262,720	7,912,933
Impairment	**(310,647)**	(269,196)
Net Carrying Amount	**7,952,073**	7,643,737

12. TRADE AND BILLS PAYABLES

	2024	2023
	RMB'000	*RMB'000*
Trade payables	**5,378,370**	5,507,366
Bills payable	**619,015**	652,253
Total	**5,997,385**	6,159,619

Trade and bills payables are non-interest-bearing. Trade payable are normally settled on a two-month term, and bills payable are normally settled on 90 to 180-day terms.

An aged analysis of the trade payables, based on the invoice date, as at the end of the reporting period is as follows:

	2024	2023
	RMB'000	*RMB'000*
Within 1 year	**5,133,962**	5,191,820
1 to 2 years	**159,899**	223,314
2 to 3 years	**19,743**	57,124
Over 3 years	**64,766**	35,108
Total	**5,378,370**	5,507,366

13. EVENTS AFTER THE REPORTING PERIOD

On 13 March 2025, Fosun Industrial Co., Limited ("**Fosun Industrial**"), a subsidiary of the Company, entered into a Share Purchase Agreement with Calcite Gem Investments Group Ltd ("**Calcite Gem**"). Fosun Industrial intends to transfer 9.4 million ordinary shares, representing approximately 6.6% of the total shares of Unicorn II Holdings Limited, to Calcite Gem for a cash consideration of USD124.08 million. Upon completion of this transaction, the Group will no longer hold any equity interest in the company.

THE BOARD'S DISCUSSION AND ANALYSIS ON OPERATIONS OF THE GROUP FOR THE REPORTING PERIOD

During the Reporting Period, the Group further focused on innovative drugs and high-value devices, and promotion of product structure and strategic transformation, with revenue amounted to RMB40,910 million. Specifically, the revenue from innovative drugs recorded steady growth, with the core products of innovative anti-PD-1 monoclonal antibody drug (trade name in Chinese mainland: Han Si Zhuang), Yi Kai Da (ejilunsai injection), the CAR-T cell therapy product, Akynzeo (netupitant and palonosetron hydrochloride capsules), the antiemetic drug, Pei Jin (telpegfilgrastim injection), a long-lasting recombinant human granulocyte colony-stimulating factor product, and Yi Xin Tan (sacubitril valsartan sodium tablets), a drug for the treatment of heart failure and hypertension, recorded rapid growth.

During the Reporting Period, the Group realized an operating cash flow of RMB4,477 million, representing a year-on-year growth of 31.13%, higher than the growth in operating profit. The Group also increased the free cash flow through multiple measures including asset structure optimization and strict capital expenditures control. The Group continued to promote lean management across various aspects, including quality enhancement, cost control, efficiency improvement, cyclical management and innovative R&D, with an aim to improve operational efficiency and profitability. During the Reporting Period, the gross profit margin less selling expenses ratio increased by 2.45 percentage points year-on-year. Excluding the impact of newly acquired companies, the administrative expense decreased by RMB318 million.

In addition, the Group continued to divest and integrate non-strategic and non-core assets, and gathered its resources on core businesses so as to optimize asset structure and improve asset efficiency. During the Reporting Period, the Group continued its asset structure optimization and acceleration of cash return. Since 2024, the total amount of funds recovered by the Group has reached nearly RMB3,000 million.

During the Reporting Period, the Group's net profit attributable to shareholders of the listed company amounted to RMB2,770 million, representing a year-on-year increase of 15.46%. In particular, the net profit attributable to shareholders of the listed company after deducting extraordinary gain or loss amounted to RMB2,314 million, representing a year-on-year increase of 15.10%, extraordinary gain or loss amounted to RMB456 million, representing a year-on-year increase of 17.53%.

During the Reporting Period, while maintaining a relatively stable level of R&D intensity, the Group continued to optimize its innovation and R&D system to facilitate R&D efficiency, with the total R&D expenditure amounting to RMB5,554 million. In particular, the R&D expenses amounted to RMB3,644 million. In addition to self-initiated R&D, the Group also actively implemented an open R&D model by leveraging industry funds and other mechanisms to incubate the innovative R&D projects, so as to ensure the sustainability of innovation and R&D.

During the Reporting Period, the revenue structure of the Group was as follows:

Unit: million Currency: RMB

	2024 revenue		2023 revenue		Year-on-year increase/ decrease of revenue
	Amount	**Percentage of revenue**	Amount	Percentage of revenue	
		(%)		***(%)***	***(%)***
By business segment					
Pharmaceutical manufacturing	**28,776**	**70.34**	30,080	72.92	–4.34
Medical devices and medical diagnosis	**4,320**	**10.56**	4,386	10.63	–1.50
Healthcare services	**7,642**	**18.68**	6,667	16.16	14.62
By geographical locations					
Chinese mainland	**29,613**	**72.39**	30,878	74.86	–4.10
Regions outside Chinese mainland and other countries	**11,297**	**27.61**	10,371	25.14	8.93

I. MAIN OPERATIONAL PROGRESS OF THE GROUP DURING THE REPORTING PERIOD

1. Continued to promote innovation transformation and the development and launch of innovative products

- ***During the Reporting Period, a total of 16 indications[1] of 7 innovative drugs/ biosimilars independently developed or licensed-in by the Group were approved for launch, mainly including:***

  1 additional indication for Han Si Zhuang (serplulimab injection) was approved in Chinese mainland. 1 additional indication for innovative anti-PD-1 Han Si Zhuang (serplulimab injection) independently developed by the Group in combination with pemetrexed and carboplatin for the first-line treatment of patients with epidermal growth factor receptor (EGFR) sensitivity mutation-negative and anaplastic lymphoma kinase (ALK) gene rearrangement-negative locally advanced or metastatic non-squamous non-small cell lung cancer (nsNSCLC) was approved in Chinese mainland. This new indication is the third approved indication for Han Si Zhuang (serplulimab injection) in the treatment of lung cancer, further expanding the coverage of patients.

[1] Counted on the number of indications listed on the regulatory approvals received domestically and overseas

Trastuzumab injection was approved for launch in the United States and Canada. Following the approvals for launch in the EU and Chinese mainland, 3 indications of Trastuzumab injection (U.S. trade name: HERCESSI™), the Group's self-developed biosimilar, were approved for launch by the U.S. FDA in April 2024, making it the domestical biosimilar approved in China, the EU and the United States. In August 2024, the new drug submission of Trastuzumab injection (Canada trade name: Adheroza) was approved by Health Canada for the treatment of early breast cancer, metastatic breast cancer and metastatic gastric cancer.

4 additional indications for Han Da Yuan (adalimumab injection) were approved in Chinese mainland. The Group's self-developed biosimilar Han Da Yuan (adalimumab injection) was approved for launch for 4 additional indications by the NMPA. With such approval, Han Da Yuan (adalimumab injection) covers all 8 indications of the original adalimumab approved in Chinese mainland.

Rabies vaccine (Vero cell) for human use (freeze dried) was approved in Chinese mainland. Rabies vaccine (Vero cell) for human use (freeze dried) independently developed by the Group was approved for launch in Chinese mainland. The relevant production lines have also passed GMP compliance inspections.

2 indications for botulinum toxin type A for injection (trademark in Chinese mainland: 達希斐®) was approved in Chinese mainland. During the Reporting Period, the Group's licensed-in product, DAXXIFY (botulinum toxin type A for injection), was approved for two indications (temporary improvement in the appearance of moderate to severe glabellar lines associated with corrugator and/or procerus muscle activity in adults, and treatment of cervical dystonia in adults) in Chinese mainland, and is the first DaxibotulinumtoxinA-lanm botulinum toxin product approved for marketing in Chinese mainland.

The second indication of Su Ke Xin (avatrombopag maleate tablets) was approved in Chinese mainland. Su Ke Xin (avatrombopag maleate tablets), exclusively commercialized by the Group, was approved for the second indication in Chinese mainland during the Reporting Period. This new indication is for the treatment of chronic immune thrombocytopenia (ITP) in adult patients with poor response from prior treatment, which will benefit more patients.

Pu Rui Ni (Pretomanid tablets) was approved in Chinese mainland. During the Reporting Period, the licensed-in product of the Group, Pu Rui Ni (Pretomanid tablets), was approved in Chinese mainland, providing more treatment options for patients with drug-resistant tuberculosis.

For details of the Group's major innovative products and core categories launched as at the end of the Reporting Period, please refer to Table 1.

- ***During the Reporting Period, 8 innovative drugs/biosimilars independently developed, co-developed or licensed-in by the Group, entered into the pre-launch approval/key clinical trial stage, mainly including:***

  The NDA of Luvometinib tablets (Project Code: FCN-159), the Group's independently developed MEK1/2 selective inhibitor, was accepted by the NMPA for two indications: treatment of adult dendritic cell and histiocytic neoplasms, and treatment of NF1 (type 1 neurofibroma)-associated plexiform neurofibromas (PN) in children aged 2 and over. Both applications were granted priority review.

  During the Reporting Period, the new drug applications of HLX14 (Recombinant anti-RANKL fully human monoclonal antibody injection), the Group's self-developed biosimilar of denosumab, were successively accepted by the European Medicines Agency, Health Canada and U.S. FDA.

  The NDA of pertuzumab biosimilar HLX11 (recombinant anti-HER2 domain II humanized monoclonal antibody injection) that independently developed by the Group was accepted by the NMPA in December 2024. The phase III of the international multi-center clinical trial of the drug reached its primary study endpoint in September 2024 and its biologics license application (BLA) was accepted by U.S. FDA in February 2025.

  In addition, during the Reporting Period, the Phase III clinical study of the Group's self-developed serplulimab injection (trade name in Chinese mainland: Han Si Zhuang) in combination with bevacizumab and chemotherapy for the first-line treatment of patients with metastatic colorectal cancer (mCRC) was initiated in Chinese mainland and Japan successively; the Phase III clinical studies for the combination dosing of OP0595, co-developed with Meiji Seika Pharma, and cefepime or aztreonam for the treatment of adults infected by aerobic gram-negative bacteria with limited treatment options, were commenced in Chinese mainland; and the Phase III of international multi-center clinical studies of HLX22 (anti-human epidermal growth factor receptor-2 (HER2) humanized monoclonal antibody injection), a novel monoclonal antibody targeting HER2, HLX78 (lasofoxifene tablets), and an oral selective estrogen receptor modulator, were initiated in Chinese mainland, respectively.

- ***During the Reporting Period, a total of 18 innovative drug/biosimilar projects (calculated by indication) were approved for clinical trial.***

- ***Meanwhile, during the Reporting Period, the medical devices and medical diagnosis segment also rolled out major offerings, mainly including:***

  The Ion Bronchial navigation operation control system ("**Ion System**") of Intuitive Fosun, the Company's associated companies, was approved by the NMPA and has completed the first commercial installation in September 2024; the Da Vinci SP endoscopic single orifice surgical system has been included in the NMPA's special review

process for innovative medical devices, facilitating its subsequent registration and review. Profhilo (i.e. sodium hyaluronate solution for injection) (trade name in Chinese mainland: Pu Fei Luo), an injectable filler product of which the Group is the sole agent in Chinese mainland, was launched as a licensed medical device in Hainan and launched for market in the newly direct sales market in Thailand. The fully-automated chemiluminescent immunoassay analyzer F-C2000, and cytokine detection reagent (chemiluminescence method), which were independently developed by the Group, were approved for launch in Chinese mainland, respectively.

2. Continued to enhance global operation capabilities

During the Reporting Period, the Group continued to implement its internationalization strategy in multiple dimensions including innovative R&D, licensing partnership, production and operation as well as commercialization. The Group enhanced its operational efficiency and expanded global market presence, primarily covering the U.S., Europe, Africa, India, Southeast Asia and other overseas markets.

In matured regulatory markets, the Group continued to enhance its global operation capabilities. It has set up multi-point R&D centers to realize global innovation, and further improved the commercialization system in different regulated markets through self-establishment, cooperation and other means. In the U.S. market, the Group has established a growing self-operated generic drug team, and cooperated with major distributors and group purchasing organizations (GPOs) to facilitate sales of preparations products, with 33 products in the market as at the end of the Reporting Period. The Group also established an innovative drug team in the U.S., and initiated the preparation works on the commercialization of serplulimab injection (anti-PD-1 monoclonal antibody). In the European market, Gland Pharma, through its subsidiary Cenexi, has built up local manufacturing capabilities in Europe. The subsidiary Sisram Medical, after completing the acquisition of the direct sales channels in China in 2023 and achieving a direct sales layout in the Chinese market, established new direct sales channels in Thailand during the Reporting Period, which continues to strengthen its footprint in the Asia-Pacific market. The marketing network of Breas, a subsidiary, has also covered mature markets such as Europe, the U.S., Japan and Australia.

As for emerging markets, in Africa, the Group primarily conducted medical product export and distribution business in the English-speaking and French-speaking regions in Sub-Saharan Africa, with sales network covering over 40 countries and regions. Meanwhile, in order to realize localization in drug manufacturing and supply in Africa, the Group continued to advance the park construction in the Cote d'Ivoire. Furthermore, the Group also continuously strengthened its product export channels and system development by establishing a new pharmaceutical and medical device sales platform in Nanning in February 2025, which gradually advanced the Group's registration and commercialization capabilities in Southeast Asia, with an aim to expand the local market.

- ***Internationalization of innovative products***

  The Group continued to expand the regulatory markets such as the U.S. and the EU. In respect of pharmaceutical manufacturing segment, during the Reporting Period, trastuzumab injection received approvals for market launch in the United States and Canada; the new drug authorization application (MAA) of serplulimab injection received positive review opinions from the Committee for Medicinal Products for Human Use (CHMP) of the European Medicine Agency and was approved in the EU in February 2025; the new drug applications for the biosimilar of denosumab HLX14 (recombinant anti-RANKL fully human monoclonal antibody injection) was accepted by the European Medicine Agency, Health Canada, and the U.S. FDA; and HLX22 (anti-human epidermal growth factor receptor-2(HER2) humanized monoclonal antibody injection) for the first-line treatment of locally advanced or metastatic gastroesophageal junctional adenocarcinoma and gastric cancer, and HLX78 (lasofoxifene tablets) for the treatment of ER+/HER2-breast cancer with ESR1 mutation, among others, were in the international multi-center Phase III clinical trials. In respect of medical devices segment, during the Reporting Period, Alma Harmony™ and Alam Hybrid™, the two dermatological products of Sisram Medical, a subsidiary, received certification under the EU Medical Device Regulation, which further enhanced the Group's product portfolio and competitive edge.

- ***Localization of innovative products in China***

  The Group proactively introduces international leading technologies and products into the Chinese market, so as to benefit more patients and customers. During the Reporting Period, Intuitive-Fosun, the Company's associated companies, officially opened its headquarters and industrial base in Zhangjiang International Medical Park, Shanghai, in June 2024. The industrial base integrates R&D, manufacturing and training. The launch of this industrial base will further accelerate the localization progress of the Da Vinci surgical system. In 2024, 58 units of "Da Vinci Surgical Robot" were being installed in Chinese mainland and Macau. As at the end of the Reporting Period, the "Da Vinci Surgical Robot" has been installed in over 300 hospitals across Chinese mainland, Hong Kong and Macau, with a cumulative installation volume exceeding 460 units, serving more than 670,000 patients across Chinese mainland, Hong Kong and Macau. Additionally, the Ion System of Intuitive Fosun was approved by the NMPA in March 2024, and achieved the first commercial installation in September 2024. During the Reporting Period, 4 units of the Ion System were sold in Chinese mainland. The Ion System has adopted a flexible robot with shape-sensing technology and can perform precise diagnostic operations on peripheral lung lesions through the bronchus. The launch of the Ion System in China will help more lung cancer patients receive early diagnosis and treatment in a more minimally invasive way. The Da Vinci SP endoscopic single orifice surgical system of Intuitive Fosun has been included in the NMPA's special review process for innovative medical devices, facilitating its subsequent registration and review. During the Reporting Period, Fosun Insightec, a joint venture established with Insightec in China, had achieved sales of the magneticresonance image guided focused

ultrasound brain therapy system ("**MRgFUS brain therapy system**"). Several ventilators of Breas, a subsidiary, were approved for launch in Chinese mainland. In addition, during the Reporting Period, Fosun Kairos, a subsidiary, with its first CAR-T product Yi Kai Da (ejilunsai injection) in the domestic market, was the first to launch the innovative payment mode based on therapeutic effects domestically, exploring a new path for payment mode of high-value innovative drugs domestically. As at the end of the Reporting Period, Yi Kai Da (ejilunsai injection) benefitted over 800 patients with lymphoma, and was included in over 110 urban customized commercial health insurances and over 80 commercial insurances, while the number of treatment centers on record exceeded 180, covering more than 28 provinces and municipalities across China.

- ***Progress of global two-way license cooperation***

  The Group has continued to enhance global two-way license cooperation, and actively implemented its internationalization strategy. In respect of license-out, during the Reporting Period, Shanghai Henlius, a subsidiary, had entered into a license agreement with Abbott, granting Abbott commercialization rights for five products independently developed by Shanghai Henlius within the agreed territories covering 69 countries and regions in Asia, Latin America, the Caribbean, and the Middle East and North Africa, providing more treatment options for emerging markets. In February 2025, Shanghai Henlius had entered into a license agreement with Dr. Reddy's in respect of HLX15 (recombinant anti-CD38 human monoclonal antibody injection), a daratumumab biosimilar developed by it independently, granting Dr. Reddy's the rights to exclusively commercialize HLX15 in two dosage forms in the United States and 42 European countries and regions, so as to expedite the entry of the Group's products into the European and the U.S. markets.

  In respect of license-in, in January 2024, Shanghai Henlius had entered into strategic cooperation and exclusive license agreements with Sermonix, aiming to develop, manufacture and commercialize at least two indications for ER+/HER2- breast cancer of lasofoxifene (HLX78 (lasofoxifene tablets)) in Chinese mainland, Hong Kong, Macau and Taiwan region. In June 2024, a supplemental agreement was reached on HLX78 (lasofoxifene tablets) to extend the licence territory to the whole of Asia. In August 2024, Han Nai Jia (neratinib maleate tablets), of which the exclusive commercialization rights in Chinese mainland, Hong Kong, Macau and Taiwan regions have been granted to the Group, was approved for launch. This milestone is expected to enable sequential treatment with Han Qu You (trastuzumab injection), which will further reduce 5-year and 10-year postoperative recurrence risks in patients with HER2-positive early breast cancer. In addition, during the Reporting Period, Sisram Medical, a subsidiary, had entered into a strategic partnership with Prollenium, and obtained the exclusive distribution rights of the Revanesse dermal filler collection, which applies advanced hyaluronic acid technology, in several major markets including Germany, Austria, Switzerland, Australia and New Zealand.

In respect of license cooperation, during the Reporting Period, Shanghai Henlius, a subsidiary, had reached strategic cooperation with SVAX to establish a new joint venture in Saudi Arabia aiming to advance the local registration, manufacturing, commercialization, and global registration or market launch of innovative drugs (products), thereby enhancing the accessibility of high-value innovative drugs (products) in the area of MENAT (Middle East, North Africa and Turkey). In December 2024, Shanghai Henlius had entered into a collaboration and licensing agreement in relation to the global co-development of E-602, a pipeline product of Palleon, and the related combination therapeutic solutions within the licensed field (i.e., for the treatment of human diseases) and the commercialization of the same in the respective licensed field, on the basis of their respective patents and proprietary technologies.

- ***Progress of International Quality Standard Production System***

  The Group continues to advance the international quality standard certification of its production system. The quality control system and production capacity have been recognized by international certification authorities, further laying a solid foundation for the export of its preparations. During the Reporting Period, Carelife Pharma, a subsidiary, underwent a routine surveillance inspection by the U.S. FDA for the APIs clindamycin hydrochloride, clindamycin phosphate, mitoxantrone hydrochloride, granisetron hydrochloride, entecavir, venlafaxine hydrochloride, sorafenib tosylate and clindamycin palmitate hydrochloride, and received a zero-defect rating; Dongting Pharma's tranexamic acid API underwent a GMP compliance inspection by the U.S. FDA and received a zero-defect rating; Fosun Wanbang's lyophilized preparations production line successfully passed the EU GMP on-site inspection again, and received the GMP on-site inspection final report and GMP certificate issued by the Dutch Health and Youth Care Inspectorate in July 2024; and Suzhou Erye continued to enhance the internationalization of its heparin products, obtaining a registration certificate from the South Korean Food and Drug Administration (KFDA) and passing an on-site inspection by the Malaysian National Pharmaceutical Regulatory Agency for enoxaparin sodium during the Reporting Period.

