SINO BIOPHARMACEUTICAL LIMITED
中國生物製藥有限公司

(Incorporated in the Cayman Islands with limited liability)
Website: www.sinobiopharm.com
(Stock code: 1177)

ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2024

FINANCIAL HIGHLIGHTS

	For the year end 31 December		
	2024	2023	Change
	RMB'Billion	*RMB'Billion*	*%*
Revenue	**28.87**	26.20	+10.2%
Gross profit margin (%)	**81.5%**	81.0%	+0.5ppt
Selling and administrative expenses to revenue ratio (%) *(Note 1)*	**42.1%**	42.2%	-0.1ppt
Research and development costs to revenue ratio (%)	**17.6%**	16.8%	+0.8ppt
Profit for the year	**6.36**	5.10	+24.9%
Profit attributable to the owners of the parent *(Note 2)*	**3.50**	2.33	+50.1%
Adjusted non-HKFRS profit attributable to the owners of the parent *(Note 3)*	**3.46**	2.59	+33.5%
Basic earnings per share, based on adjusted non-HKFRS profit attributable to the owner of the parent (RMB cents)	**18.90**	13.97	+35.3%
Sales *(Note 4)* of innovative products	**12.06**	9.89	+21.9%
Share of revenue (%)	**41.8%**	37.8%	
Sales of new products *(Note 5)*	**10.09**	8.05	+25.4%
Share of revenue (%)	**35.0%**	30.7%	

The Board of the Company has recommended the payment of a final dividend of HK4 cents per share for the year ended 31 December 2024. Together with the interim dividend of HK3 cents per share paid, the total dividend of the year amounted to HK7 cents per share.

Note 1: The total of selling and distribution costs and administrative expenses divided by revenue.

Note 2: The significant year-on-year increase in profit attributable to the owners of the parent was mainly driven by the notable growth in revenue and the gain on disposal of subsidiaries during the year.

Note 3 Adjusted non-HKFRS profit attributable to the owners of the parent is presented in this results announcement as an additional non-HKFRS financial measure to provide supplementary information for better assessment of the performance of the Group's core operations by excluding impacts of discontinued operations, certain non-cash items and the share of profits and losses of associates and joint ventures. A reconciliation between profit attributable to the owners of the parent and adjusted non-HKFRS profit attributable to the owners of the parent has been set out under the section headed "Adjusted non-HKFRS profit attributable to the owners of the parent" of this announcement.

Note 4: Sales is the gross sales amount minus the sales discount. Innovative products include innovative drugs and biosimilars.

Note 5: Products launched within five years.

CORPORATE PROFILE

Sino Biopharmaceutical Limited (the "Company" or "Sino Biopharm", together with its subsidiaries, the "Group") is a leading, innovative R&D-driven pharmaceutical conglomerate in China. It prides itself on a fully-integrated industrial chain, covering various R&D platforms, intelligent production operations and a formidable sales system. Its products including biopharmaceutical and chemical medicines enjoy an advantageous position in a host of therapeutic areas, such as oncology, liver diseases, respiratory diseases and surgery/analgesia.

The Company was listed on the Hong Kong Stock Exchange in 2000 and included in 2013 as a constituent stock of MSCI Global Standard Indices – MSCI China Index, Hang Seng Index in 2018, and Hang Seng Connect Biotech 50 Index and Hang Seng China (Hong Kong-listed) 25 Index in 2020. It has been six years in a row among the "Top 50 Global Pharmaceutical Enterprises" named by the US authoritative magazine Pharm Exec and was for three consecutive years among the "Asia's Fab 50 Companies" named by Forbes Asia.

The subsidiaries of Sino Biopharm are located in Beijing, Shanghai, Nanjing, Lianyungang and multiple manufacturing sites. Since its inception, the Company has continued to boast outstanding achievements and robust growth. Its core member companies Chia Tai Tianqing Pharmaceutical Group Co. Ltd. and Beijing Tide Pharmaceutical Co. Ltd. have been among the "Top 100 Chinese Pharmaceutical Industry Enterprises" for years.

Sino Biopharm will continue to deliver its mission of "Science for a Healthier World" and focus on developing innovative therapies for patients. It is committed to becoming a world-leading pharmaceutical company.

Principal products:

Oncology medicines:	Focus V (Anlotinib Hydrochloride Capsules), Annike (Penpulimab Injection), Yilishu (Efbemalenograstim alfa Injection), Andewei (Benmelstobart Injection), Anboni (Unecritinib Fumarate Capsules), Anluoqing (Envonalkib Citrate Capsules), Anfangning (Garsorasib Tablets), Anbeisi (Bevacizumab Injection), Delituo (Rituximab Injection), Saituo (Trastuzumab for Injection), Paletan (Pertuzumab Injection)
Liver diseases medicines:	Tianqing ganmei (Magnesium Isoglycyrrhizinate Injection), Runzhong (Entecavir Dispersible Tablets)
Respiratory medicines:	Tianqing suchang (Budesonide Suspension for Inhalation), Tianyun (Colistimethate Sodium for Injection)
Surgery/analgesia medicines:	Zepolas (Flurbiprofen Cataplasms), Kailitong (Limaprost Tablets), Anhengji (Recombinant Human Coagulation Factor VIII for Injection)

The medicines which have received Good Manufacturing Practice ("GMP") certifications issued by the National Medical Products Administration of the PRC are in the following dosage forms: large volume injections, small volume injections, PVC-free soft bags for intravenous injections, capsules, tablets, powdered medicines and granulated medicines. The Group also received the GMP certification for health food in capsules from the Department of Health of Jiangsu Province.