3. Matured commercialization system

The Group continued to improve its commercialization system by optimizing the market layout and sales channels. As at the end of the Reporting Period, the pharmaceutical manufacturing segment had a commercialization team consisting of over 5,000 employees in Chinese mainland, covering hospitals, retail channels, etc. In terms of core departments such as hematology, lymphoma, breast, medical oncology, endocrinology, cardiology, rheumatology and nephrology, through the systematic market access team and special product team, the Group explored the innovative product market in core therapeutic areas, and covered county-level and certain prefecture-level markets in Chinese mainland through the broad market team. In addition, the Group expanded the sales channels of its pharmaceutical products by virtue of the cooperation and linkage with Sinopharm, an associated company.

In terms of commercialization in overseas markets, as at the end of the Reporting Period, the overseas commercialization team of pharmaceutical manufacturing and medical devices segments has over 1,000 employees. The pharmaceutical manufacturing segment covered markets including the U.S. and Africa. In the U.S. market, the Group has established the U.S. innovative drug team, and initiated the commercialization preparations before the launch of serplulimab injection (anti-PD-1 monoclonal antibody) and the preliminary preparations for the license-in projects of innovative drugs. In emerging markets such as Africa, the Group has set up 5 regional distribution centers, and continues to improve the core digital management capabilities, user operation capabilities and B2B2C model service capabilities so as to provide a one-stop service of registration, circulation, academic promotion and post-launch safety alert and other services for customers. The medical devices segment has continued expanding its global marketing network. As at the end of the Reporting Period, Sisram Medical has expanded its global direct-sales offices to 12, with marketing network now spanning over 110 countries and regions worldwide. The share of direct sales revenue has further increased to 87%. At the same time, Breas has expanded its marketing network to cover mature markets such as Europe, the U.S., China, Japan, India, and Australia.

In addition, during the Reporting Period, the Group also released the clinical data for multiple pipeline candidates and marketed products at global industry academic conferences such as the American Society of Clinical Oncology (ASCO), the Annual Meeting of the American Association for Cancer Research (AACR), the European Society for Medical Oncology (ESMO), the World Conference on Lung Cancer (WCLC), and the European Hematology Association (EHA), as well as in globally top-notch journals such as the New England Journal of Medicine (NEJM) and The Lancet, further enhancing the Group's global academic impact.

Meanwhile, the Group continued to optimize its marketing compliance management system and strengthen its responsible marketing. The Group adheres to the principle of making its management systems open and transparent. To this end, a number of regulations have been publicly announced on the website of the Company to clearly define the red lines of these regulations, so as to maintain a fair, clean and honest business environment and corporate culture. In terms of internal employee training, the Group regularly conducts special trainings such as "responsible marketing" for its employees. The Group also conducts targeted thematic compliance trainings for its relevant employees irregularly, thereby continuously enhancing its employees' awareness of compliant marketing.

4. Digitalization and AI empowered business continued to grow

The Group had continued to deepen its digital transformation, optimize technologies and methods, and broadly apply them in areas such as drug R&D, smart healthcare, and precision medicine, aiming to build a digital and intelligent innovative application ecosystem. The Group has engaged the PharmAID decision intelligence platform, which is based on modules such as information extraction, patent insight, and business forecasting to support intelligent

decision-making in drug R&D. The data update timeliness of the tools on this platform reaches the T+1 standard, providing more convenient and accurate decision-making support for drug R&D, and helping to improve decision-making efficiency and accuracy.

The Group continued to promote the application of artificial intelligence in drug R&D. In 2022, the Group established a strategic partnership with Insilico to jointly advance AI-driven drug R&D for relevant targets. As at the end of the Reporting Period, the first small molecule drug developed through this collaboration has entered the clinical trial stage. In January 2025, Shanghai Henlius, a subsidiary, had entered into a strategic partnership with DP Technology for AI-assisted drug development, aiming to explore R&D pathways for drugs (such as antibody drugs, ADC drugs) by combining artificial intelligence with physical modeling.

Meanwhile, the Group continued to deepen the application of digital technologies across core areas such as R&D, production, marketing and management, with the aim to enhance operational efficiency and intelligence. In R&D, by introducing the PharmAID decision intelligence platform, intelligence will be enhanced in information retrieval, patent analysis, and sales forecasting, providing support for pipeline decision-making. In production and supply chain management, optimization will be made in production quality control, supply chain logistics, inventory management, and production planning to promote improvement of operational efficiency. In marketing, AI technology will be leveraged to gain insights into market trends and demands, continuously enhancing marketing precision and customer satisfaction.

5. Continued to promote lean management and improve quality and efficiency

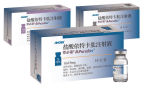
During the Reporting Period, the Group continued to promote lean management across various aspects, including quality enhancement, cost control, efficiency improvement, cyclical management and innovative R&D, with an aim to improve operational efficiency and profitability. In terms of innovative R&D, the Group continued to focus on pipelines with advantages, optimized management and resources allocation of R&D projects and prioritized to the promotion of key projects to realize research commercialization and continuous launch of innovative products. In terms of production, the Group has continuously strengthened cost management to enhance the competitiveness of production cost and continuously improved product yield by optimizing production processes, strengthening process control and strengthening staff training. In addition, the Group also continued to promote the international market expansion of APIs, and during the Reporting Period, the ferric carboxymaltose API-supported preparations were launched in the Europe.

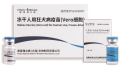
Meanwhile, the Group continued to divest and integrate non-strategic and non-core assets, and gathered resources on core businesses so as to optimize asset structure and improve asset efficiency. During the Reporting Period, the Group continued its asset structure optimization and acceleration of cash recovery, with total funds recouped reaching nearly RMB3,000 million since the beginning of 2024.

Table 1: Brief introduction of major innovative products and core categories launched

No.	Therapeutic area	Product name and trade name in Chinese mainland	Description of product	Whether is included in the National Medical Insurance Drugs Catalogue	Photo of product
1	Anti-tumor and immune modulation	Han Li Kang (rituximab injection)	This drug was approved for launch by the NMPA in February 2019, and is the first domestic biosimilar. Its approved indications include: non-Hodgkin's lymphoma, chronic lymphoblastic leukaemia, rheumatoid arthritis (RA) indication. It is also the first rituximab approved for rheumatoid arthritis (RA) indication in China.	Yes	
2		Han Qu You (trastuzumab injection)	This drug is the first trastuzumab biosimilar approved for launch in China, and also the domestic monoclonal antibody biosimilar approved by China, Europe and the United States. As at the end of the Reporting Period, this drug has been approved for launch in a total of more than 50 countries and regions, including China, Europe, the United States, Australia and Canada. The drug's trade name in EU: Zercepac, the trade name in the United States: HERCESSI™, and the trade name in Canada: Adheroza. Its approved indications include: HER2 positive early breast cancer, metastatic breast cancer, and metastatic gastric cancer.	Yes	
3		Han Si Zhuang (serplulimab injection)	This drug (anti-PD-1 monoclonal antibody) was approved for launch by the NMPA in March 2022, and is the first innovative monoclonal antibody independently developed by the Group. In February 2025, the drug was approved by the EC, making it the first anti-PD-1 monoclonal antibody approved in the EU for the treatment of extensive-stage small cell lung cancer (ES-SCLC). The drug's trade name in the EU: Hetronifly. Its approved indications include: first-line treatment of squamous non-small cell lung cancer (sqNSCLC), extensive-stage small cell lung cancer (ES-SCLC), esophageal squamous cell carcinoma (ESCC) and non-squamous non-small cell lung cancer (nsNSCLC). It is the first anti-PD-1 monoclonal antibody drug approved for the first-line treatment of small cell lung cancer in the world. It has been recommended by guidelines including CSCO Guidelines on Small Cell Lung Cancer Treatment, CSCO Guidelines on Non-Small Cell Lung Cancer Treatment, CSCO Guidelines on Esophageal Cancer Treatment, CSCO Guidelines on Colorectal Cancer Treatment and CSCO Guidelines on Clinical Application of Immune Checkpoint Inhibitors.	No	
4		Han Da Yuan (adalimumab injection)	This drug was approved for launch by the NMPA in December 2020, and is the first domestic adalimumab biosimilar with GMP certified production base approved by both China and Europe. Its approved indications include: rheumatoid arthritis, ankylosing spondylitis, psoriasis, uveitis, etc.	Yes	

No.	Therapeutic area	Product name and trade name in Chinese mainland	Description of product	Whether is included in the National Medical Insurance Drugs Catalogue	Photo of product
5	Anti-tumor and immune modulation	Han Bei Tai (bevacizumab injection)	This drug was approved for launch by the NMPA in November 2021. Its approved indications include: metastatic colorectal cancer, advanced, metastatic or recurrent non-small cell lung cancer, recurrent glioblastoma, epithelial ovarian cancer, etc..	Yes	
6		Su Ke Xin* (avatrombopag maleate tablets)	This drug was approved for launch by the NMPA in April 2020, and is the first oral drug approved for the treatment of thrombocytopenia related to chronic liver diseases in the world. Its approved indications include the selective thrombocytopenia treatment of adult patients with chronic liver disease (CLDT) undergoing diagnostic procedures or surgery and treatment of essential chronic immune thrombocytopenia (ITP) in adult patients with poor response from prior treatment.	Yes	
7		Otezla* (apremilast tablets)	This drug was approved for launch by the NMPA in August 2021, and is the world's first oral phosphodiesterase-4 (PDE4) inhibitor for the treatment of plaque psoriasis. Its approved indication is treatment for adult patients with moderate to severe plaque psoriasis who are suitable for phototherapy or systematic treatment.	Yes	
8		Akynzeo* (netupitant and palonosetron hydrochloride capsules)	This drug was approved for launch by the NMPA in August 2019, and is the world's first dual-channel fixed-dose combination oral compound preparation that simultaneously blocks both NK-1 receptors and 5-HT3 receptors. Its approved indication is prevention of acute and delayed nausea and vomit arising from highly emetogenic chemotherapy in adult patients.	Yes	
9		Pei Jin* (telpegfilgrastim injection)	This drug (new generation of long-lasting recombinant human granulocyte colonystimulating factor product) was approved for launch by the NMPA in June 2023, and is classified as class 1 new drug in China. Its approved indication is reduction of occurrence of infections expressed in form of febrile neutropenia in patients with non-myeloablative cancer when receiving myelosuppression anti-tumor drug treatment which can easily cause febrile neutropenia.	Yes	
10		Fu Ke Shu®* (anti-human T-lymphocyte rabbit immunoglobulin)	The product is a polyclonal antibody inhibitor. Its approved indications include the prevention of acute transplant rejection in patients receiving solid organ transplantation (SOT) and the treatment of acute rejections if the therapeutic effect of corticosteroid treatment has proven to be unsatisfactory.	Yes	

No.	Therapeutic area	Product name and trade name in Chinese mainland	Description of product	Whether is included in the National Medical Insurance Drugs Catalogue	Photo of product
11	Anti-tumor and immune modulation	Yi Kai Da* (ejilunsai injection)	This product was approved for launch by the NMPA in June 2021, and is the first CAR-T cell therapy product approved for domestic launch. Its approved indications include adult patients with relapsed or refractory large B-cell lymphoma (r/r LBCL) after prior second-line or higher systemic therapy, adults patients with large B-cell lymphoma (r/r LBCL) refractory to first-line immunochemotherapy or relapsing within 12 months of first-line immunochemotherapy (conditional approved). As at the end of the Reporting Period, this product has been included in over 110 urban customized commercial health insurances and over 80 commercial insurances, while the number of treatment centers on record exceeded 180, covering more than 28 provinces and municipalities across China.	No	
12	Metabolism and alimentary system	Atomolan (preparations for glutathione series)	This series include Atomolan (glutathione tablets) and Atomolan (glutathione for injection), both of them are class B drug under National Medical Insurance Drugs Catalogue and the basic medicine for liver diseases. In particular, Atomolan (glutathione tablets) are the first glutathione oral preparations in China, while Atomolan (glutathione for injection) is the first generic drug of its kind in China.	Yes	
13		Pang Bi Fu* (etelcalcetide hydrochloride injection)	This drug (new generation of calcimimetic) was approved for launch by the NMPA in May 2023. Its approved indication is treatment of secondary hyperparathyroidism (SHPT) of adult patients receiving hemodialysis treatment for chronic kidney disease (CKD).	No	
14		Bei Wen* (keverprazan hydrochloride tablets)	This drug (potassium ion competitive acid blocker (P-CAB)) was approved for launch by the NMPA in February 2023 and is classified as class 1 new drug in China. It is the first approved P-CAB with DU/RE double indications in China. Its approved indications include duodenal ulcer (DU), reflux esophagitis (RE), and eradication of Helicobacter pylori (H. pylori) in combination with appropriate antibiotics.	Yes	
15	Anti-infection	Antimalarial series such as artesunate	This series include Artesun and Argesun (artesunate for injection), SPAQ-CO (sulfadoxine pyrimidine dispersible tablets + amodiaquine dispersible tablets) and the D-ARTEPP series (dihydroartemisinin-piperaquine phosphate tablets) etc. In particular, artesunate is the first class 1 new drug in China. As at the end of the Reporting Period, the Group has a total of 36 antimalarial drugs (including APIs and preparations) with WHO PQ. The second generation of artesunate for injection (Argesun) was registered and approved in 25 countries. As at the end of the Reporting Period, the Group has supplied over 400 million doses of artesunate for injection across the world.	Some of products launched in Chinese mainland have been included	

No.	Therapeutic area	Product name and trade name in Chinese mainland	Description of product	Whether is included in the National Medical Insurance Drugs Catalogue	Photo of product
16	Cardiovascular system	Heparin series preparations	This series include enoxaparin sodium injection, heparin sodium injection, low molecular weight heparin for injection and nadroparin calcium injection etc. Heparin series preparations are mainly used for the prevention of thrombosis or treatment of embolism. The Group has the full industry chain supply capability for low-grade and high-grade heparin products, low-molecular heparin raw materials and preparations, and the sales network covers China, the United States, South America, Europe, the Middle East and Southeast Asia.	Some of products launched in the Chinese mainland have been included	
17		Yi Xin Tan* (sacubitril valsartan sodium tablets)	The drug was approved for launch by the NMPA in August 2023, and is a first-line drug for the treatment of heart failure and hypertension in an innovative crystalline form. Its approved indication is the treatment of essential hypertension. It can also be used in adult patients with chronic heart failure (NYHA class II-IV, LVEF≤40%) with reduced ejection fraction to mitigate risks of cardiovascular death and hospitalisation for heart failure.	Yes	
18	Rabies prophylaxis	Rabies vaccine (Vero cell) for human use, rabies vaccine (Vero cell) for human use (freeze dried)	Rabies vaccine (Vero cell) for human use and rabies vaccine (Vero cell) for human use (freeze dried) were approved for launch by the NMPA in September 2016 and March 2024 respectively. The approved indication is rabies prophylaxis. CTN-1V strain was used as its virus strain for production, whose gene sequence is closer to that of the street strain of prevailing rabies virus, and has better immune protection effect.	Rabies vaccine (Vero cell) for human use has been included	
19	Influenza prophylaxis	Influenza virus lysate vaccine	Influenza virus lysate vaccine includes adult dosage form and paediatric dosage form. The adult dosage form was approved for launch by the NMPA in November 2005, with a specification of 0.5ml/vial in pre-filled form; and the paediatric dosage form was approved for launch by the NMPA in July 2009, with a specification of 0.25ml/vial in pre-filled form. The approved indication is prevention of influenza caused by a parent strain of virus. The product is made from influenza A1, influenza A3 and influenza B virus strains as recommended by the WHO and approved by the NMPA. The product contains more active ingredient haemagglutinin than the standard required by the Chinese Pharmacopoeia to ensure its effectiveness.	No	

* Being the licensed-in innovative drug (product) of the Group.

II. SEGMENT PERFORMANCE OVERVIEW

1. Pharmaceutical manufacturing

Performance summary

The Group has proactively adjusted its business structure, and intensified its support and development efforts for innovative products. It has focused on core therapeutic areas, strengthened the integration of its business systems to promote flat marketing system management and constantly promote cost reduction and efficiency. During the Reporting Period, the pharmaceutical manufacturing segment of the Group recorded revenue of RMB28,776 million and segment results of RMB3,304 million, representing a year-on-year increase of 54.83%, and profit of RMB3,250 million, representing a year-on-year increase of 64.64%.

During the Reporting Period, while maintaining a relatively stable level of R&D intensity, the Group continued to optimize its innovation and R&D system, concentrated on quality pipeline assets and enhanced efficiency by integrating its R&D system. In 2024, the Group's R&D investment in the pharmaceutical manufacturing segment amounted to RMB4,910 million, accounting for 16.98% of its revenue from pharmaceutical manufacturing segment. R&D expenses were RMB3,071 million, accounting for 10.62% of its revenue from pharmaceutical manufacturing segment. In addition to self-initiated R&D, the Group also actively implemented an open R&D model by leveraging industry funds and other mechanisms to incubate innovative R&D projects, so as to ensure the sustainability of innovation R&D.

Revenue from major products of the Group in the major therapeutic areas during the Reporting Period is set out in the following table:

Unit: million Currency: RMB

Major therapeutic area	**2024**	2023	Year-on-year increase on the same basis *(%)*
Major products of anti-tumor and immune modulation *(Notes 1, 6)*	**8,085**	7,638	5.84
Major products of anti-infection *(Notes 2, 6)*	**3,126**	4,338	–27.95
Major products of metabolism and alimentary system *(Note 6)*	**2,793**	2,814	–0.73
Major products of cardiovascular system *(Notes 3, 6)*	**1,912**	1,677	14.00
Major products of central nervous system *(Notes 4, 6)*	**1,099**	1,392	–21.01
Major products of APIs and intermediate products *(Notes 5, 6)*	**1,106**	1,271	–12.97

Note 1: Mainly due to the combined effect of the sales growth of Pei Jin (telpegfilgrastim injection), Han Si Zhuang (serplulimab injection), Akynzeo (netupitant and palonosetron hydrochloride capsules), Han Bei Tai (bevacizumab injection), Han Qu You (trastuzumab injection) and trastuzumab drug substance, and the revenue contribution from Yi Kai Da (ejilunsai injection), as well as the sales decline of Su Ke Xin (avatrombopag maleate tablets).

Note 2: Mainly due to a significant decrease in demand for COVID-19 related products Jie Bei An (azvudine tablets) and a decline in sales of Sha Duo Li Ka (potassium sodium dehydroandrographolide succinate for injection).

Note 3: Mainly due to the revenue contribution mainly from the new product Yi Xin Tan (sacubitril valsartan sodium tablets) and the revenue growth of the heparin series of preparations.

Note 4: Mainly due to the sales decline of Ao De Jin (deproteinised calf blood serum injection) and Chang Tuo Ning (penehyclidine hydrochloride injection).

Note 5: Mainly due to lower sales of amino acid series.

Note 6: Major products of anti-tumor and immune modulation comprise: Han Qu You (trastuzumab injection) and trastuzumab drug substance, Han Li Kang (rituximab injection), Han Si Zhuang (serplulimab injection), Su Ke Xin (avatrombopag maleate tablets), Akynzeo (netupitant and palonosetron hydrochloride capsules), Ke Sheng (Xihuang capsules), Pei Jin (telpegfilgrastim injection), Kai Lai Zhi (epinastine hydrochloride capsules), Han Bei Tai (bevacizumab injection), Han Da Yuan (adalimumab injection), Fu Ke Shu (anti-human T-lymphocyte rabbit immunoglobulin), Zhao Hui Xian (bicalutamide tablets), Otezla (apremilast tablets), Yi Kai Da (ejilunsai injection), Yi Luo Ze/Tu Mei Si (pemetrexed disodium for injection), Han Nai Jia (neratinib maleate tablets), paclitaxel, oxaliplatin, ondansetron and Di Kai Mei (sorafenib tosylate tablets).

Major products of anti-infection comprise: antimalarial series such as artesunate, Cravit (levofloxacin tablets), Pai Shu Xi Lin (piperacillin sodium and tazobactam sodium for injection), anti-tuberculosis series, Cravit (levofloxacin injection), daptomycin, Xi Chang/Bi Li Shu (cefmetazole sodium for injection), micafungin, caspofungin, Sha Duo Li Ka (potassium sodium dehydroandrographolide succinate for injection), Qiang Shu Xi Lin/Qin Shu/Er Ye Qin (piperacillin sodium and sulbactam sodium for injection), He Pu Ding (lamivudine tablets), Sai Fu Nuo (cefminox sodium for injection), Comirnaty (mRNA COVID-19 vaccine), Er Ye Bi (ceftizoxime sodium for injection), vancomycin, rabies vaccine (Vero cell) for human use (freeze dried), Si Ke Ni (azithromycin capsules), rabies vaccine (Vero cell) for human use (non-freeze dried), Ka Di (flucloxacillin sodium for injection) and Jie Bei An (azvudine tablets).

Major products of metabolism and alimentary system comprise: You Li Tong (febuxostat tablets), Atomolan (glutathione tablets), Bei Yi (potassium chloride granules), animal insulin and its preparations, Ke Yi (new compound aloe capsules), Wan Su Jing (empagliflozin tablets), Li Qing (alfacalcidol tablets), Atomolan (glutathione for injection), Yi Bao (recombinant human erythropoietin for injection (CHO cells)), Wan Su Ping (glimepiride tablets), Bei Wen (keverprazan hydrochloride tablets), human insulin and its preparations and Pang Bi Fu (etelcalcetide injection).

Major products of cardiovascular system comprise: heparin series preparations, Bang Tan (telmisartan tablets), Yi Xin Tan (sacubitril valsartan sodium tablets), Ya Ni An (amlodipine besilate tablets), Bang Zhi (pitavastatin calcium tablets), Ke Yuan (calcium dobesilate capsules), You Di Er (alprostadil dried emulsion for injection), Xin Xian An (meglumine adenosine cyclophosphate for injection), Su Ka Xin (indapamide tablets) and Propranolol Hydrochoride injection.

Major products of central nervous system comprise: Qi Wei (quetiapine fumarate tablets), Chang Tuo Ning (penehyclidine hydrochloride injection), lorazepam tablets, Rocuronium Bromide, Qi Cheng (escitalopram oxalate tablets), Levomedetomidine and Ao De Jin (deproteinised calf blood serum injection).

Major products of APIs and intermediate products comprise: amino acid series, tranexamic acid, clindamycin hydrochloride and levamisole hydrochloride.

* The data of 2023 was restated according to the basis of 2024.

In 2024, there were a total of 49 preparations or series of products in the pharmaceutical manufacturing segment of the Group that each recorded sales of over RMB100 million, and details are as follows:

Currency: RMB

Sales during the Reporting Period	Number	Preparation varieties or series
Over 1 billion	4	Han Qu You (trastuzumab injection), Han Li Kang (rituximab injection), Han Si Zhuang (serplulimab injection), Heparin series preparations
500 million to 1 billion	3	Antimalarial series such as artesunate, You Li Tong (febuxostat tablets), Su Ke Xin (avatrombopag maleate tablets)
300 million to 500 million	4	Cravit (levofloxacin tablets), Atomolan (glutathione tablets), Yi Kai Da (ejilunsai injection), Akynzeo (netupitant and palonosetron hydrochloride capsules)
100 million to 300 million	38	38 varieties including Otezla (apremilast tablets), Han Da Yuan (adalimumab injection), Han Bei Tai (bevacizumab injection), Qi Wei (quetiapine fumarate tablets), Fu Ke Shu (anti-human T-lymphocyte rabbit immunoglobulin), Yi Xin Tan (sacubitril valsartan sodium tablets), Pei Jin (telpegfilgrastim injection)

Important events

- *1 new indication for serplulimab injection (anti-PD-1 monoclonal antibody) and its progress in overseas markets*

  During the Reporting Period, Han Si Zhuang (serplulimab injection), the self-developed innovative anti-PD-1 monoclonal antibody, obtained approval in Chinese mainland for the indication as a first-line treatment for non-squamous non-small cell lung cancer (nsNSCLC). This newly approved indication marks the third indication authorized in the field of lung cancer for the drug, following its previous approvals for squamous non-small cell lung cancer (sqNSCLC) and extensive-stage small cell lung cancer (ES-SCLC), thereby further expanding its coverage to broader patient populations. Additionally, as at the date of this announcement, the Marketing Authorization Application (MAA) for serplulimab injection (EU trade name: Hetronifly) in combination with carboplatin and etoposide for the first-line treatment of extensive-stage small cell lung cancer (ES-SCLC) in adult patients has been approved by EC. Consequently, the drug has obtained centralized marketing authorization across all EU member states, as well as Iceland, Liechtenstein, and Norway (collectively, European Economic Area countries). This approval establishes serplulimab as the first anti-PD-1 monoclonal antibody authorized by the EU for the treatment of extensive-stage small cell lung cancer (ES-SCLC).

  As at the date of this announcement, relevant indications for Han Si Zhuang (serplulimab injection) have been approved in Chinese mainland, including first-line treatment in combination with chemotherapy for squamous non-small cell lung cancer (sqNSCLC), extensive-stage small cell lung cancer (ES-SCLC), esophageal squamous cell carcinoma (ESCC), and non-squamous non-small cell lung cancer (nsNSCLC).

  With the successive approvals of multiple indications for serplulimab injection (anti-PD-1 monoclonal antibody) domestically and the smooth progress of overseas clinical trials, the drug has gained extensive international recognition for its superior efficacy and high-quality data. Its license-out now covers Europe, Southeast Asia, and the Middle East and North Africa, with international commercialization advancing systematically. During the Reporting Period, serplulimab injection (anti-PD-1 monoclonal antibody) was approved for marketing in Cambodia and Thailand. In January 2024, it received the Innovation Passport from the UK Innovative Licensing and Access Pathway Steering Group, which includes the Medicines and Healthcare Products Regulatory Agency (MHRA). In addition, the Group continues to advance the drug's commercialization in the U.S. market by establishing an U.S. innovative drug team covering medical affairs, market access, and sales functions as well as partnering with Syneos Health to provide commercialization support for the drug in the U.S..

Centered around the "Combo+Global" (combination therapy + internationalization) differentiated development strategy, serplulimab injection (anti-PD-1 monoclonal antibody) actively synergizes with other proprietary pipeline products. Multiple global clinical trials for combination therapies are currently underway, covering indications such as lung cancer, esophageal cancer, head and neck squamous cell carcinoma, colorectal cancer, and gastric cancer. In particular, a head-to-head bridging trial is progressing systematically in the U.S., comparing serplulimab with the first-line standard-of-care atezolizumab for extensive-stage small cell lung cancer (ES-SCLC). This trial aims to further support the drug's biologics license application in the U.S. market.

- *Increased Shareholding in Fosun Kairos (a cell therapy platform) to 100%*

  During the Reporting Period, Fosun Pharmaceutical Industrial, a subsidiary, increased its shareholding in Fosun Kairos to 100%, and continued to advance the development and commercialization cooperation of the existing licensed product Axi-Cel (namely, Fosun Kairos' launched product "Yi Kai Da") and Brexu-Cel (Fosun Kairos' projects in progress FKC889) with Kite Pharma in CAR-T cell therapy area in Chinese mainland, Hong Kong and Macau.

  Yi Kai Da (ejilunsai injection), the first CAR-T cell therapy product of Fosun Kairos, is authorized to carry out the localized production in Chinese mainland following the technology transfer of Yescarta, a CAR-T cell therapy product, from Kite Pharma, and was approved for launch in Chinese mainland in June 2021, becoming the first CAR-T cell therapy product approved for launch in Chinese mainland. As at the date of this announcement, its approved indications include (1) treatment of adult patients with relapsed or refractory large B-cell lymphoma (r/r LBCL) after prior second-line or higher systemic therapy, (2) treatment of adults patients with large B-cell lymphoma (r/r LBCL) refractory to first-line immunochemotherapy or relapsing within 12 months of first-line immunochemotherapy, and its third indication for the treatment of adult patients with relapsed or refractory inert non-Hodgkin's lymphoma (r/r iNHL) containing follicular lymphoma and marginal zone lymphoma), was at the bridging clinical trial stage in Chinese mainland and included in the breakthrough therapy drug program.

  In January 2024, Yi Kai Da introduced an innovative payment plan based on therapeutic effects in Chinese mainland, exploring a new path for payment mode of high-value innovative drugs in Chinese mainland. As at the end of the Reporting Period, benefitting over 800 patients with lymphoma in total, Yi Kai Da has been included in over 110 urban customized commercial health insurances and over 80 commercial insurances, while the number of treatment centers on record exceeded 180, covering more than 28 provinces and municipalities across China.

  In addition, as at the date of this announcement, the first indication (relapsed or refractory adult precursor B-cell acute lymphoblastic leukaemia (adult r/r ALL)) and the second indication (for the treatment of adult patients with relapsed or refractory mantle

cell lymphoma (r/r MCL) after prior second-line or higher systemic therapy) of Fosun Kairos' second CAR-T cell therapy product FKC889 are at the bridging clinical trial stage in Chinese mainland.

- *Progress of other pipeline products*

  During the Reporting Period, the Group continued to promote the R&D and industrialization of vaccines in its pipeline. In March 2024, rabies vaccine (Vero cell) for human use (freeze dried), which is independently developed by the Group, was approved for launch in Chinese mainland. In July 2024 and September 2024, the clinical trial applications for the Group's self-developed 23-valent pneumococcal polysaccharide vaccine and self-developed rabies vaccine (human diploid cells) for human use (freeze dried) were approved by the NMPA successively. In March 2025, the clinical trial application for the Group's self-developed 24-valent pneumococcal polysaccharide conjugate vaccine was also approved in Chinese mainland.

  At the same time, during the Reporting Period, the established medicines manufacturing & supply business of the Group continued to optimize the life cycle management of established medicines on the product end, focusing on the independent R&D of first generic drugs, difficult and complex preparations and improvement of new drugs, grasped highly fit expansion opportunities, enriched pipelines, improved the capability and efficiency of the system, and actively promoted the overseas commercialization of preparations. During the Reporting Period, a total of 79 generic drugs varieties of the Group (including 43[2] domestic varieties and 36 overseas varieties) were approved for launch both domestically and internationally. In particular, isepamicin sulfate injection of Beijing Jnova, a subsidiary, is the first generic drugs approved for launch in Chinese mainland. In addition, a total of five drugs, including Shenyang Hongqi's cycloserine capsules, enzalutamide soft capsules, Yao Pharma's beprost sodium tablets, risperidone orally disintegrating tablets and carboplatin injection, are among the top five generic drugs in Chinese mainland. A total of four drugs, including Suzhou Erye's oxacillin sodium for injection, Guilin Pharma's bumetanide injection and Yao Pharma's epinastine hydrochloride capsule and propranolol hydrochoride injection, are the first production passing consistency evaluation among similar varieties domestically.

R&D innovation

The Group has established an open and globalized pharmaceutical innovation and R&D system that integrates independent R&D, cooperative development, licensed-in projects and industrial investment, which focuses on the core therapeutic areas of tumors (solid tumors, hematological tumors) and immuno-inflammatory diseases, with emphasis on the enhancement of the core technology platforms of antibody/ADC, cellular therapy and small molecules. The Group also cooperated with industry funds in the deployment of nuclear drug, RNA, gene

[2] Including import drug license

therapy, AI drug R&D and other cutting-edge technologies. These efforts aims to continuously enhance our core R&D capabilities and pipeline value, and facilitate the R&D process of more blockbuster products in order to achieve commercialization.

To advance the Group's innovation strategy with excellence and enhance R&D efficiency, a Scientific Advisory Board ("SAB") at the group level, mainly composed of an external think tank, has been established to assist the management of the Group in formulating and optimizing the medium-and-long-term innovation strategy, and to provide strategic guidance and insights. In terms of improving the internal innovation management structure, by introducing senior scientists and high-level talents, the capabilities in early-stage R&D, CMC, clinical medicine, clinical operations, etc. have been comprehensively enhanced. By establishing a pipeline committee composed of internal experts to strengthen synergies and optimize the allocation of R&D resources, the improvement of the quality and effectiveness of innovative R&D has been promoted. In addition, through lean R&D projects, leveraging on the INNOX digital management system, the process management in areas such as R&D project approval, budget management, decision-making mechanisms for major milestones, etc. have been continuously optimized.

During the Reporting Period, a total of 7 innovative drugs/biosimilars independently developed by the Group or introduced through licensing, with a total of 16 indications[3], and 79 generic drug varieties (including 43 domestic varieties[4] and 36 overseas varieties) were approved both domestically and internationally; 4 innovative drugs/biosimilars, and 81 generic drug varieties (including 55 domestic varieties[4] and 26 overseas varieties) were applied for launch both domestically and internationally. In addition, a total of 18 innovative drugs/ biosimilars (counted on indications) were approved for clinical trial during the Reporting Period. During the Reporting Period, a total of 220 patents had been applied for in the pharmaceutical manufacturing segment of the Group, including 3 U.S. patent applications and 18 PCT applications; and 66 licensed invention patent authorization were obtained.

The Group's innovation achievements under the guidance of the innovation strategy have also received attention and recognition from the international academic community, and its global academic influence has been continuously enhanced. During the Reporting Period, the Group released the clinical data for multiple pipeline candidates and marketed products at global industry academic conferences such as the American Society of Clinical Oncology (ASCO), the Annual Meeting of the American Association for Cancer Research (AACR), the European Society for Medical Oncology (ESMO), the World Conference on Lung Cancer (WCLC), the Congress of the European Hematology Association (EHA), and in global top journals such as the New England Journal of Medicine (NEJM) and The Lancet (Lancet).

For the updated progress of the main R&D pipelines of the Group during the Reporting Period, please refer to Schedule 2.

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[3] Counted on the number of indications listed on the regulatory approvals received domestically and overseas

[4] Including import drug licenses

Table 2 — Updates on major R&D pipelines during the Reporting Period

Progress during the Reporting Period	Drug name/code	Drug category	IND approved	Phase I	Phase II	Phase III	NDA accepted	Approved for launch	Remarks
Approved for launch	Trastuzumab injection (trade name in Chinese mainland: Han Qu You, trade name in the United States: HERCESSI™, trade name in Canada: Adheroza)	Biological product	(1) Adjuvant therapy for HER2-expressing breast cancer; (2) Therapy for HER2-expressing metastatic breast cancer; (3) Therapy for HER2-expressing metastatic gastric adenocarcinoma or gastroesophageal junctional adenocarcinoma (U.S.)						—
			(1) early breast cancer, (2) metastatic breast cancer, (3) metastatic gastric cancer (Canada)						—
	Serplulimab injection (trade name in Chinese mainland: Han Si Zhuang)	Therapeutic biological product	1 new indication added: In combination with pemetrexed and carboplatin for the first-line treatment of patients with epidermal growth factor receptor (EGFR) mutation- negative and anaplastic lymphoma kinase (ALK) gene rearrangement-negative locally advanced or metastatic non-squamous non-small cell lung cancer (NSCLC) that cannot be removed through surgery						—
	Adalimumab injection (trade name in Chinese mainland: Han Da Yuan)	Therapeutic biological product	4 new indications added: (1) polyarticular juvenile idiopathic arthritis, (2) pediatric plaque psoriasis, (3) Crohn's Disease, (4) pediatric Crohn's Disease						—
	Rabies vaccine (Vero cell) for human use (freeze dried)	Preventive biological product	Rabies prophylaxis						—
	Botulinum toxin type A for injection (trademark in Chinese mainland: 達希麦®)	Therapeutic biological product	Temporary improvement in the appearance of moderate to severeglabellar lines associated with corrugator and/or procerus muscle activity in adults						—
			Treatment for cervical dystonia in adults						—
	Avatrombopag maleate tablets (trade name in Chinese mainland: Su Ke Xin)	Chemical drug	1 new indications added for the chronic immune thrombocytopenia (ITP) in adult patients with poor response from prior treatment						—
	Pretomanid tablets (trade name in Chinese mainland: Pu Rui Ni)	Chemical drug	As part of a bedaquiline and linezolid combination regimen for the treatment of adult patients with tuberculosis (TB) who exhibit resistant to isoniazid, rifampicin, a fluoroquinolone, and a second-line injectable antimicrobial drug, or who demonstrate resistance to isoniazid and rifampicin alongside intolerance or non-response to standardized treatment						—
NDA review	Serplulimab injection (trade name in EU: Hetronifly)	Biological product	Combined carboplatin and etoposide for first-line treatment of adult patients with extensive-stage small cell lung cancer (ES-SCLC) (EU)						*Note 1*
	Tenapanor hydrochloride tablets (trade name in Chinese mainland: 萬緹樂)	Chemical drug	Serum phosphorus level control in adult dialysis patients with chronic kidney disease (CKD) who exhibit inadequate or intolerant efficacy of phosphorus binding agents						*Note 2*
NDA accepted	Luvomeitinib tablets (FCN-159)	Chemical drug	For the treatment of adult dendritic cell and histiocytic nesplasms						*Note 3*
			For the treatment of NF1 (type 1 neurofibroma)-associated plexiform neurofibromas (PN) in children aged 2 years and over						
	HLX14 (recombinant anti-RANKL fully human monoclonal antibody injection)	Biological product	(1) treatment of osteoporosis in postmenopausal women and men at high risk for fracture, (2) treatment for bone loss associated with hormone ablation in male patients with prostate cancer at high risk of fracture, (3) treatment for bone loss related to long-term systemic glucocorticoid therapy in adult patients at high risk of fracture, (4) prevention of skeletal-related events in adult patients with advanced bone malignancies, (5) treatment for patients with post-surgery giant cell tumor of the bone that is unresectable or may lead to severe functional impairment, including both adult and skeletally mature adolescent patients (Europe)						—
			Used for the treatment of osteoporosis in postmenopausal women at high risk of fractures and/or other indications consistent with the reference drug label (Canada, U.S.)						—
	HLX11 (recombinant anti-HER2 domain II humanized monoclonal antibody injection)	Therapeutic biological product	In combination with trastuzumab and chemotherapy as adjuvant treatment of patients with HER2-positive early breast cancer at high risk of recurrence; and use in combination with trastuzumab and docetaxel for treatment of patients with HER2-positive, metastatic or unresectable local recurrent breast cancer who have not received prior anti-HER2 therapy or chemotherapy for metastatic disease						—
	SBK010 oral medicine	Chemical drug	For the treatment of mild to moderate acute ischemic stroke						—

Progress during the Reporting Period	Drug name/code	Drug category	IND approved	Phase I	Phase II	Phase III	NDA accepted	Approved for launch	Remarks
Under phase III clinical study	Serplulimab injection (trade name in Chinese mainland: Han Si Zhuang)	Therapeutic biological product	First-line treatment for metastatic colorectal cancer (mCRC) (Chinese mainland/international multi-center, Japan/international multi-center#)						In combination with bevacizumab and chemotherapy
	OP0595 (Nacubactam for injection)	Chemical drug	Treatment of adults infected by aerobic gram-negative bacteria with limited options						In combination with cefepime or aztreonam, *Note 4*
	HLX22 (anti-human epidermal growth factor receptor-2 (HER2) humanized monoclonal antibody injection)	Therapeutic biological product	In combination with trastuzumab and chemotherapy (XELOX) versus trastuzumab and chemotherapy (XELOX) with or without pembrolizumab for the first-line treatment of locally advanced or metastatic gastroesophageal junctional adenocarcinoma and gastric cancer (GC) (Chinese mainland/international multi-center)						In combination with trastuzumab
	HLX78# (lasofoxifene tablets)	Chemical drug	For the treatment of ESR1 mutations in ER+/HER2- breast cancer (Chinese mainland/international multi-center)						*Note 5*
Under phase II clinical study	HLX53# (anti-TIGIT Fc fusion protein)	Therapeutic biological product	First-line treatment of locally advanced or metastatic hepatocellular carcinoma (HCC)						In combination with Han Si Zhuang (serplulimab injection) and Han Bei Tai (bevacizumab injection)
Under phase I clinical study	HLX6018# (innovative anti-GARP/TGF-β1 monoclonal antibody)	Therapeutic biological product	For the treatment of idiopathic pulmonary fibrosis						—
	XH-S004#	Chemical drug	For the treatment of non-cystic fibrosis bronchiectasis						—
	HLX42 (antibody-drug conjugate targeting EGFR with novel DNA topoisomerase I inhibitor)	Therapeutic biological product	For the treatment of advanced/ metastatic solid tumor						—
	XS-02#	Chemical drug	For the treatment of advanced solid tumors						—
	FH-2001#	Chemical drug	For the treatment of advanced solid tumors						In combination with serplulimab injection
IND approved	HLX43 (antibody-drug conjugate targeting PD-L1 with novel DNA topoisomerase I inhibitor)	Therapeutic biological product	For the treatment of advanced/metastatic solid tumors						—
	FCN-338	Chemical drug	For the treatment of systemic light chain amyloidosis						—
			For the treatment of chronic lymphoblastic leukaemia/small lymphocytic lymphoma						In combination with FCN-64
	GCK-01	Therapeutic biological product	For the treatment of relapsed or chemotherapy- resistant follicular lymphoma						—

Progress during the Reporting Period	Drug name/code	Drug category	IND approved	Phase I	Phase II	Phase III	NDA accepted	Approved for launch	Remarks
IND approved	HLX22 (anti-human epidermal growth factor receptor-2) (HER2) humanized monoclonal antibody injection)	Biological product	First-line treatment of HER2-positive advanced gastric cancer (GC) (U.S., Japan)						In combination with trastuzumab and chemotherapy
			For the treatment of HER2-expressing solid tumors						In combination with trastuzumab and/or chemotherapy, or in combination with trastuzumab deruxtecan
	23-valent pneumococcal polysaccharide vaccine	Preventive biological product	Prevention of pneumococcal diseases						*Note 6*
	Rabies vaccine (human diploid cells) for human use (freeze dried)	Preventive biological product	Rabies prophylaxis						*Note 7*
	XS-04	Chemical drug	For the treatment of hematological malignancies						—
	HLX17 (recombinant anti-PD-1 humanised monoclonal antibody injection)	Therapeutic biological product	For the treatment of melanoma, non-small cell lung cancer, esophageal cancer, head and neck squamous cell carcinoma						—

Innovative drugs approved for clinical trial and had commenced respective clinical study during the Reporting Period.

Note 1: In February 2025, the marketing authorization application (MAA) for serplulimab injection (anti-PD-1 monoclonal antibody) for this indication was approved by the EC.

Note 2: In February 2025, the NDA for 萬緹樂 (Tenapanor hydrochloride tablets) for this indication was approved by the NMPA.

Note 3: The two indications have been included in the priority review.

Note 4: During the Reporting Period, two of the Phase III clinical studies for the combination dosing of OP0595, and cefepime or aztreonam for the treatment of adults infected by aerobic gram-negative bacteria with limited treatment options, were commenced in Chinese mainland.

Note 5: In May 2024, HLX78 was approved by the NMPA to carry out the Phase I clinical trial for healthy subjects and the Phase III of international multi-center clinical trial in Chinese mainland (such new drug is used in combination with abemaciclib for the treatment of pre/postmenopausal women and men with locally advanced or metastatic breast cancer with disease progression, harboring estrogen receptor 1 (ESR1) mutations, estrogen receptor positive (ER+), human epidermal growth factor receptor 2-negative (HER2-) during receiving treatment of aromatase inhibitors (AI) in combination with cyclindependent kinases (CDK 4/6) inhibitors).

Note 6: In July 2024, the application for Phase I and Phase III clinical trials of the 23-valent pneumococcal polysaccharide vaccine was approved by the NMPA.

Note 7: In September 2024, the application for Phase I and Phase III clinical trials of the Group's rabies vaccine (human diploid cells) for human use (freeze dried) was approved by the NMPA.

As at the end of the Reporting Period, there were over 80 major pipeline projects of the Group on innovative drugs and biosimilars (calculated by indications); for details on major pipeline drug projects of the Group, please refer to Table 3 to Table 7.

Table 3 — Small molecular innovative drugs under independent development

No.	Therapeutic area	Drug name/code	Indications	R&D progress in Chinese mainland as at the end of the Reporting Period	R&D progress in other countries as at the end of the Reporting Period
1	Anti-tumor	FCN-338	Hematological malignancies	Phase I clinical trial	Phase I clinical trial (U.S.)
2			Relapsed or refractory B-celllymphoma	Phase I clinical trial	
3			Treatment of myeloid malignancies in combination with azacitidine or chemotherapy	Phase II clinical trial	—
4		Luvometinib tablets (FCN-159)	Neurofibromatosis type 1 (children)	NDA	—
5			Neurofibromatosis type 1 (adult)	Phase III clinical trial	—
6			Dendritic cell and histiocyte neoplasms in adults	NDA	—
7			Low-grade gliomas	Phase II clinical trial	—
8			Langerhans cell histiocytosis in children	Phase II clinical trial	—
9		Dimethyl malonate furmonertinib capsules (SAF-189)	Non-small cell lung cancer (ROS1+)	Phase II clinical trial	Approved for clinical trial (U.S.)
10			Non-small cell lung cancer (ALK+)	Phase III clinical trial[Note 1]	
11		Citric acid vovonsertib gel (FCN-437c)	Breast cancer 1L	Phase III clinical trial[Note 2]	—
12			Breast cancer 2L	NDA	—
13		YP01001	Advanced solid tumor	Phase I clinical trial	—
14		FH-2001	Advanced malignant solid tumor	Phase Ib/II clinical trial	—
15		FH-2001+ Serplulimab injection	Advanced solid tumor	Phase I clinical trial	—
16		XS-03	RAS-mutated advanced solid tumor	Phase I clinical trial	—
17		XS-04	Hematological malignancies	Approved for clinical trial	—
18		XS-02	Advanced solid tumor	Phase I clinical trial	—
19	Others	ET-26	Anesthesia	Phase III clinical trial	—
20		Luvometinib tablets (FCN-159)	Arteriovenous malformations	Phase II clinical trial	—
21		XH-S003	IgA nephropathy and other glomerular diseases with abnormal complement activation	Phase I clinical trial[Note 3]	Phase I clinical trial (Australia)
22		XH-S004	Non-cystic fibrous bronchial dilation	Phase I clinical trial	—
23		FCN-338	Systemic light chain Amyloidose	Approved for clinical trial	—

Note 1: In March 2025, the NDA for Dimethyl malonate furmonertinib capsules (project code: SAF-189) was accepted by the NMPA. The indication applied is for the treatment of patients with locally advanced or metastatic non-small cell lung cancer (NSCLC) who are positive for anaplastic lymphoma kinase (ALK).

Note 2: In January 2025, the NDA for Citric acid vovonsertib capsules (Project Code: FCN-437c) was accepted by the NMPA. The indication applied is for locally advanced or metastatic breast cancer in hormone receptor (HR) positive and human epidermal growth factor receptor 2 (HER2) negative patients, to be used in combination with aromatase inhibitors as initial endocrine therapy for premenopausal, postmenopausal, and perimenopausal women with breast cancer.

Note 3: In January 2025, a Phase II clinical trial of XH-S003 capsule for the treatment of IgA nephropathy and other glomerular diseases with abnormal complement activation was initiated in Chinese mainland.

Table 4 — Biopharmaceutical innovative drugs under independent development

No.	Therapeutic area	Drug name/code	Indications	R&D progress in Chinese mainland as at the end of the Reporting Period	R&D progress in other countries as at the end of the Reporting Period
1	Anti-tumor	Han Si Zhuang (serplulimab injection) + chemotherapy	Squamous non-small cell lung cancer (sqNSCLC)	Launched	Phase III clinical trial (international multi-center)
2			Extensive-stage small cell lung cancer (ES-SCLC)	Launched	Marketing authorization application (EU)[Note 1] Bridging trial (U.S.)
3			Non-squamous non-small cell lung cancer (nsNSCLC)	Approved for launch	—
4			Neo-/adjuvant treatment of gastric cancer (GC)	Phase III clinical trial	—
5		Han Si Zhuang (serplulimab injection) + chemotherapy + radiotherapy	Limited-stage small cell lung cancer (LS-SCLC)	Phase III clinical trial (international multi-center)	
6		Han Si Zhuang (serplulimab injection) + bevacizumab + chemotherapy	Metastatic colorectal cancer (mCRC)	Phase III clinical trial (international multi-center)	
7		Han Si Zhuang (serplulimab injection) + HLX07 (recombinant anti-EGFR humanized monoclonal antibody injection)	Recurrent or metastatic head and neck squamous cell carcinoma (HNSCC)	Phase II clinical trial	—
8			Squamous non-small cell lung cancer (sqNSCLC)	Phase II clinical trial	—
9		HLX07 (recombinant anti-EGFR humanized monoclonal antibody injection)	Solid tumor	Phase Ib/II clinical trial	Approved for clinical trial (U.S.)
10			Locally advanced or metastatic cutaneous squamous cell carcinoma (CSCC)	Phase II clinical trial	Approved for clinical trial (U.S.)
11		HLX26 (recombinant anti-LAG-3 humanized monoclonal antibody injection) + Han Si Zhuang (serplulimab injection) + chemotherapy	Advanced non-small cell lung cancer (NSCLC)	Phase II clinical trial	—
12		HLX53 (anti-TIGIT Fc fusion protein)	Solid tumor and lymphoma	Phase I clinical trial	—
13		HLX53 (anti-TIGIT Fc fusion protein) +Han Si Zhuang (serplulimab injection) + Han Bei Tai (bevacizumab injection)	First-line treatment of locally advanced or metastatic hepatocellular carcinoma (HCC)	Phase II clinical trial	—
14		HLX42 (antibody-drug conjugate targeting EGFR with novel DNA topoisomerase I inhibitor)	Advanced/metastatic solid tumor	Phase I clinical trial	Approved for clinical trial (U.S.)
15		HLX43 (antibody-drug conjugate targeting PD-L1 with novel DNA topoisomerase I inhibitor)	Advanced/metastatic solid tumor	Phase I clinical trial[Note 2]	Approved for clinical trial (U.S.)
16		VT-101	Advanced head and neck squamous cell carcinoma, melanoma, breast cancer and other solid tumors	Approved for clinical trial	Approved for clinical trial (U.S.)
17		GCK-01	Relapsed or chemotherapy-resistant follicular lymphoma	Approved for clinical trial	—

No.	Therapeutic area	Drug name/code	Indications	R&D progress in Chinese mainland as at the end of the Reporting Period	R&D progress in other countries as at the end of the Reporting Period
18	Others	HLX04-O (recombinant anti-VEGF humanized monoclonal antibody injection)	Wet age-related macular degeneration (wAMD)	Phase III clinical trial	Phase III clinical trial (international multi-center)
19		HLX6018 (innovative anti-GARP/TGF-β 1 monoclonal antibody)	Idiopathic pulmonary fibrosis	Phase I clinical trial	—

Note 1: In February 2025, the marketing authorization application (MAA) for Serplulimab Injection (an anti-PD-1 monoclonal antibody, EU trade name: Hetronifly) in combination with carboplatin and etoposide for the first-line treatment of adult patients with extensive-stage small cell lung cancer (ES-SCLC) was approved by EC.

Note 2: In January 2025, a Phase II clinical trial of HLX43 for the treatment of recurrent/metastatic esophageal squamous cell carcinoma (ESCC) was initiated in Chinese mainland.

Table 5 — Licensed-in innovative drugs

No.	Therapeutic area	Drug name/code	Indications	R&D progress in major licensed territory as at the end of the Reporting Period
1	Anti-tumor	FS-1502 (recombinant HER2 humanized monoclonal antibody-monomethyl auristatin F conjugate for injection)	HER2-positive locally advanced or metastatic breast cancer	Chinese mainland: Phase III clinical trial
2			HER2-expressing advanced malignant solid tumors	Chinese mainland: Phase II clinical trial
3		FS-1502 (recombinant HER2 humanized monoclonal antibody-monomethyl auristatin F conjugate for injection) in combination with serplulimab and/or chemotherapy	HER2-expressing advanced gastric cancer	Chinese mainland: Phase II clinical trial
4		HLX78 (lasofoxifene tables)	Breast cancer	Chinese mainland: Phase III clinical trial (international multi-center)
5		HLX208 (BRAF V600E inhibitor)	Solid tumor (metastatic colorectal cancer, non-small cell lung cancer, etc.), LCH and ECD	Chinese mainland: Phase II clinical trial
6		HLX208 (BRAF V600E inhibitor) + serplulimab injection	BRAF V600E or BRAF V600 mutation-positive advanced solid tumor (non-small cell lung cancer)	Chinese mainland: Phase II clinical trial
7		HLX22 (anti-human epidermal factor receptor-2 (HER2) humanized monoclonal antibody injection) + standardized treatment (trastuzumab + chemotherapy)	HER2-positive locally advanced or metastatic gastroesophageal junction and gastric cancer (GC)	Chinese mainland: Phase III clinical trial (international multi-center)
8			First-line treatment of HER2-positive advanced gastric cancer (GC)	U.S.: Approved for clinical trial Japan: Approved for clinical trial

No.	Therapeutic area	Drug name/code	Indications	R&D progress in major licensed territory as at the end of the Reporting Period
9	Anti-tumor	HLX22 (anti-human epidermal growth factor receptor-2 (HER2) humanized monoclonal antibody injection) + standardized treatment (trastuzumab + chemotherapy)/deruxtecan	HER2-expressing solid tumors	Chinese mainland: Approved for clinical trial
10		HLX22 (anti-human epidermal growth factor receptor-2 (HER2) humanized monoclonal antibody injection) + serplulimab injection + standardized treatment (trastuzumab + chemotherapy)	HER2-positive advanced gastric cancer (GC)	Chinese mainland: Approved for clinical trial
11		SVN53–67/M57-KLH peptide vaccine (SurVaxM)	Primary diagnosis of glioblastoma	Chinese mainland: Approved for clinical trial
12	Anti-infection	Pu Rui Ni (Pretomanid tablets)	Extensively drug-resistant (XDR) or multidrug-resistant tuberculosis (MDR-TB) with treatment intolerance/low efficacy of treatment	Chinese mainland: Approved for launch Hong Kong: Marketed
13		OP0595 (Nacubactam) + cefepime or aztreonam	Treatment of adults infected by aerobic gram-negative bacteria with limited options	Chinese mainland: Phase III clinical trial
14	Central nervous system	Opicapone capsules	Parkinson syndrome	Chinese mainland: NDA
15		SBK010	Light to moderate acute ischemic stroke	Chinese mainland: NDA
16	Blood system	Su Ke Xin (Avatrombopag maleate tablets)	Chronic immune thrombocytopenia (ITP)	Chinese mainland: Approved for launch
17		萬緹樂 (Tenapanor hydrochloride tablets)	Controlling serum phosphorus levels in adult dialysis patients with chronic kidney disease (CKD) who have insufficient response to or are intolerant of phosphate binders	Chinese mainland: NDA*Note*
18		Fu Ke Shu® (anti-human T-lymphocyte rabbit immunoglobulin)	Prevent graft-versus-host disease (GvHD) after the hematopoietic stem cell transplantation	Chinese mainland: Approved for clinical trial
19	Others	達希斐® (botulinum toxin type A for injection)	Moderate to severe glabellar lines in adults (GL)	Chinese mainland: Approved for launch
20			Cervical dystonia in adults (CD)	Chinese mainland: Approved for launch
21		Fortacin spray (lidocaine prilocaine spray)	Premature ejaculation	Chinese mainland: Phase III clinical trial

Note: In February 2025, the NDA for 萬緹樂 (Tenapanor hydrochloride tablets) was approved by the NMPA, with the approved indication for controlling serum phosphorus levels in adult dialysis patients with chronic kidney disease (CKD) who have insufficient response to or are intolerant of phosphate binders.

Table 6 — Biosimilars under independent development

No.	Therapeutic area	Drug name/code	Indications	R&D progress in Chinese mainland as at the end of the Reporting Period
1	Anti-tumor	HLX11 (recombinant anti-HER2 domain II humanized monoclonal antibody injection)	Neoadjuvant treatment of BC	NDA
2		HLX05 (recombinant anti-EGFR human/murine chimeric monoclonal antibody injection)	Metastatic colorectal cancer (mCRC) and metastatic head and neck squamous cell carcinoma (HNSCC)	Phase I clinical trial
3		HLX13 (recombinant anti-CTLA-4 fully human monoclonal antibody injection)	Melanoma, renal cell carcinoma, colorectal cancer, hepatocellular carcinoma, non-small cell lung cancer, malignant pleural mesothelioma and esophageal squamous cell carcinoma	Phase I clinical trial
4			Liver cancer	Approved for clinical trial
5		HLX15 (recombinant anti-CD38 fully human monoclonal antibody injection)	Multiple myeloma (MM)	Phase I clinical trial
6		HLX17 (recombinant anti-PD-1 humanized monoclonal antibody injection)	Melanoma, non-small cell lung cancer, esophageal cancer, head and neck squamous cell carcinoma, etc.	Approved for clinical trial
7	Metabolism and alimentary system	Mixed protamine zinc recombinant insulin lispro injection (50R)	Diabetes	Approved for launch
8		Mixed protamine zinc recombinant insulin lispro injection (25R)	Diabetes	NDA
9		Semaglutide injection	Diabetes	Phase III clinical trial
10		Liraglutide injection	Diabetes	Phase III clinical trial
11		Insulin degludec injection	Diabetes	Phase III clinical trial
12	Others	HLX14 (recombinant anti-RANKL fully human monoclonal antibody injection)	Osteoporosis (OP), etc.	Applied for launch (Europe, Canada, U.S.)

Table 7 — Pipeline vaccines

No.	Therapeutic Area	Drug Name/Code	Indication	R&D Progress in Chinese mainland as at the end of the Reporting Period
1	Anti-infection	Rabies Vaccine (Vero Cells) for human use (freeze-dried)	Rabies prophylaxis	Approved for launch
2		13-valent pneumococcal conjugate vaccine (multivalent combinations)	Prevention of pneumococcal related diseases	Phase III clinical trial
3		Rabies Vaccine (Human Diploid Cells) for human use (freeze-dried)	Rabies prophylaxis	Approved for clinical trial
4		23-valent Pneumococcal Polysaccharide Vaccine	Prevention of related pneumococcal diseases	Approved for clinical trial
5		24-valent Pneumococcal Polysaccharide Conjugate Vaccine	Prevention of related pneumococcal diseases	*Note*

Note: In March 2025, the clinical trial application for the 24-valent Pneumococcal Polysaccharide Conjugate Vaccine was approved by the NMPA. It is intended to be used for the prevention of infectious diseases caused by pneumococcal serotypes 1, 2, 3, 4, 5, 6A, 6B, 7F, 8, 9N, 9V, 10A, 11A, 12F, 14, 15B, 17F, 18C, 19A, 19F, 20, 22F, 23F and 33F.

As at the end of the Reporting Period, a total of 42 products of the Group that had passed or deemed to have passed the consistency evaluation of generic drugs were selected in ten batches of national centralized procurement in bulk and the insulin specialty successive procurement bidding. In particular, for the details of the results of the insulin specialty successive procurement (implemented since May 2024), and the tenth batch of centralized procurement (to be implemented since April 2025), both of which were conducted during the Reporting Period, please refer to Table 8 — Products won tenders for centralized procurement during the Reporting Period. For the existing products included in centralized procurement, the Group leveraged the advantages of multi-channel marketing and lean production to strengthen the life cycle management of centralized procurement products while sacrificing price for volume, and actively promoted incremental products to quickly enter the market through centralized procurement and effectively smoothen the impact of centralized procurement to existing products.

Table 8 — Products won tenders for centralized procurement during the Reporting Period

(Specification, packaging and centralized procurement price of the drugs listed in the announced selection result)

No.	Round selected	Name of drugs	Indications	Specification and Packaging	Charge unit	Centralized Procurement Price (RMB)
1	Insulin speciatly successive procurement *Note*	Insulin lispro injection	Diabetes	3ml:300 unit (refill) *1 vial	Vial	35.35
2		Insulin glargine injection	Diabetes	3ml:300 unit (refill) *1 vial	Vial	65.33
3	Tenth batch	Aspirin Enteric-coated Tablets	Unstable angina pectoris (part of standard treatment); acute myocardial infarction (part of standard treatment); prevention of the recurrence of myocardial infarction; after arterial vascular surgery or interventional surgery, such as aorto-coronary arterial saphenous vein bypass grafting, percutaneous coronary transluminal angioplasty; prevention of transient ischemic attack (TIA) and prevention of cerebral infarction after early symptoms have appeared.	100mg*14 tablets/plate × 4 plates/ box	Box	2.61
4		Potassium Chloride Granules	For the treatment and prevention of hypokalemia with or without metabolic alkalosis in patients who do not respond well to dietary management through potassium-rich foods or diuretic dose reduction.	Each bag contains potassium chloride 1.0g*6 bags/box	Box	1.30
5		Latamoxef Sodium for Injection	For the treatment of infections caused by susceptible bacteria, including: sepsis, meningitis, respiratory infections (pneumonia, bronchitis, bronchiectasis, lung abscess, empyema, etc.), digestive system infections (cholangitis, cholecystitis, etc.), intraperitoneal infections (liver abscess, peritonitis, etc.), urinary and reproductive infections (pyelonephritis, cystitis, urethritis, gonorrhea, epididymitis, intrauterine infection, uterine adnexitis, pelvic inflammatory, etc.), skin and soft tissue infections, bone and joint infections, and wound infections.	0.5g*1 bottle/bottle	Bottle	8.00
6		Ampicillin Sodium and Sulbactam Sodium for Injection	For the treatment of infections caused by susceptible bacteria. Typical indications include: sinusitis, otitis media, epiglottitis, bacterial pneumonia and other upper and lower respiratory tract infections; urinary tract infections and pyelonephritis; intra-abdominal infections such as peritonitis, cholecystitis, endometritis, pelvic cellulitis; bacterial septicemia of infections of the skin, soft tissues, bones, and joints; gonococcal infections. During the perioperative period, this medication may also be administered via injection to reduce the incidence of wound infections in patients following abdominal and pelvic surgeries, as wound infections may lead to peritoneal infections. In cases of pregnancy termination or cesarean section, Ampicillin Sodium and Sulbactam Sodium for Injection can be used prophylactically to reduce the risk of postoperative sepsis.	0.75g*1 bottle/bottle	Bottle	1.45
7		Piperacillin Sodium for Injection	For the treatment of infections of septicemia caused by susceptible Enterobacteriaceae, Pseudomonas aeruginosa, and Acinetobacter species; upper urinary tract and complicated urinary tract infections; respiratory tract infections; biliary tract infections; intra-abdominal infections; pelvic infections; skin and soft tissue infections. Piperacillin, in combination with aminoglycosides, is also indicated for infections in immunocompromised patients with neutropenia.	1g*1 bottle/box	Bottle	1.23
8		Ampicillin Sodium for Injection	For the treatment of infections caused by susceptible bacteria, including: respiratory tract infections; gastrointestinal infections; urinary tract infections; soft tissue infections; endocarditis; meningitis; septicemia etc.	1g*1 bottle/box	Bottle	1.41
9		Penicillin Sodium for Injection	For the treatment of each infection caused by susceptible bacteria, such as abscesses, bacteremia, pneumonia, and endocarditis.	800,000 units*1 bottle/bottle	Bottle	0.56
10		Sitagliptin Phosphate Tablets	Monotherapy: This product, in conjunction with dietary management and exercise, is indicated to improve glycemic control in patients with type 2 diabetes mellitus. Combination therapy with metformin: When glycemic control is inadequate with metformin hydrochloride monotherapy, this product may be used in combination with metformin hydrochloride to improve glycemic control in patients with type 2 diabetes mellitus, in conjunction with diet and exercise.	100mg*30 tablets/bottle	Bottle	5.59

Note : The Group's products selected in the sixth batch of national centralized procurement, Human Insulin Injection and Protamine Human Mixed Insulin Injection (30R), were also elected into the 2024 national centralized procurement (insulin specialty successive procurement).

Integrated production and streamlined operation

In order to further improve the competitiveness of the production system of pharmaceutical manufacturing business, improve operational efficiency and implement the internationalization strategy, the Group continued to streamline and discover its internal competitive production capacity, deepened the integration of the production side, realized the rapid transformation of products through the construction of API and preparation bases and engineering technology centers, and developed internationally competitive star production lines and production bases.

The Group continued to consolidate production lines on the production side, built regional production centers, gathered production capacity and achieved the integration of APIs and preparations, so as to further improve production and operation efficiency and expand production cost advantages. During the Reporting Period, the Group built regional production centers in Xuzhou and Chongqing, continuously advanced the construction and operation of Xingnuo Pharma API Base, Dongting Pharma API Base and Yao Pharma Changshou API Base, and vertically integrated the APIs and preparation industry chains, realizing intensive mass production capacity. At the same time, the Group also actively deployed production lines for complex preparations and special preparations, and the production lines for BFS, spray drying and OEB4/5 have entered into the construction and/or production phases. As at the end of the Reporting Period, the validation and trial production stage of the tranexamic acid production line and Gentamicin B fermentation and purification workshop production line in Dongting Pharma API Base had commenced. The product process validation in Yao Pharma Changshou API Base for clindamycin hydrochloride had been conducted. Several products involved in some production lines of Xingnuo Pharma API Base had passed the on-site inspections on drug production license, GMP and registration verification and commenced commercial production. In particular, the OEB4 high-activity production line completed trial production. Xuzhou Industrial Park Preparation Base had completed the construction of BFS production line and new OEB4 oral solid preparation production line, the transfer of relevant products had commenced. New products would be successively introduced with increased production capacity in the subsequent stage. In addition, the Group continued with the construction of the Cote d'Ivoire park project, aiming to realize localization in drug manufacturing and supply in Africa.

At the same time, the Group continued to promote the building of production system with international quality standard, thus laying a solid foundation for the overseas distribution of preparations. The Group through different means including gap analysis, special training, reform and upgrade, etc., continued to improve quality systems based on domestic and international requirements, and enhanced the GMP knowledge, quality risk awareness and quality management capabilities of all employees. As at the end of the Reporting Period, all commercial production lines of the domestic subsidiaries under the pharmaceutical manufacturing segment of the Group obtained domestic GMP certifications, and 10 production lines had passed GMP certification in major regulatory markets such as the U.S.

and the EU. During the Reporting Period, the domestic subsidiaries under the pharmaceutical manufacturing segment received over 120 official inspections as well as official sample tests on over 670 batches, all of which were passed smoothly.

2. Medical Devices and Medical Diagnosis

During the Reporting Period, the Group recorded revenue of RMB4,320 million from the medical devices and medical diagnosis segment, representing a year-on-year decrease of 1.50%, which was mainly due to the decrease in the revenue from COVID-19 related products. During the Reporting Period, the medical devices and medical diagnosis segment realized segment results of RMB–112 million, representing a year-on-year decrease in loss of RMB14 million; and segment profit amounted to RMB–52 million, representing a year-on-year increase in loss of RMB19 million. It is mainly due to, during the Reporting Period, (1) the pricing of the medical diagnosis segment is under pressure and the sales results were under expectations as affected by the volume-based procurement of diagnostic reagents; (2) the year-on-year decrease of investment income from joint ventures/associated companies.

Medical Devices

The Group's medical devices business has formed three major business divisions focusing on medical cosmetology, respiratory health and professional medical products.

In the field of medical cosmetology, Sisram Medical, a subsidiary focused on cultivating the dual engines of "energy source equipment + dermal filler" to drive business concentration and acceleration. In terms of energy source equipment, during the Reporting Period, Sisram Medical launched a number of new products, including Alma Harmony™, a new generation of multi-functional flagship device with photorejuvenation as its main function, and Soprano Titanium™ Special Edition, a laser hair removal device. Paired with the professional diagnosis and treatment methods of Alma IQ™, these products have further enhanced the experience of patients. In terms of dermal filler, in January 2024, Sisram Medical established a strategic partnership with Prollenium, and obtained the exclusive distribution rights of the Revanesse® dermal filler collection, which applies advanced hyaluronic acid technology, in several major markets including Germany, Austria, Switzerland, Australia and New Zealand. Profhilo, a new generation of sodium hyaluronate complex (i.e. sodium hyaluronate solution for injection, trade name in Chinese mainland: Pu Fei Luo), with Sisram Medical being as its agency, was officially launched in Hainan as a licensed medical device in April 2024, and was officially launched in the newly developed direct sales market in Thailand. The licensed product, Botulinum toxin type A for injection (trademark in Chinese mainland: 達希斐®), for temporary improvement in the appearance of moderate to severe glabellar lines associated with corrugator and/or procerus muscle activity in adults was approved by the NMPA in September 2024. Its commercialization preparations are steadily advanced. During the Reporting Period, the revenue of Sisram Medical amounted to US$349 million and net profit amounted to US$29 million (based on the financial statements of Sisram Medical in its reporting currency).

In the field of respiratory health products, during the Reporting Period, Breas reported a steady increase in revenue, net profit, and operating cash flow, with the revenue generated from the U.S., Canada and other markets experiencing a significant increase compared with 2023. The product R&D and market access processes have been continuously advancing. During the Reporting Period, two domestic non-invasive ventilators were approved for marketing in Chinese mainland, and several ventilators were approved for launch by the U.S. FDA. The R&D project of the new generation of ventilators has also been steadily promoted.

In the field of professional medical products, the Group accelerated concentration and integration, and focused on building the systematic capabilities in R&D, production, products and marketing through "licensed-in and incubation" and the "Intelligent Manufacture in China". During the Reporting Period, 58 units of "Da Vinci Surgical Robot" of Intuitive Fosun, the Company's associated companies, were being installed in total in Chinese mainland and Macau. The Intuitive Fosun headquarter industrial base was completed and put into use in the Zhangjiang International Medical Park in Shanghai in June 2024. As at the end of the Reporting Period, the "Da Vinci Surgical Robot" has been installed in over 300 hospitals, with a cumulative installation volume exceeding 460 units, serving more than 670,000 patients across Chinese mainland, Hong Kong and Macau. During the Reporting Period, the Da Vinci SP endoscopic single orifice surgical system developed by Intuitive Fosun has been included in the NMPA's special review for innovative medical devices, which would facilitate the subsequent registration and approval processes; the "Ion System" adopting a flexible robot with shape sensing technology had been approved for launch in Chinese mainland and had its first unit installed for commercial uses. During the Reporting Period, four units of the Ion System were sold in Chinese mainland. In addition, during the Reporting Period, Fosun Insightec, a joint venture established by the Group and Insightec in China, recorded sales of the "MRgFUS" brain therapy system; a strategic partnership was initiated with X-Magtech to co-establish a joint laboratory for brain science in collaboration with multiple hospitals, with an aim to advance scientific research, clinical collaboration, and commercialization of innovative products such as magnetoencephalography systems.

In addition, the medical devices segment also made positive progresses in constructing a global marketing network. Sisram Medical, through strategies and methods of strengthening digital channels and combining direct sales and distribution, continuously expanded the global market. As at the end of the Reporting Period, the global direct-sales offices expanded to 12 with marketing network spanning over 110 countries and regions worldwide. The proportion of direct sales revenue further increased to 87%. At the same time, the marketing network of Breas also covered markets such as Europe, the U.S., China, Japan, India and Australia.

Medical Diagnosis

During the Reporting Period, the medical diagnosis segment continued to promote product upgrading and the launch of differentiated pipelines, to continuously consolidate its foundation of pipelines. A total of 34 products were approved for market, and 28 products have entered the clinical approval stage; of which, the fully-automated chemiluminescent immunoassay analyzer F-i6000, the fully-automated high-speed chemiluminescent analyzer F-C2000, and cytokine test reagents (chemical luminescence), which are independently developed by the Group, were successively approved for launch. During the Reporting Period, the second-generation chemical luminescence products approved for launch in Chinese mainland, including tumor marker test kits, sex hormone test kits and thyroid function test kits, are expected to achieve domestic substitution.

During the Reporting Period, the medical diagnosis segment actively explored markets. 15 products of the medical diagnosis segment, including mitochondrial aspartate aminotransferase and apolipoproteins, were successfully awarded the tender for the "centralized procurement in bulk quantity of glucose metabolism and other biochemical test reagents by the inter-provincial alliance". During the Reporting Period, the fully automated chemiluminescence analyzers F-A7000 and F-i6000 as well as the fully automated biochemical analyzers F-C2000 achieved the first set of installation. In terms of operation, the medical diagnostic segment actively integrated the supply chain, production and manufacturing, and quality systems of each base to further improve operational efficiency.

As at the end of the Reporting Period, products launched of the medical diagnosis segment included dozens of equipment such as fully automated biochemical testing instruments, fully automated chemiluminescence analyzers, high-speed chemistry immunoassay integrated machines, full laboratory automation systems, fully automated molecular integrated workstations, and fully automated immunohistochemistry instruments. Nearly 200 testing projects involving liver function, kidney function, myocardial enzymogram, tumor markers, sex hormone, thyroid function, cardiac markers and liver fibrosis markers entered the stage of mass production and commercialization, and more than 120 products are under development.

3. Healthcare services

During the Reporting Period, the revenue from the healthcare services segment amounted to RMB7,642 million, representing a year-on-year increase of 14.62%. Segment results amounted to RMB71 million, representing a year-on-year increase of RMB272 million. Segment profits amounted to RMB–315 million, representing a year-on-year decrease in loss of RMB125 million. The year-on-year change was mainly due to (1) the continuous construction of key specialties, (2) the improvement of service efficiency and service quality through smart medical care, (3) the improvement of operational efficiency through integrated operations.

Healthcare services business focusing on integrated medical institution

With years of profound cultivation, Fosun Health, a subsidiary, has formed a healthcare services platform centered on the Greater Bay Area, with the provision of general and specialized medical disciplines and the integration of online and offline services. In 2024, Fosun Health ranked second in the "2024 Top 100 Social Medical Hospital Groups" of Asclepius (ranked among the top three in the list for four consecutive years), and Foshan Fosun Chancheng Hospital, a medical institution controlled by it, ranked first in the "2024 Social Medical Competitive Private Hospitals" of Asclepius (ranked first for seven consecutive years). As at the end of the Reporting Period, Fosun Health controlled 18 general hospitals, specialized hospitals, clinics, and independent testing institutions. The medical institutions controlled by Fosun health had a total of 6,578 authorized beds, and held 9 internet hospital licenses.

Regarding medical centers and regional medical institution alliance, through the continuous construction of high-level medical disciplines, the facilitation of the integrated operation, the promotion of the integration of online and offline medical institutions, the provision of multi-level and differentiated services and the expansion of primary medical services, Fosun Health focused on key regions such as the Greater Bay Area and the Yangtze River Delta to form a regional healthcare services network. During the Reporting Period, Fosun Health set up the "Greater Bay Area General Hospital" management mechanism to promote the integrated operation of four medical institutions, including Foshan Fosun Chancheng Hospital and Guangzhou Xinshi Hospital, in the areas of regional network expansion, medical discipline construction, financial operation, smart medical coverage, brand strategy improvement, supply chain efficiency enhancement and other aspects. During the Reporting Period, 13 new key specialties at the provincial/municipal level were set up by the relevant medical institutions[5], totaling 68 key specialties. As at the end of the Reporting Period, Foshan Fosun Chancheng Hospital and Shenzhen Hengsheng Hospital were designated medical institutions under the "Hong Kong and Macao Medicine and Equipment Connect".

Regarding smart healthcare, Fosun Health provides users with closed-loop solutions throughout the treatment course and one-stop health management services that combine healthcare, medicines, health and insurance. Fosun Health continued to improve the "Cloud HIS" (a new generation of smart medical cloud platform) and the internet hospital SaaS of multiple medical institutions, including Foshan Fosun Chancheng Hospital and Guangzhou Xinshi Hospital during the Reporting Period, which promoted the online-offline integrated service model of regional medical associations at a faster pace and further expanded hospital departments and patient coverage. As at the end of the Reporting Period, nearly 160 clinics had contracted to join the Greater Bay Area regional medical institution alliances.

[5] This includes the member hospitals of Huaihai Hospital, an associated company.

Regarding insurance empowerment, Fosun Health continued to promote the two-way empowerment of healthcare and insurance. During the Reporting Period, Fosun Health continued to establish the commercial insurance operation system. Leveraging the specialty departments and cutting-edge medical technologies of medical centers and regional medical associations, Fosun Health created customized innovative insurance payment solutions. In addition, Fosun Health continuously deepen the specialization in specific diseases, and integrated commercial insurance and medical services. As at the end of the Reporting Period, the medical institutions controlled by Fosun Health had contracted over 50 domestic and overseas insurance companies, and the commercial insurance service had been implemented in Foshan Fosun Chancheng Hospital, Shanghai Xingchen Children's Hospital, and Shenzhen Hengsheng Hospital.

Furthermore, Fosun Health continues to explore and innovate the application of AI technology in medical services. Regarding AI-powered patient services for more convenient medical visits, since 2024, the four hospitals in the Greater Bay Area have provided AI-driven intelligent outbound call services for chronic disease and post-surgery patients who missed their appointments. This service covers over 30 departments and more than 70 disease types, reaching over 40,000 follow-up cases. In terms of AI-assisted improvements in diagnostic efficiency, in February 2025, Fosun Health integrated DeepSeek into its "Cloud HIS" system to launch an AI assistant, which was deployed for operation in four hospitals in the Greater Bay Area.

Rehabilitation specialty business

During the Reporting Period, the Group continued to deepen its strategic deployment of the rehabilitation specialty business by actively expanding its core regional markets such as municipalities directly under the central government, new first-tier cities and provincial capitals, and promoting the "multiple locations in one city" layout model.

During the Reporting Period, Jianjia Healthcare, a subsidiary, further developed the rehabilitation medical business and accelerated the divestment of non-core assets to optimize its asset structure. Jianjia Healthcare continuously iterated the standardized model of rehabilitation hospital projects, deepened the refined management for all aspects such as project planning, operation management and discipline construction, and constantly improved operational efficiency and service quality. As at the end of the Reporting Period, 14 rehabilitation medical institutions were in operation (including 3 rehabilitation medical institutions in trial operation), and 8 rehabilitation medical institutions were under construction.

In terms of empowering rehabilitation hospital operation, the Group has taken a series of measures for the rehabilitation specialty business, including improving various operation manuals to provide detailed and standardized guidance for daily operations, establishing a periodic operation analysis and management system to promptly identify operational issues and take corresponding measures, and formulating standardized solutions for each procedure

to further enhance operational efficiency and quality. In terms of improving healthcare services expertise, the rehabilitation specialty business focused on enhancing its healthcare service capacity for key diseases, such as stroke, traumatic brain injury and spinal cord injury, continued to improve the rehabilitation discipline construction and optimize cultivation mechanism for professional talents, thereby maintaining its professional advantages in the field of rehabilitation. In terms of services, the rehabilitation specialty business centered on rehabilitation butler service, conducted whole lifecycle management for patients so as to continuously improve patient satisfaction and brand loyalty. Meanwhile, the Group has actively continued to connect with commercial insurance providers to explore diversified payment channels with the aim of providing patients with a more convenient and flexible payment method, as well as deepened strategic cooperation in the whole industry chain to achieve resources sharing and complementary advantages among enterprises therein.

4. Pharmaceutical Distribution and Retail

During the Reporting Period, Sinopharm, an associated company, further clarified its development strategy and promoted the rapid transformation and upgrade of the business model on the basis of maintaining overall business stability. In 2024, Sinopharm recorded an operating income of RMB584.508 billion and net profit attributable to the parent company of RMB7.050 billion, representing a year-on-year decrease of 2.02% and 22.14%, respectively.

During the Reporting Period, the pharmaceutical distribution segment of Sinopharm showed the resilience of steady development, and recorded a revenue of RMB444.365 billion, representing a year-on-year increase of 0.75%. During the Reporting Period, Sinopharm enhanced the optimization and layout of the pharmaceutical distribution network, continued to lay a solid foundation for the development of the pharmaceutical distribution segment with high-quality terminal structure, and actively enhanced its market share. Meanwhile, Sinopharm continued to optimize the channel structure of pharmaceutical distribution business and promoted direct sales business to high-grade hospitals and retail terminals. As at the end of the Reporting Period, the proportion of its direct sales business increased steadily.

During the Reporting Period, due to the impact of comparison base arising from a reduction in device procurement projects under fiscal subsidy policies and a sharp decrease in the epidemic prevention materials with high gross profits under industry regulations, the revenue of the medical device distribution segment of Sinopharm recorded RMB117.915 billion, representing a year-on-year decrease of 9.44%.

During the Reporting Period, the revenue of the retail pharmacy segment of Sinopharm recorded RMB35.981 billion, representing a year-on-year increase of 0.82%. As at the end of the Reporting Period, the total number of retail pharmacies of Sinopharm was 11,213, among which there were 1,644 specialty pharmacies, representing an increase of 51 pharmacies compared with the end of 2023.

III. CORE COMPETENCE ANALYSIS

During the Reporting Period, the core competitiveness of the Group was reflected in its open innovative R&D ecology, forwardlooking international layout, systematic commercialization team and other aspects:

1. Advantages in R&D and innovation. The Group connected with teams with outstanding scientific talents, leading technologies and high-value products worldwide through diversified and multi-level cooperation models such as independent R&D, co-development, licensed-in projects and industrial investment. The Group continued to enrich its innovative product pipelines, enhanced the research and clinical development capabilities of FIC (First-in-class) and BIC (Best-in-class) products, and promoted the R&D and practice of innovative technologies and products through the integrated management of the innovative R&D projects by the global R&D center.

2. Advantages in internationalization. The Group implemented its internationalization strategy in multiple dimensions including innovative R&D, two-way license, production and operation as well as commercialization. The global BD team kept enhancing the two-way license of products and IP, and deployed in frontier areas through R&D cooperation and licensed-in projects, while drug clinical and registration teams in the U.S., Africa, Europe, India, Japan, Middle East and Southeast Asia continued to strengthen overseas drug registration and application capabilities. The Group also accelerated the international quality system certification of domestic production lines, and further deepened its international marketing capabilities, so as to continue to expand the international market. In particular, as at the end of the Reporting Period, in the field of medical devices, the Group's marketing network for medical cosmetology equipment covered over 110 countries and regions worldwide, and has established direct sales layouts in multiple countries.

3. Advantages in commercialization. The Group continuously enhanced the construction and integration of marketing system, and had formed a marketing system by product lines featured by professionalism, branding, digitalization and compliance that supported existing products and products to be launched. As at the end of the Reporting Period, the Group had built up a comprehensive supporting system covering aspects such as medical affairs, large access system, medical strategic alliance, brand and market promotion, etc.

IV. MAJOR OPERATIONS DURING THE REPORTING PERIOD

(I) Analysis on Principal Operations

1. *Analysis of Changes in Relevant Items of Income Statement and Statement of Cash Flows*

Unit: million Currency: RMB

Items	Amount for the year	Amount for last year	Year-on-year change *(%)*	Reasons
Revenue	40,910	41,249	–0.82	*Note 1*
Cost of sales	21,366	21,595	–1.06	*Note 1*
Selling and distribution expenses	8,680	9,712	–10.63	*Note 2*
Administrative expenses	4,440	4,495	–1.22	
Impairment losses on financial assets	111	132	–15.91	*Note 3*
R&D expenses	3,644	4,346	–16.15	*Note 4*
Other gains	1,010	1,392	–27.44	*Note 5*
Other expenses	567	832	–31.85	*Note 6*
Finance costs	1,432	1,325	8.08	*Note 7*
Share of profits and losses of:				
Associates	1,828	2,387	–23.42	*Note 8*
Net cash flow generated from operating activities	4,477	3,414	31.13	*Note 9*
Net cash flow generated from financing activities	–1,003	–1,336	24.96	*Note 10*

Note 1: For the reasons for the year-on-year change in revenue and cost of sales, please refer to "Segment Performance Overview" in "Management Discussion and Analysis".

Note 2: During the Reporting Period, the selling and distribution expense ratio was 21.22%, representing a decrease of 2.32 percentage points as compared to the same period of last year. Gross profit margin less selling and distribution expenses ratio was 26.55%, representing an year-on-year increase of 2.44 percentage points. This was mainly due to the combined effects that: (1) the Group continued to strengthen the control of selling and distribution expenses through refined management and optimized resource allocation; (2) the structure of sales products has changed, and the sales expense ratio of centralized procurement products has decreased year-on-year; (3) the Group maintained investment in market development and sales team for new product launched.

Note 3: Mainly due to the credit impairment provisions made for COVID-19-related receivables during the same period of last year.

Note 4: Mainly due to the fact that during the Reporting Period, the Group concentrated on quality pipeline assets and enhanced efficiency by integrating its R&D system; as the R&D projects advance, multiple pipelines met the criteria for capitalization recognition, leading to the R&D investment of several projects transferred to development expenditure; in addition to self-initiated R&D, the Group actively implemented an open R&D model by leveraging industry funds and other mechanisms to incubate R&D projects, so as to ensure the sustainability of innovation and R&D investment.

Note 5: Mainly due to the fact that the gains from the disposal of non-core assets, such as Tianjin Pharma, in the same period of last year were greater than those in the current period.

Note 6: Mainly due to fair value changes on financial assets held such as YSB and BFLY.

Note 7: Mainly due to factors such as the appreciation of the United States dollars, changes in the size of interest-bearing liabilities, rehabilitation medical business's long-term leases subject to the recognition of lease liabilities in accordance with the lease standard, leading to the corresponding increase in financial costs.

Note 8: Mainly due to a year-on-year decline in the share of profits from associates.

Note 9: Mainly due to the Group's initiatives in supply chain management and operational efficiency improvement, resulting in the increase of operating cash flow over-performing the growth of operating profit for the period.

Note 10: Mainly due to the combined effects of cash inflows from the partial disposal of Gland Pharma's equity interest and changes in the scale of interest-bearing liabilities during the Reporting Period.

2. *Analysis of Revenue and Cost of Sales*

(1) *Principal Operations by Segments, Products, Geographical Locations*

Unit: million Currency: RMB

Principal Operations by Segments

By segments	Revenue	Cost of sales	Gross profit margin (%)	Year-on-year change in revenue (%)	Year-on-year change in cost of sales (%)	Year-on-year change in gross margin
Pharmaceutical manufacturing	28,776	13,218	54.07	–4.34	–6.19	increase of 0.91 percentage points
Medical devices and medical diagnosis	4,320	2,158	50.05	–1.50	–1.95	increase of 0.23 percentage points
Healthcare services	7,642	5,910	22.66	14.62	12.98	increase of 1.12 percentage points

Principal Operations by Products

By products	Revenue	Cost of sales	Gross profit margin (%)	Year-on-year change in revenue (%)	Year-on-year change in cost of sales (%)	Year-on-year change in gross margin
Major products of anti-tumor and immune modulation	8,085	1,716	78.78	5.84	9.54	decrease of 0.71 percentage points
Major products of anti-infection[(Note)]	3,126	1,003	67.92	–27.95	–53.79	increase of 17.94 percentage points
Major products of metabolism and alimentary system	2,793	693	75.20	–0.73	8.89	decrease of 2.19 percentage points
Major products of cardiovascular system	1,912	1,185	38.02	14.00	13.75	increase of 0.13 percentage points
Major products of central nervous system	1,099	159	85.57	–21.01	–2.35	decrease of 2.76 percentage points
Major products of APIs and intermediate products	1,106	810	26.75	–12.97	–10.97	decrease of 1.65 percentage points

Principal Operations by Geographical Locations						
By geographical locations	**Revenue**	**Cost of sales**	**Gross profit margin** *(%)*	**Year-on-year change in revenue** *(%)*	**Year-on-year change in cost of sales** *(%)*	**Year-on-year change in gross margin**
Chinese mainland	29,613	14,450	51.20	–4.10	–6.70	increase of 1.36 percentage points
Regions outside Chinese mainland and other countries	11,297	6,916	38.78	8.93	13.23	decrease of 2.33 percentage points

Note: The decrease in revenue and operating cost of the major products of anti-infection as compared with the same period of last year and the year-over-year increase in gross margin were mainly due to a significant decrease in demand for COVID-19 related products Jie Bei An (azvudine tablets) and a decline in sales of Sha Duo Li Ka (potassium sodium dehydroandrographolide succinate for injection), as well as a change in product mix in this therapeutic segment.

(2) *Analysis of Production and sales volume*

Major products	**Unit**	**Production volume**	**Sales volume**	**Inventory**	**Year-on-year change in production volume** *(%)*	**Year-on-year change in sales volume** *(%)*	**Year-on-year change in inventory** *(%)*
Serplulimab injection (trade name in Chinese mainland: Han Si Zhuang) (converted as 100mg/bottle)	'0,000 bottles	118	29	29	172	23	379
Trastuzumab injection (trade name in Chinese mainland: Han Qu You) (converted as 150mg/vial)	'0,000 vials	284	226	65	47	11	342
Rituximab injection (trade name in Chinese mainland: Han Li Kang) (converted as 100mg/vial)	'0,000 vials	175	151	41	42	1	121

Note: During the Reporting Period, the top five products are: Serplulimab injection (trade name in Chinese mainland: Han Si Zhuang), Trastuzumab injection (trade name in Chinese mainland: Han Qu You), Rituximab injection (trade name in Chinese mainland: Han Li Kang), heparin series preparations and antimalarial series such as artesunate. In particular, heparin series preparations and antimalarial series such as artesunate involve products in multiple dosage forms, and it is impossible to convert products of different dosage forms into corresponding production and sales volume according to the same standard.

(3) *Analysis of Cost*

Unit: million Currency: RMB

		By Segments				
By Segments	**Cost**	**Amount for the period**	**Percentage of the total cost for the period** *(%)*	**Amount for the corresponding period of last year**	**Percentage of the total cost for the corresponding period of last year** *(%)*	**Ratio of change for the period as compared with the corresponding period of last year** *(%)*
Pharmaceutical manufacturing	Cost of products	13,218	61.87	14,090	65.25	–6.19
Medical devices and medical diagnosis	Cost of products and goods	2,158	10.10	2,201	10.19	–1.95
Healthcare services	Cost of services	5,910	27.66	5,231	24.22	12.98

Unit: million Currency: RMB

		By Products				
By Products	**Cost**	**Amount for the period**	**Percentage of the total cost for the period** *(%)*	**Amount for the corresponding period of last year**	**Percentage of the total cost for the corresponding period of last year** *(%)*	**Ratio of change for the period as compared with the corresponding period of last year** *(%)*
Major products of anti-tumor and immune modulation	Cost of products	1,716	12.98	1,566	11.12	9.54
Major products of anti-infection *(Note)*	Cost of products	1,003	7.59	2,170	15.40	–53.79
Major products of metabolism and alimentary system	Cost of products	693	5.24	636	4.51	8.89
Major products of cardiovascular system	Cost of products	1,185	8.97	1,042	7.39	13.75
Major products of central nervous system	Cost of products	159	1.20	162	1.15	–2.35
Major products of APIs and intermediate products	Cost of products	810	6.13	910	6.46	–10.97

Note: The decrease in revenue and operating cost of the major products of anti-infection as compared with the same period of last year was mainly due to a significant decrease in demand for COVID-19 related products Jie Bei An (azvudine tablets) and a decline in sales of Sha Duo Li Ka (potassium sodium dehydroandrographolide succinate for injection).

(4) *Major Customers and Suppliers*

Sales to the top 5 customers of the Group amounted to RMB10,069 million in aggregate, representing 24.52% of the total sales for the year.

Purchases from the top 5 suppliers of the Group amounted to RMB1,354 million in aggregate, representing 8.97% of the total purchases for the year.

3. *Expenses*

During the Reporting Period, selling and distribution expense of the Group amounted to RMB8,680 million; the selling and distribution expense ratio was 21.22%, representing a decrease of 2.32 percentage points as compared to the same period of last year; and gross profit margin less selling and distribution expenses ratio was 26.55%, representing an year-on-year increase of 2.44 percentage points. The year-on-year change in selling and distribution expense ratio was mainly due to: (1) changes in product mix; (2) refined management and optimized resource allocation, promoting flat marketing system management to concentrate resources on the front line of marketing, and promoting the improvement of team efficiency; and (3) integration of marketing resources to promote integrated access to strategic alliances, resulting in lower marketing expenses ratio.

During the Reporting Period, the administrative expense of the Group amounted to RMB4,440 million, representing a year-on-year decrease of 1.22%; excluding the impact of newly acquired companies, administrative expenses decreased by RMB318 million on the same basis.

During the Reporting Period, the finance costs of the Group amounted to RMB1,432 million, representing a year-on-year increase of 8.08%, mainly due to factors such as the appreciation of the United States dollars, changes in the size of interest-bearing liabilities, rehabilitation medical business's long-term leases subject to the recognition of lease liabilities in accordance with the lease standard, leading to the corresponding increase in financial costs.

4. *R&D Expenditures*

Accounting treatment of R&D expenditures

The Group divides expenses for internal R&D projects into expenses in the research phase and expenses in the development phase. Expenses in the research phase are recognized in profit or loss for the period as incurred. Expenses in the development phase may only be capitalized if the following conditions are satisfied simultaneously: the completion of such intangible assets for use or sale is technically feasible; the Company has the intention to use or sell the intangible assets upon completion; the way in which the intangible assets bring economic benefits shows that there exists a consumption market for the products with use of these intangible assets or the intangible assets

themselves, or that they are useful in case of internal utilization; the Company has sufficient technological, financial and other resources to complete the development of the intangible assets and the ability to make them available for use or sale; and the expenses attributable to such intangible assets can be measured reliably at the development stage. Development expenses not satisfying all of the above conditions are recognized in profit or loss of the period as incurred. Combining the characteristics of the R&D process of the pharmaceutical industry and of the Group itself, the Group's expenses for its R&D projects may only be accounted for as capitalized R&D expenses if they are incurred after relevant approvals or certificates (Approval for Clinical Trial and Pharmaceutical Product Registration Approval Document) based on Measures on the Registration Administration of Medicines (藥品註冊管理辦法) issued by NMPA or approval from international drug regulatory authority on the regulatory market) are obtained, and if the present value of the Company's future cash flow or realizable value resulting from the evaluated project results are higher than the book value. The remainder of the R&D expenses would be expensed.

R&D Expenditures

Unit: million Currency: RMB

R&D expenditures expensed for the year	3,644
R&D expenditures capitalized for the year	1,910
Total R&D expenditures	5,554
Total R&D expenditures as a percentage of revenue (%)	13.52
R&D expenditures in the pharmaceutical manufacturing segment as a percentage of the revenue from the pharmaceutical manufacturing segment (%)	16.98
Percentage of R&D expenditures capitalized (%)	34.39
The number of R&D staff in the Group	3,047
The number of R&D staff as a percentage of the total number of staff in the Group (%)	7.51

Descriptions

During the Reporting Period, the Group maintained stable R&D intensity while continuously optimizing its innovation system. By focusing on advantageous pipelines and integrating R&D systems, operational efficiency was enhanced. During the Reporting Period, the Group's total R&D expenditure reached RMB5,554 million, including R&D expenses of RMB3,644 million and capitalized R&D expenditure of RMB1,910 million. It was mainly due to the fact that as the R&D projects advance, R&D expenditure of multiple pipelines met the criteria for capitalization recognition, leading to the R&D investment of several pipelines transferred to development expenditure, such as serplulimab injection's indications under research (gastric cancer (GC), limited-stage small cell lung cancer, etc.), HLX22 (anti-human epidermal growth factor receptor-2)

(HER2) humanized monoclonal antibody injection), Dimethyl malonate formonertinib capsules, 13-valent pneumococcal conjugate vaccine (multivalent combinations). In addition to self-initiated R&D, the Group also actively implemented an open R&D model and leveraged industry funds and other mechanisms to incubate innovation and R&D projects, so as to ensure the sustainability of innovation and R&D.

5. *Cash Flows*

Unit: million Currency: RMB

Items	Amount for the period	Amount for the corresponding period of last year	Ratio of change *(%)*	Reasons
Net cash flow generated from operating activities	4,477	3,414	31.13	Mainly due to the Group's initiatives in supply chain management and operational efficiency improvement, resulting in the year-on-year increase of operating cash flow over-performing the growth of operating profit for the period.
Net cash flow generated from financing activities	–1,003	–1,336	24.96	Mainly due to the combined effect of capital inflows from the partial disposal of Gland Pharma's equity and the change in the interest-bearing liabilities scale during the Reporting Period.

(II) Assets and liabilities analysis

As at 31 December 2024, the ratio of total interest-bearing bank and other borrowings over total assets was 28.16%, as compared with 28.72% as at 31 December 2023.

Assets and liabilities

Unit: million Currency: RMB

Items	Amount as at the end of the period	Percentage of the amount as at the end of the period to the total asset *(%)*	Amount as at the end of last period	Percentage of the amount as at the end of last period to the total assets *(%)*	Ratio of change for the amount as at the end of the period as compared with the amount as at the end of last period *(%)*	Reasons
Financial assets at fair value through profit or loss — current	2,596	2.21	1,888	1.66	37.50	*Note 1*
Contract assets	128	0.11	146	0.13	–12.33	*Note 2*
Assets held for sale	75	0.06	–	–	100.00	*Note 3*
Investments in joint ventures	21	0.02	79	0.07	–73.42	*Note 4*
Property, plant and equipment	22,203	18.91	20,846	18.38	6.51	*Note 5*
Right-of-use asset	4,691	3.99	4,248	3.75	10.43	*Note 6*
Deferred tax assets	758	0.65	624	0.55	21.47	*Note 7*
Lease liabilities — current	341	0.29	330	0.29	3.33	*Note 8*
Lease liabilities — non-current	2,542	2.16	2,050	1.81	24.00	*Note 8*

Note 1: Mainly due to the changes in the fair value of financial assets held, as well as the transfer of investments held from long-term assets because of the loss of significant impact and partial sales.

Note 2: Mainly due to the decrease in contract receivables.

Note 3: Mainly attributable to assets contracted for sale pending settlement at the end of the Reporting Period.

Note 4: Mainly due to the fact that Fosun Kairos has transformed to a subsidiary from a joint venture.

Note 5: Mainly due to the transfer of construction of biomedical industry park to fixed assets.

Note 6: Mainly due to new long-term leases of subsidiaries.

Note 7: Mainly due to the increase of deferred income tax assets by subsidiaries.

Note 8: Mainly due to new long-term leases of subsidiaries.

(III) Analysis on Major Subsidiaries and Investees

1. *Operation and Results of Subsidiaries of the Group*

(1) Operation and Results of Major Subsidiaries

Unit: million Currency: RMB

Name of subsidiary	Major business	Registered capital	Total assets	Net assets	Revenue	Operating profit	Net profit
Yao Pharma	Pharmaceutical R&D and manufacturing	197	8,573	6,795	5,070	1,265	1,113
Fosun Wanbang	Pharmaceutical R&D and manufacturing	480	7,577	4,577	7,992	934	792
Shanghai Henlius*(Note 1)*	Pharmaceutical R&D and manufacturing	543	10,598	3,014	5,724	838	820
Gland Pharma*(Note 2)*	Pharmaceutical R&D and manufacturing	N/A	10,533	8,582	4,898	645	405
Guilin Pharma	Pharmaceutical R&D and manufacturing	285	2,410	1,464	1,132	344	303

Note: The above figures include appraisal appreciation and amortisation of appraisal appreciation.

Note 1: The data of Shanghai Henlius is prepared in accordance with International Financial Reporting Standards.

Note 2: The data for Gland Pharma is prepared in accordance with Indian Generally Accepted Accounting Principles.

(2) Status of Other Major Subsidiaries

Unit: million Currency: RMB

Name of subsidiary	Major business	Registered capital	Total assets	Net assets	Revenue	Net profit
Sisram Medical*(Note 1)*	Medial devices R&D and manufacturing	N/A	4,509	3,485	2,484	205
Foshan Fosun Chancheng Hospital*(Note 2)*	Healthcare services	50	4,090	2,079	2,498	118

Note 1: The data for Sisram Medical is prepared in accordance with International Financial Reporting Standards.

Note 2: The data for Foshan Fosun Chancheng Hospital included appreciation of asset evaluation and amortization of appreciation of asset evaluation.

2. *Operation and Results of Investee Companies whose Profit Contribution and Investment Income Accounts More Than 10% of the Group's Net Profit*

Unit: million Currency: RMB

Name of company	Principal activities	Registered capital	Total assets	Net assets	Revenue	Operating profit	Net profit
Sinopharm Industrial	Pharmaceutical investment	100	392,764	127,007	584,508	14,008	10,414

3. *Acquisition and Disposal of Subsidiaries during the Reporting Period (including the Purposes, Methods and Effects of the Acquisitions and Disposals and the Effects on the Group's Overall Operation and Results)*

(1) Acquisition of Subsidiaries during the Reporting Period

The acquisitions of the subsidiaries during the Reporting Period have had the following effect on the Group's production and results:

Name	Acquired through	Date of acquisition/ merger
Shenzhen Fosun Pharmaceutical Technology Co., Ltd.* (深圳復星醫藥科技有限公司)	Equity transfer	22 October 2024
Fosun Kairos	Equity transfer	31 October 2024

(2) Disposal of Subsidiaries during the Reporting Period:

Name	Disposed through	Date of disposal
Chongqing Guoyu Health Management Co. Ltd*. (重慶國渝健康管理有限公司)	Equity transfer	28 March 2024
Guo Rong Le Yang Health Technology (Shanghai) Co. Ltd.* (國融樂養健康科技(上海)有限公司)	Equity transfer	29 March 2024
Fujian Jiahu Healthcare Management Co. Ltd.* (福建嘉護醫療管理有限公司)	Equity transfer	23 April 2024
Sinopharm Putian Hanjiang Medical Investment Management Co. Ltd.* (國藥莆田涵江醫療投資管理有限公司)	Equity transfer	27 June 2024
Tongfuhui (Shanghai) Health Service Co., Ltd.* (同福匯(上海)健康服務有限公司)	Equity transfer	23 October 2024
Shanghai Futuo Zhida Healthcare Technology Co., Ltd.* (上海復拓知達醫療科技有限公司)	Equity reorganization	20 December 2024

(IV) Employees and Remuneration Policies

As at the end of the Reporting Period, the Group had a total of 40,557 employees. The employee's remuneration policies of the Group are formulated on the basis of the performance, work experience and salary level prevailing in the market.

THE BOARD'S DISCUSSION AND ANALYSIS ON FUTURE DEVELOPMENT OF THE GROUP

I. Industry Landscape and Trends

In terms of market demand and payment in 2024, in view of the accelerated population aging and increased burden caused by disease, as well as the growing awareness in health among residents, the government emphasizes health sector and further increases investment in public health and medical health so as to encourage innovative R&D and development of new treatment technologies as well as localization of high-end medical equipment from a policy level. The medical and healthcare market in China maintained a long-term and stable growth trend. With the population aging and the development of treatment technology, the spectrum of disease also changes. The prevalence and diagnosis rate of tumors and immune system diseases continue to rise. The population of patients with chronic diseases continues to expand, and there are still an enormous amount of clinical treatment needs to be met. These drivers will encourage local companies to firmly follow the path of innovation and transformation, and provide patients with new treatments with higher efficacy and affordability. In terms of industry policies, enterprises are led and encouraged by the government to undergo upgrade and structural optimization in terms of strategic emerging industries, in order to achieve the overall transformation of the local pharmaceutical industry while aiming at high-value innovations and promoting high quality development. In terms of payment policies, the National Medical Insurance Drugs Catalogue is further expanded to include new products into the catalogue at a faster pace, which reflects the policy orientation to develop more accessibility and affordability. Centralized procurement of drugs in bulk is regularly undertaken in line with regulations and the scope of centralized procurement of high-value medical supplies in bulk is continuously expanded, which further expands the scope for medical insurance payment and further expands the medical insurance coverage on innovative products. The policies continue to support the long-term healthy development of innovative, large-scale domestic pharmaceutical enterprises with international presence. In the overseas expansion of domestically developed innovative drugs, Chinese pharmaceutical companies are actively exploring international markets. Through the NewCo model (collaborating with overseas investors to establish new joint ventures), domestic innovative drug companies are establishing overseas structures to realise the overseas expansion of their pipeline interests. Diversified external licensing has driven the enterprise's rapid growth while providing high-quality innovative medicines to more patients in need globally.

As the industry has become more regulated, standardized and professional in the course of development, a further rise was seen in level of concentration of the industry. The continuous upgrade of the industry unavoidably presents pressure and challenges in terms of operations in the transformation process to local enterprises in the short term. Nevertheless, such circumstance will benefit the rapid development of leading enterprises and innovative individual business in the long term. Meanwhile, uncertainties lurk within the global economy environment. The international expansion of domestic enterprises will be subject to various challenges, but enterprises with robust independent innovation capabilities will continue to enjoy the room for international development.

II. Corporate Development Strategies

The Group will commit to its mission of improving human health, adhere to its corporate philosophy of "Innovation for Good Health", and endeavor to capture the momentum presented by the broad pharmaceutical market in China as well as the rapid growth in mainstream markets such as Europe and the U.S. and certain emerging markets. The Group adheres to the development strategies of innovation and transformation, integrated operation and steady development, so as to further enhance the establishment of core competence to improve the operating results. In terms of innovation and internationalization, the Group will continuously enhance its independent R&D capability and continue to achieve the transformation and practice of global innovative advanced technology by adopting license-in projects, industry funds and other models so as to facilitate the innovation and transformation and propel the international expansion of the Group. With respect to production and operation, the Group will strengthen the upgrading and optimization of production and manufacturing system, continue to improve supply chain management, promote the consolidation of production resources and realization of star production lines for products within the Group. By taking smart factories as standard, the Group will build new manufacturing bases for preparations and APIs, so as to secure production capacity for newly launched products and key products. At the same time, the Group will continue to promote digitalisation and AI transformation and upgrade.

III. Operation Plan

In 2025, the Group will continue to promote and enhance its R&D efficiency, accelerate to achieve the commercialization value of its launched products, and further improve the quality and efficiency of internal operations. In terms of innovative R&D, the Group will tap into the domestic market and expand into the international market, roll out targeted planning around products and technologies in core therapeutic fields with large unmet needs, improve R&D efficiency, and focus on the internal development and external introduction of high-value pipelines. In terms of improving operation and management efficiency, the Group will proactively promote lean operations, cost reduction, efficiency improvement and asset rationalization to optimize the financial structure and lay a solid foundation for the Group's long-term stable development. In order to achieve the above operating objectives, specific strategies and actions include:

Pharmaceutical Manufacturing

In 2025, the Group will continue to implement the "4IN" (i.e. Innovation, Internationalization, Intelligentization and Integration) strategy, enhance capabilities in innovative R&D, strive to develop strategic products, expand global market opportunities, optimize asset allocation, and promote efficiency in R&D and operation.

In terms of the innovative drug business, the Group will continue to focus on its competitive resources to ensure the smooth advancement of key projects, comprehensively upgrade its BD capabilities to consolidate its dominant position in breast cancers, lung cancers, hematological tumors and other tumors, expand the layout opportunities of immune inflammation, central nervous

system and chronic diseases (cardiovascular and cerebrovascular, liver disease, metabolism, kidney disease, etc.). By expanding industry-university-research cooperation with world-class universities and scientific research institutes, the Group will capture the originally innovative products in the early stage. At the same time, the Group will actively promote the export of quality products and promote global simultaneous development. On the marketing side, the Group will promote the upgrading of the marketing organization and strengthen product life cycle management through a large access system and innovative omni channel marketing, so as to maximize the commercial value of innovative products and strive to create a matrix of blockbuster products.

In terms of the established medicines manufacturing & supply business, with respect to R&D, the Group will establish R&D projects for difficult generic drugs and differentiated products as well as improved new drugs and innovative drugs, efficiently promote the development of pipeline products, and actively make deployment in high-end/complex preparations such as in situ gels, minitablets, oral fast dissolving film, inhalation and sustained and controlled release, to form a differentiated R&D layout. In terms of operation, the Group will consolidate and plan the industrial layout, strengthen the integration of APIs and preparations, as well as deploy characteristic APIs and emerging technology platforms, strengthen the capacity construction of international registration and marketing system of APIs, comprehensively improve operational efficiency, develop leadership in terms of cost, and focus on promoting the integration and international collaboration of the heparin industry. In terms of marketing, the Group will actively respond to centralized procurement, and accelerate the transformation of the marketing model. While further deepening its presence in the existing market, the Group aims to achieve rapid breakthroughs through strategic layout in emerging markets such as the Middle East and Southeast Asia, so as to comprehensively promote global layout, form a regional focus, and accelerate international market expansion with the help of external mergers and acquisitions.

In terms of the vaccines business, the Group will continue to enrich the product portfolio of bacterial vaccines, viral vaccines and emerging vaccine technology platforms. The Group will actively promote the phase III clinical trials of 13-valent pneumococcal conjugate vaccine (multivalent combinations), rabies vaccine (human diploid cells) for human use (freeze dried) and the phase I clinical trials of 23-valent pneumococcal polysaccharide vaccine and 24-valent pneumococcal polysaccharide conjugate vaccine, accelerate the launch progress of quadrivalent influenza virus lysate vaccine, and orderly advance the R&D of strategic vaccine products in the pipeline. At the same time, the Group will strengthen independent R&D and open cooperation, reinforce the core competitiveness of the vaccine technology platform, and continue to promote the improvement of the production capacity and quality system of the vaccine industry.

Medical Devices and Medical Diagnosis

In 2025, in terms of the medical devices business, the Group will continue to focus on medical cosmetology, respiratory health, professional medical products and other business areas to accelerate the breakthrough in industry concentration by focusing on two major objectives of efficient asset operation and profitability enhancement with innovation and deepening internationalization as the main focuses. In particular, the Group will strengthen the diversity of

the medical cosmetic business and the value creation of the global network coverage through both internal and external expansion. The Group will continue to deeply integrate into the respiratory health business, expand the business and enhance the quality of profitability. The professional medical products business will concentrate on the development of oncology, neuroscience and other specialty fields, enhancing product competitiveness, marketing strength and incubation capabilities, and establish a superior brand presence in specialized medical segments.

In 2025, in terms of the medical diagnosis segment, the Group will further optimize its asset structure and integrate internal and external resources, prioritizing the development and commercial promotion of advanced pipelines and high potential pipelines, and continue to implement measures to enhance quality and efficiency. In R&D, the Group will continue to build a collaborative pipeline layout and overall solutions focusing on fields such as infections, tumors, the central nervous system, and chronic diseases. In marketing, the Group will focus on pipelines such as biochemistry, chemiluminescence, and molecular fields, and improve marketing capabilities and terminal output. In operations, the Group will be committed to achieving a dual improvement in quality and efficiency, and further enhance the ability to deliver high-quality products and the capability of refined cost management.

Healthcare services

In 2025, based on the continuous consolidation on its existing advantageous areas, the healthcare services business with focus on comprehensive medical institutions, will continue to improve specialized service capabilities and a full life cycle management system based on patients' disease process, so as to further enhance the standard of its medical services. It will also continue to strengthen its core capabilities, promote the innovation and application of medical technologies, and enhance the integrated operation efficiency. It will continue to enhance the cooperation with commercial insurance in terms of depth and breadth, increase the coverage of commercial insurance in healthcare services business, and accelerate the expansion of one-stop health management services for the integration of medicine, healthcare and insurance. It will continue to deepen the integrated online and offline smart healthcare services based on the digital platform. Meanwhile, it will explore capabilities of international medical services, with a focus on the Greater Bay Area.

In 2025, regarding the rehabilitation specialty business, the Group will promote the opening of rehabilitation hospitals under construction and continue to refine the rehabilitation hospital standardization model 3.0 to enhance operational benchmarking and capability empowerment. Efforts will be continued to promote the standardization of rehabilitation assessment criteria and quality control systems. The Group will further improve brand management and service platform development to solidify its market positioning as "precision rehabilitation" with a "mid-to-high-end" brand image, alongside building and continuously improving an interconnected group-base rehabilitation information system. In parallel, the "clinical-rehabilitation integration" development will be strengthened to further enhance the experience of rehabilitation patients and realize full-cycle management and optimization of rehabilitation services.

IV. Potential Risks

(I) *Industry policies adjustments*

The medical healthcare industry is one of the industries most affected by national policies, involving various ministries and commissions and institutions such as national medical insurance, health, drug supervision and administration, industry and information technology, technology and intellectual property rights. With intensified efforts in the reform of drug production and manufacturing, medical health and healthcare security, the landscape of the healthcare industry is still in the midst of continuous changes, leading to the innovative transformation, industry consolidation and transformation in business models becoming a matter of great urgency. As the connection among the elements in "Three Medical Linkages" grows stronger, the promotion and implementation of new policies on national and regional centralized procurement of drugs and devices in bulk, rational drug use policies, control of medical cost growth rates, adjustments to price and payment method for medical insurance, dynamic adjustments to National Medical Insurance Drug Catalogue, National Medical Insurance Drug Catalogue preferential inclusion of cost-effective innovative drugs, and biosafety and environmental protection mechanisms have affected the production costs and profitability of the entire pharmaceutical industry and brought about a renovated competitive structure to the industry.

In the field of medical devices and medical diagnosis, the policies encourage the integration of the enterprise's resources and advantage complementation, and put innovation as the development focus, which intensifies the support for the innovation of high-end medical devices, and thus the technology levels of clinical products are continuously improved. Equipment upgrade and centralized procurement of medical consumables in bulk also bring about a drastic change to the industry.

In the field of healthcare services, socially organized medical institutions need to conduct more strategic and diversified deliberations on how to strengthen collaboration with dominant public healthcare providers while pursuing differentiated development patterns and collaborative expansion. Concurrently, rapidly refined policies on internet-based healthcare have propelled medical services into a new phase of integrated online-offline development, transitioning from the traditional single offline model.

In this regard, the Group will closely monitor and analyze on the policy trends of related industries, keep abreast of the development trends of the industry and continuously improve business management mechanisms, so as to fully reduce the business risks caused by policy changes.

(II) ***Market competition risks***

With the deepening reform of the medical system, the National Healthcare Security Administration has initiated a comprehensive governance of drug and consumable prices, and extended it to retail terminals. Meanwhile, it increased the reform efforts in healthcare payment based on Diagnosis Related Groups (DRG) and Diagnosis Intervention Packet (DIP), aiming to further optimize and reshape medical practices.

In the field of innovative drugs, since the market size of generic drugs has shrunk drastically, numerous generic drugs companies seek transformation. With China's entry into the International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use (ICH) and the domestic drug review and approval system being gradually brought into line with international standards, more and more innovative drugs are being launched at a faster pace. The internal competition among local innovative pharmaceutical companies has been increasingly fierce, and at the same time, they are also facing competition from international pharmaceutical companies. The National Reimbursement Drug List negotiation mechanism, primarily targeting innovative drugs, demonstrates a trend of accelerating the inclusion of newly launched products, while simultaneously tightening pricing restrictions on innovative drug products. In addition, the development and launch of innovative products by domestic pharmaceutical companies in overseas markets also face challenges such as heavy investment and lack of familiarity with regulatory requirements.

In the field of generic drugs, the tightening of medical insurance cost control policies, coupled with the advancement of the generic drug consistency evaluation and the implementation of the centralized procurement in bulk policy, are driving a further increase in industry concentration within the generic drugs. Meanwhile, with the progressing supply-side reforms and the rapid launch of more innovative drugs, the market shares and profit margins of generic pharmaceutical products will be subject to further pressure.

In addition, the competition for generic drugs in the overseas markets, mainly in the U.S., has been intense and price pressure has further increased. At the same time, the drug regulatory agencies are imposing increasingly stringent requirements on production quality. These factors constitute unavoidable risks during the deepening of internationalization. In emerging markets such as Africa, more and more generic drugs companies have joined the competition, resulting in intensified price pressure on government tenders, as well as increasing risks of competition.

In this regard, the Group continuously track and keep abreast of the changes in development trend of the industry, insist on innovation R&D, enrich product pipelines, optimize product structure, and enhance the R&D efficiency. At the same time, the Group will enhance the benefits from economies of scale, and proactively improve quality and increase productivity for production. In terms of marketing, the Group will increase efforts in market development and enhance the marketability of products, so as to further expand market coverage.

(III)*Business and operating risks*

1. *R&D risks of drugs*

Drugs must undergo processes ranging from preclinical studies, clinical trials, application for registration and approval for production from the R&D stage to marketing stage, and drug R&D is characterized by large investment, long cycles, high risks, etc. and is also susceptible to various unpredictable factors. In addition, if the R&D of drugs does not match future market demand, or if the sales of the new drugs are not sufficient due to intensified competition and other factors, the recovery of the initial investment and the realization of economic benefits may be affected, which will in turn adversely affect the profitability and development of the Group.

In this regard, the Group will continue to strengthen its project and early research capabilities, adhere to a lean R&D concept and process, scientifically employ Go/No-go decisions, and promote the continuous improvement of R&D efficiency and output with an effective reward and punishment mechanism. In addition, the Group will further strengthen the construction of BD and clinical registration capabilities by introducing and developing product pipelines with high clinical value and strong innovative attributes, and accelerate the launch of innovative products. At the same time, the Group will also actively promote and develop competitive product pipelines by virtue of various models such as industry-university-research cooperation, industrial investment and fund incubation.

2. *Quality control risks of products and services*

Drugs, medical devices and diagnostic products are special commodities, and the society pays a great deal of attention to their quality. The Group has been continuously increasing its management efforts and investment in technological upgrading in terms of quality management. The technology and equipment standards of subsidiaries have significantly improved. However, due to the multiple production stages for pharmaceutical products, quality issues may arise due to raw materials, production, transportation, storage, use and other matters. Meanwhile, the Group has formulated corresponding management measures and established management agencies to ensure that the procurement, inventory, preparation, and sales of pharmaceuticals, medical devices, and diagnostic products comply with GMP or GSP and relevant requirements and operate in accordance with the laws. However, there may still be the possibility that the relevant operating entities will be punished for failing to strictly abide by relevant laws and regulations due to reasons such as poor management in the actual course of operation.

The healthcare services segment may be subject to risks of medical malpractice claims or disputes, including complaints and disputes between doctors and patients arising from surgical errors, medical misdiagnosis and incidents relating to defects of treatment and

diagnostic devices. In the event of serious medical malpractice, relevant compensation and loss may be incurred by the Group, which may in turn affect the operation results, brand and market reputation of the Group's healthcare services institutions.

In this regard, the Group will continue to maintain lean operation, adhere to quality and risk management throughout the life cycle of its products, and practically implement quality and safety control mechanisms and pharmacovigilance mechanism. For healthcare services, the Group will strengthen the construction of disciplines and improve the quality of operations while pursuing business development.

3. *Safety and environmental risks*

Manufacturing companies are also exposed to safety and environmental risks during the production process. In the process of production of drugs, medical devices and diagnostic products, due to the dangerous chemical substances involved in the APIs, improper operation or inadequate maintenance measures during loading, unloading, handling, storage and use may cause production safety incident. Residue, waste gas, waste liquid and other pollutants produced during the manufacturing of products or provision of healthcare services may be harmful to the surrounding environment if they are not treated properly, which in turn will affect the normal production and operation of the Group. Although the Group has treated and emitted pollutants in compliance with the relevant environmental laws, regulations and standards applicable in the relevant places of operation, the environmental protection costs incurred by the Group may increase in light of the enhanced social awareness on environmental protection over time, and the potential implementation of more stringent environmental protection laws and regulations by the countries and localities where the Group operates.

In this regard, the Group will continuously strengthen production safety management, reinforce staff training and implement relevant safety production measures to reasonably control risks. Meanwhile, the Group will attach importance and fulfill its social responsibility for environmental protection, to ensure the normal operation of environmental protection facilities and ensure that the target of emissions is met.

(IV) ***Management risks***

1. *Risks of internationalization*

Geopolitical uncertainty poses risks to the internationalization of the biopharmaceutical industry. The Chinese biopharmaceutical companies' international cooperation may be affected by the new pattern and new policies.

Meanwhile, the Group may face various problems during the implementation of its internationalization strategy, including unfamiliarity with the overseas regulatory environment and markets, difference in the demands between overseas and domestic customers, and implementation of trade protection policies in certain countries. At the

same time, with the further expansion of the global sales network, the scale of sales and the scope of business, there will be higher requirements on the operating and management capabilities of the Group. If the Group's capability on aspects such as production and operation, marketing, quality control, risk management, compliance with integrity, data protection and talent training does not align with the development pace of the internationalization and the requirement for the expansion of the Group, the Group may be exposed to operating and management risks.

2. *Risks arising from mergers, acquisitions and integration*

Legal, policy and operating risk exposures may also be confronted by the Group during the process of mergers, acquisitions and business consolidations. Upon completion of acquisitions, the requirements on the operation and management of the Group will become higher. If mergers and acquisitions could not bring about a synergistic impact, the operating results of the Group may be adversely affected.

In this regard, the Group will continue to improve its technologies and professionalism, the understanding of regulatory rules and policies of overseas market so as to minimize the potential operational risks of operational activities.

(V) ***Exchange rate fluctuation risks***

With the implementation of internationalization strategies, the Group continued to expand its operation areas, and the proportion of purchases, sales, and mergers and acquisitions denominated in foreign currencies has continued to increase. Changes in exchange rates will affect the value of assets and liabilities denominated in foreign currencies and the value of invested overseas entities, thereby indirectly causing changes in the Group's income or cash flow over a period of time. With the continuous deepening of the reform of exchange rate marketization, the exchange rate between RMB and other convertible currencies fluctuates in a greater range during the exchange rate settlement process and therefore brings the risk of exchange rate fluctuations.

In this regard, the Group will keep paying attention to fluctuations of the foreign exchange rate, optimizing the structure of domestic and overseas assets, and reasonably controlling foreign exchange exposure so as to improve the ability to deal with exchange rate fluctuation risks.

(VI) ***Force majeure risks***

Severe natural disasters and abrupt public health incidents may harm the properties and personnel of the Group, and may affect the normal production and operation of the Group.

In this regard, the Group will continue to strengthen the analysis and prediction of force majeure risks and improve the emergency management system so as to try to reduce the adverse impact that force majeure incidents may bring to operations.

OTHER EVENTS

I. Progress of Increase in Shareholding by a Controlling Shareholder

Fosun High Tech, a controlling shareholder of the Company, planned to further increase its shareholding in the Company (including A Shares and/or H Shares) by way of, including but not limited to, centralised price bidding or block trade at the stock exchanges and transfer by agreement (and/or through parties acting in concert with it) within the 12-month period commencing from 13 September 2023, if and where appropriate, and the cumulative total consideration thereof shall not be less than RMB100 million (including the total consideration for an increase in shareholding of A Shares of not less than RMB100 million) and the additional shareholding interest to be acquired in aggregate shall not exceed 2% of the total number of shares of the Company as at 13 September 2023 (i.e. 2,672,156,611 shares, the same below) (and the aggregated number of shares in the Company to be acquired in the 12-month period on a rolling basis shall not exceed 2% of the total number of shares of the Company) (the "**Shareholding Increase Plan**"). Fosun High Tech and/or parties acting in concert with it shall not reduce its/their shareholding in the Company during the implementation of the Shareholding Increase Plan and within the statutory restricted period.

As at 12 September 2024, the term of the Shareholding Increase Plan expired. Under the Shareholding Increase Plan, Fosun High Tech acquired a total of 4,295,000 A Shares of the Company, representing approximately 0.16% of the total number of Shares of the Company as at 13 September 2023, with a cumulative consideration of approximately RMB101.19 million.

II. Merger by Absorption and Privatization of Shanghai Henlius

By resolutions of the Board of the Company dated 24 June 2024 and 23 August 2024 respectively, the privatization proposal of Shanghai Henlius, a subsidiary of the Company, and the amendments thereto were approved. Pursuant to the proposal (as amended), Fosun New Medicine (as the offeror and acquirer), a subsidiary of the Company proposed to acquire and cancel all shares of Shanghai Henlius (including H shares and unlisted shares) held by other existing shareholders of Shanghai Henlius by cash and/or share alternative (the "**Merger**"), and to privatize Shanghai Henlius. Upon the completion of the Merger, Fosun New Medicine (as the subsisting entity after the Merger) will inherit and assume all assets, liabilities, interests, businesses, personnel, contracts and all rights and obligations of Shanghai Henlius, and the legal entity of Shanghai Henlius will be eventually deregistered.

On 22 January 2025, the Merger, as a special resolution, was approved by more than two-thirds of the voting shareholders present at the extraordinary general meeting of Shanghai Henlius. However, it was not passed at the H shareholders class meeting of Shanghai Henlius, where only independent H shareholders had the right to vote. Therefore, the Merger has not been implemented, and Shanghai Henlius will retain its H Share listing status.

REPURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Repurchase of H Shares on the Open Market

Pursuant to the general mandate to repurchase H shares of the Company, which was considered and approved at the annual general meeting, the A Shareholders class meeting and the H Shareholders class meeting of the Company (the "**General Meetings**") respectively, and in order to preserve the value of the Company, the H Share repurchase plan ("**H Share Repurchase Plan**") was considered and approved at the 55th meeting of the ninth session of the Board of the Company on 12 July 2024. It was approved the repurchase of the H Shares by the Company on or before 31 December 2024 with internal financial resources, and the total number of H Shares to be repurchased not exceed 5% of the total number of H shares (i.e. 551,940,500 shares) of the Company as at the date of the resolution of the General Meetings (i.e. 26 June 2024, the same below).

As at 31 December 2024, the implementation period of the H Share Repurchase Plan expired. During the Reporting Period, the Company repurchased a total of 7,558,500 H Shares (representing approximately 0.28% of the total number of shares of the Company <i.e. 2,671,326,465 shares> as at 31 December 2024 and 1.37% of the total number of H shares of the Company as at the date of resolution of the General Meeting) on the Hong Kong Stock Exchange with an aggregated repurchase amount of approximately HK$96.71 million under the H Share Repurchase Plan, details of which are summarized below:

Months	Number of H Shares repurchased (shares)	Highest repurchase price (HK$ per share)	Lowest repurchase price (HK$ per share)	Total repurchase amount (HK$ million)
August 2024	3,132,500	12.64	11.98	38.56
September 2024	2,339,000	12.82	11.52	28.33
November 2024	862,500	14.98	13.96	12.46
December 2024	1,224,500	14.46	13.94	17.35
Total	**7,558,500**			**96.71**

Note: Any discrepancies between totals and sums of figures are due to rounding.

Repurchase of A Shares on the Open Market

Pursuant to the general mandate to repurchase A shares of the Company, which was considered and approved at the annual general meeting, the A Shareholders class meeting and the H Shareholders class meeting of the Company respectively, with reference to the confidence in the Group's development prospects and recognition of its value, and in order to safeguard the interests of investors, enhance investor confidence, as well as promote the establishment and improvement of the incentive mechanism

of the Group, effectively align the interests of the Shareholders, corporate(s) and operators, taking into account of the A Share performance on the secondary market as well as the Group's financial position and development prospects, the A Share repurchase plan ("**A Share Repurchase Plan**") was considered and approved at the 47th meeting of the ninth session of the Board of the Company on 26 March 2024. The repurchase of A Shares by the Company with internal financial resources through centralized price bidding on the trading system of Shanghai Stock Exchange has been approved, with the total repurchase amount of not less than RMB100 million and of not more than RMB200 million as well as the repurchase price of not more than RMB30 per share. The repurchase period is 6 months from the date of consideration and approval of the A Share Repurchase Plan by the Board. As a result of the profit distribution for the year of 2023, the A Share repurchase price limit was adjusted to RMB29.7302 per share with effect from 6 August 2024 (being the ex-dividend date of the A Shares for the profit distribution for the year of 2023) pursuant to the A Share Repurchase Plan.

As at the close of trading on 25 September 2024, the implementation period of the A Share Repurchase Plan expired and the Company has completed the implementation of the plan. During the Reporting Period, the Company repurchased a total of 5,677,700 A Shares (representing approximately 0.21% of the total number of shares of the Company <i.e. 2,672,398,711 shares> as at 25 September 2024) on the Shanghai Stock Exchange with an aggregated repurchase amount of approximately RMB126.64 million under the A Shares Repurchase Plan, details of which are summarized below:

Months	Number of A Shares repurchased (shares)	Highest repurchase price (RMB per share)	Lowest repurchase price (RMB per share)	Total repurchase amount (RMB million)
June 2024	1,457,800	22.32	22.03	32.32
July 2024	482,000	22.13	22.03	10.63
August 2024	896,300	22.42	21.87	19.87
September 2024	2,841,600	23.52	21.94	63.81
Total	**5,677,700**			**126.64**

Note: Any discrepancies between totals and sums are due to rounding.

Repurchase of A Shares under Restricted A Share Incentive Scheme

Pursuant to the 2022 Restricted A Share Incentive Scheme and relevant authorizations approved by the Shareholders of the Company at the extraordinary general meeting, the A Shareholders class meeting and the H Shareholders class meeting held on 29 November 2022, due to the occurrence of repurchase and cancellation situations as set out in the Restricted A Share Incentive Scheme, including: (1) the resignation of certain participants in the first grant and reserved grant or their retirement in accordance with national and the Company's regulations regarding retirement age; and (2) underperformance of appraisal indicator for 2023 at the Group level, on 7 August 2024, the Board and the Supervisory

Committee approved the Company to repurchase and cancel a total of 1,072,246 restricted A Shares with the total amount of RMB22,830,809.73. Excluding the interest of 5,025 restricted A Shares held by the retired participants accrued at the benchmark interest rate for deposit of the same period, the repurchase price of each restricted A Shares was RMB21.29. The relevant shares were repurchased on 27 September 2024 and cancelled on 8 October 2024.

Save as disclosed above, neither the Company nor any of its subsidiaries repurchased, sold or redeemed any of the Company's listed securities and has not disposed or sold of any of its treasury shares during the year ended 31 December 2024.

COMPLIANCE WITH THE CG CODE

As a company whose shares are listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange, the Company has complied with relevant regulations, the Hong Kong Listing Rules, the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange and the Articles of Association. The Company is committed to continuously improving its corporate governance structure, and optimizing its internal management and control as well as its business operation in order to improve the corporate governance.

The corporate governance practices adopted by the Company are based on the principles and Code Provisions under the CG Code contained in Appendix C1 to the Hong Kong Listing Rules. The Company has complied with all the applicable code provisions contained in the CG Code during the Reporting Period.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix C3 to the Hong Kong Listing Rules and formulated the Written Code as its codes of conduct regarding securities transactions.

Having made specific enquiry with the Directors, all the Directors confirmed that they have complied with the standards as set out in the Model Code and the Written Code throughout the Reporting Period.

REVIEW OF ANNUAL RESULTS BY THE AUDIT COMMITTEE

The Group's annual results for the year ended 31 December 2024 have been reviewed by the audit committee of the Company.

FINAL DIVIDEND

The Board proposed the 2024 Final Dividend for the year ended 31 December 2024, before tax, amounted to RMB0.32 per share, which is subject to the approval of the Shareholders at the forthcoming annual general meeting (the "**AGM**"). Subject to the approval of the Shareholders at the AGM, the 2024 Final Dividend is expected to be paid to the eligible Shareholders by no later than 31 August 2025.

A circular containing, among other things, further information in respect of the AGM and the proposed distribution of the 2024 Final Dividend will be dispatched to the Shareholders in due course.

AGM AND PERIOD OF CLOSURE OF REGISTER OF MEMBERS OF H SHARES

The Company will arrange the time for convening the forthcoming AGM as soon as practicable, and the notice of the forthcoming AGM of the Company will be published and dispatched to the Shareholders in a timely manner in accordance with the requirements of the Hong Kong Listing Rules and the Articles of Association. The Company will announce the period of closure of register of members of H Shares in the notice of AGM to be published or the announcement to be otherwise published.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This announcement is published on the websites of the Company (https://www.fosunpharma.com) and the Hong Kong Stock Exchange (https://www.hkexnews.hk). The 2024 annual report will be dispatched to the Shareholders and will be made available on the websites of the Company and the Hong Kong Stock Exchange as and when appropriate.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the meanings set out below.

"2022 Restricted A Share Incentive Scheme" or "Restricted A Share Incentive Scheme"	the 2022 Restricted A Share Incentive Scheme of the Company
"2024 Final Dividend"	the final dividend of RMB0.32 (before tax) per share for the year ended 31 December 2024
"AI"	artificial intelligence
"A Share(s)"	domestic share(s) of the Company with a nominal value of RMB1.00 each, which are listed on the Shanghai Stock Exchange and traded in RMB
"Abbott"	Abbott Products Operations AG., a company incorporated in Switzerland
"ADC"	Antibody-drug Conjugate
"API"	Active Pharmaceutical Ingredient
"Articles of Association"	the articles of association of the Company
"BD"	business development

"Beijing Jnova"	Beijing Jnova Pharmaceutical Company Limited* (北京吉洛華製藥有限公司), a subsidiary of the Company
"BFLY"	Butterfly Network, Inc., a corporation incorporated in Delaware, U.S. and listed on the New York Stock Exchange (stock code: BFLY)
"Board"	the board of Directors of the Company
"Breas"	Breas Medical Holdings AB, a company incorporated in Sweden, and a subsidiary of the Company
"Carelife Pharma"	Chongqing Carelife Pharmaceutical Co., Ltd.* (重慶凱林製藥有限公司), a subsidiary of the Company
"Cenexi"	Phixen, société par actions simplifiée, a company incorporated in France, a subsidiary of the Company
"CG Code"	the Corporate Governance Code contained in Appendix C1 to the Hong Kong Listing Rules
"Chinese mainland"	Chinese mainland, for the purpose of this announcement, excluding Hong Kong, Macau and Taiwan region
"CMC"	Chemical Manufacturing and Control
"Code Provision"	code provisions under the CG Code
"Company"	Shanghai Fosun Pharmaceutical (Group) Co., Ltd.* (上海復星醫藥(集團)股份有限公司), a joint stock company established in the PRC with limited liability, whose H Shares and A Shares are listed and traded on the main board of the Hong Kong Stock Exchange and the Shanghai Stock Exchange, respectively
"controlling shareholder(s)"	has the meaning given to it under the Hong Kong Listing Rules
"Director(s)"	director(s) of the Company
"Dongting Pharma"	Hunan Dongting Pharmaceutical Co., Ltd.* (湖南洞庭藥業股份有限公司), a subsidiary of the Company
"DP Technology"	Shanghai DP Technology Co., Ltd.* (上海深勢唯思科技有限責任公司)
"Dr. Reddy's"	Dr. Reddy's Laboratories SA, a company incorporated in Switzerland
"EC"	European Commission

"EU"	European Union
"Foshan Fosun Chancheng Hospital"	Foshan Fosun Chancheng Hospital Limited* (佛山復星禪誠醫院有限公司), a subsidiary of the Company
"Fosun Health"	Shanghai Fosun Health Technology (Group) Co., Ltd.* (上海復星健康科技(集團)有限公司), a subsidiary of the Company
"Fosun High Tech"	Shanghai Fosun High Technology (Group) Company Limited* (上海復星高科技(集團)有限公司), a direct wholly-owned subsidiary of Fosun International and a controlling shareholder of the Company
"Fosun Insightec"	Fosun-Insightec Medical Technologies (Jiangsu Xuzhou) Co., Ltd.* (復星醫視特醫療科技(江蘇徐州)有限責任公司), a subsidiary of the Company
"Fosun International"	Fosun International Limited, a company incorporated in Hong Kong and listed on the Hong Kong Stock Exchange (stock code: 00656), an indirect subsidiary of Fosun International Holdings and a controlling shareholder of the Company
"Fosun International Holdings"	Fosun International Holdings Limited, a company incorporated in the British Virgin Islands, which was held as to 85.29% and 14.71% by Mr. Guo Guangchang and Mr. Wang Qunbin, respectively, as at the end of the Reporting Period, and a controlling shareholder of the Company
"Fosun Kairos"	Fosun Kairos (Shanghai) Biological Technology Co., Ltd.* (復星凱瑞(上海)生物科技有限公司), formerly known as Fosun Kite Biological Technology Co., Ltd.* (復星凱特生物科技有限公司), a subsidiary of the Company as at the end of the Reporting Period
"Fosun New Medicine"	Shanghai Fosun New Medicine Research Company Limited* (上海復星新藥研究股份有限公司), formerly known as Shanghai Fosun New Medicine Research Company Limited* (上海復星新藥研究有限公司), a subsidiary of the Company
"Fosun Pharma Industrial"	Shanghai Fosun Pharmaceutical Industrial Development Company Limited* (上海復星醫藥產業發展有限公司), a subsidiary of the Company
"Fosun Wanbang"	Fosun Wanbang (Jiangsu) Pharmaceutial Group Co., Ltd.* (復星萬邦(江蘇)醫藥集團有限公司), formerly know as Jiangsu Wanbang Biopharmaceutical Company Limited* (江蘇萬邦生化醫藥集團有限責任公司), a subsidiary of the Company

"Gland Pharma"	Gland Pharma Limited, a company incorporated in India and listed on the BSE Limited and The National Stock Exchange of India Limited (stock code: GLAND) and a subsidiary of the Company
"GMP"	Good Manufacture Practices
"Group"	the Company and its subsidiaries (or the Company and any one or more of its subsidiaries, as the context may require)
"Guangzhou Xinshi Hospital"	Guangzhou Xinshi Hospital Co., Ltd.* (廣州新市醫院有限公司), a subsidiary of the Company
"Guilin Pharma"	Guilin Pharmaceutical Co., Ltd.* (桂林南藥股份有限公司), a subsidiary of the Company
"H Share(s)"	overseas listed foreign share(s) in the ordinary share capital of the Company, with a nominal value of RMB1.00 each, which are listed on the Hong Kong Stock Exchange and traded in Hong Kong dollars
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong dollars" or "HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong Listing Rules"	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Huaihai Hospital"	Huaihai Hospital Management (Xuzhou) Co. Ltd.* (淮海醫院管理(徐州)有限公司), an associated company of the Company
"IND"	investigational new drug
"Insightec"	Insightec Ltd., a company incorporated in Israel
"Insilico"	InSilico Medicine Cayman TopCo and its subsidiaries
"Intuitive Fosun"	Intuitive Fosun HK and Intuitive Fosun Shanghai
"Intuitive Fosun HK"	Intuitive Surgical-Fosun (Hongkong) Co., Limited, a company incorporated in Hong Kong and an associated company of the Company

"Intuitive Fosun Shanghai"	Intuitive Surgical-Fosun Medical Technology (Shanghai) Co., Ltd.* (直觀復星醫療器械技術(上海)有限公司), an associated company of the Company
"Jianjia Healthcare"	Jianjia Healthcare Investment Management Co., Ltd.* (健嘉醫療投資管理有限公司), a subsidiary of the Company
"Kite Pharma"	Kite Pharma, Inc., a corporation incorporated in the U.S.
"Macau"	the Macau Special Administrative Region of the PRC
"MAH"	Marketing Authorization Holder
"Meiji Seika"	Meiji Seika Pharma Co., Ltd., a company incorporated in Japan
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Hong Kong Listing Rules
"National Medical Insurance Drugs Catalogue"	National Basic Medical Insurance, Work-Related Injury Insurance and Maternity Insurance Drugs Catalogue (《國家基本醫療保險、工傷保險和生育保險藥品目錄》)
"NDA"	New drug application
"NMPA"	National Medical Products Administration (中國國家藥品監督管理局)
"Palleon"	Palleon Pharmaceuticals Inc., a corporation incorporated in the U.S.
"PCT"	Patent Cooperation Treaty
"Prollenium"	Prollenium Medical Technology, a company incorporated in Canada
"PRC" or "China"	The People's Republic of China
"R&D"	research and development
"Reporting Period"	the 12-month period from 1 January 2024 to 31 December 2024
"restricted A Share(s)"	the A Share(s) granted by the Company to a participant according to the conditions and price stipulated under the 2022 Restricted A Share Incentive Scheme which are subject to the restriction period and can only be unlocked and transferred after the unlocking conditions are satisfied
"RMB"	Renminbi, the lawful currency of the PRC

"Sermonix"	Sermonix Pharmaceuticals, Inc., a corporation incorporated in the U.S.
"Shanghai Henlius"	Shanghai Henlius Biotech, Inc.* (上海復宏漢霖生物技術股份有限公司), a company incorporated in the PRC and listed on the Hong Kong Stock Exchange (stock code: 02696) and a subsidiary of the Company
"Shanghai Stock Exchange"	the Shanghai Stock Exchange (上海證券交易所)
"Shanghai Xingchen Children's Hospital"	Shanghai Xingchen Children's Hospital Co., Ltd.* (上海星晨兒童醫院有限公司), a subsidiary of the Company
"Shareholder(s)"	holder(s) of Shares
"Shares"	ordinary shares in the capital of the Company with a nominal value of RMB1.00 each, comprising A Shares and H Shares
"Shenyang Hongqi"	Shenyang Hongqi Pharmaceutical Company Limited* (瀋陽紅旗製藥有限公司), a subsidiary of the Company
"Sinopharm"	Sinopharm Group Co. Ltd.* (國藥控股股份有限公司), a company incorporated in the PRC and listed on the Hong Kong Stock Exchange (stock code: 01099), a subsidiary of Sinopharm Industrial
"Sinopharm Industrial"	Sinopharm Industrial Investment Co., Ltd.* (國藥產業投資有限公司), an associated company of the Company
"Sisram Medical"	Sisram Medical Ltd, a company incorporated in Israel and listed on the Hong Kong Stock Exchange (stock code: 01696) and a subsidiary of the Company
"Supervisory Committee"	the supervisory committee of the Company
"SVAX"	NexaPharma LLC, a company incorporated in United Arab Emirates
"Syneos Health"	Syneos Health, Inc., a corporation incorporated in U.S.
"Suzhou Erye"	Suzhou Erye Pharmaceutical Co., Ltd.* (蘇州二葉製藥有限公司), a subsidiary of the Company
"Tianjin Pharma"	Tianjin Pharma Group Co., Ltd.* (天津藥業集團有限公司)
"U.S." or "United States"	United States of America, its territories and possessions, any state of the United States and the District of Columbia
"U.S. FDA"	U.S. Food and Drug Administration

"US$"	United States dollars, the lawful currency of the United States
"WHO"	World Health Organization
"WHO PQ"	World Health Organization Prequalification
"Written Code"	Written Code for Securities Transactions by Directors/Relevant Employees of Shanghai Fosun Pharmaceutical (Group) Co., Ltd. (《上海復星醫藥(集團)股份有限公司董事／有關僱員進行證券交易的書面守則》)
"X-Magtech"	Beijing X-Magtech Co., Ltd.* (北京未磁科技有限公司)
"Xingnuo Pharma"	Jiangsu Xingnuo Pharmaceutical Technology Company Limited* (江蘇星諾醫藥科技有限公司), a subsidiary of the Company
"Yao Pharma"	Chongqing Yao Pharmaceutical Company Limited* (重慶藥友製藥有限責任公司), a subsidiary of the Company
"YSB"	YSB Inc., a company incorporated in Cayman Islands and listed on the Hong Kong Stock Exchange (stock code: 09985)
"%"	per cent

By order of the Board
Shanghai Fosun Pharmaceutical (Group) Co., Ltd.*
Wu Yifang
Chairman

Shanghai, the PRC
25 March 2025

As at the date of this announcement, the executive directors of the Company are Mr. Wu Yifang, Mr. Wang Kexin, Ms. Guan Xiaohui and Mr. Wen Deyong; the non-executive directors of the Company are Mr. Chen Qiyu, Mr. Xu Xiaoliang, Mr. Pan Donghui and Mr. Chen Yuqing; and the independent non-executive directors of the Company are Ms. Li Ling, Mr. Tang Guliang, Mr. Wang Quandi and Mr. Yu Tze Shan Hailson.

* *For identification purposes only*