The Group's principal subsidiaries include: Chia Tai Tianqing Pharmaceutical Group Co. Ltd. ("CT Tianqing"), Beijing Tide Pharmaceutical Co. Ltd. ("Beijing Tide"), Nanjing Chia Tai Tianqing Pharmaceutical Co., Ltd. ("NJCTT"), Jiangsu Chia Tai Fenghai Pharmaceutical Co., Ltd. ("Jiangsu CT Fenghai"), Jiangsu Chia Tai Qingjiang Pharmaceutical Co., Ltd. ("Jiangsu CT Qingjiang") and invoX Pharma Limited ("invoX"). NJCTT, Jiangsu CT Qingjiang and Jiangsu CT Fenghai have been designated "Engineering Technological Research Centre for treating tumors and cardio-cerebral phytochemistry medicines of Jiangsu Province", "Engineering Technological Research Centre for orthopedic medicines" and "Engineering Technological Research Centre for parenteral nutritious medicines" by the Science and Technology Committee of Jiangsu Province, respectively.

Named by the Ministry of Human Resources and Social Security of the PRC as a "Postdoctoral Research and Development Institute", the research center of CT Tianqing is also the only "New Hepatitis Medicine Research Center" in the country.

Beijing Tide obtained the renewed GMP certification for foreign pharmaceutical company from the Public Welfare and Health Ministry of Japan in December 2012. Japanese pharmaceutical enterprises can assign the manufacturing of aseptic pharmaceutical products (products that are under research and products already launched to the domestic market within Japan) to Beijing Tide for export to Japan.

In September 2011, CT Tianqing received the first certificate of new edition GMP (Certificate No. CN20110001) issued by the State Food and Drug Administration of the PRC for its small volume (injection) dosage.

The Company became a constituent of the MSCI Global Standard Indices' MSCI China Index with effect from the close of trading on 31 May 2013.

The Company was included in Forbes Asia's "Asia Fab 50 Companies" for three consecutive years in 2016, 2017 and 2018.

The Company was selected as a constituent stock of the Hang Seng Index with effect from 10 September 2018.

The Company was selected as a constituent stock of Hang Seng Connect Biotech 50 Index on 23 March 2020.

The Company was included in American Magazine Pharm Exec's Top 50 Companies for six consecutive years from 2019 to 2024.

The Group's website: http://www.sinobiopharm.com

Industry Overview

2024 was a pivotal year for the transformation and development of China's pharmaceutical industry, with opportunities and challenges coexisting. Driven by the country's continued efforts to deepen the reform of the pharmaceutical and healthcare system, the barriers restricting innovation have been gradually removed, the pharmaceutical industry has accelerated its transformation and upgrading, and the new quality productive forces have grown rapidly. Benefiting from significant achievements in innovative R&D, new therapies and technologies have continued to emerge. However, the industry is still in a critical period of transition from old to new momentum, so the overall recovery of the pharmaceutical manufacturing industry is relatively weak. According to data from the National Bureau of Statistics of China, the total operating revenue of China's above-scale pharmaceutical manufacturing industry was RMB2,529.85 billion, the same as last year, while total profit decreased by 1.1% year-on-year to RMB342.07 billion.

As the pharmaceutical sector continues to deepen its anti-corruption work, the industry ecosystem has been systematically purified, laying a solid foundation for the high-quality and sustainable development of the industry. In May 2024, 14 ministries and commissions, including the National Health Commission, jointly published the "Key Work Points for Correcting Unhealthy Tendency in the Field of Purchase and Sale of Medicinal Products and Medical Treatment Services in 2024", which coordinated the centralized rectification of corruption issues in the country's pharmaceutical industry and improved the long-term regulatory system to ensure the healthy development of the industry. In October 2024, the State Administration for Market Regulation issued the "Compliance Guidelines for Healthcare Companies to Prevent Commercial Bribery Risks (Draft for Public Comment)". As the industry's first national compliance guideline, the document clearly defines the commercial bribery risk in nine key scenarios, including academic visits and exchanges, reception, clinical trials, and retail sales, with the aim of guiding companies to operate in accordance with the law, maintain fair market competition, and promote the long-term and healthy development of the industry.

The government also stepped up efforts to launch policies that encourage pharmaceutical innovation, guiding the industry to shift from following or imitating innovation to original innovation. In February 2024, the National Healthcare Security Administration issued the "Notice on Establishing an Initial Price Formation Mechanism for Newly Launched Chemical Drugs to Encourage High-Quality Innovation (Draft for Public Comment)", which gives more pricing freedom to high-quality innovative drugs, advocates return on investment commensurate with risk, and promotes the positive cyclical development of innovation. In July, the State Council reviewed and approved the "the Whole Chain Support for Innovative Drug Development Implementation Plan", emphasizing the need to strengthen policy support for the entire chain, including R&D, approval, hospital admission, payment, investment and financing, and jointly promote breakthroughs in the development of innovative drugs.

While vigorously encouraging innovation and optimizing the industry ecosystem, the government has also continued to deepen the reform of the pharmaceutical and healthcare system, improving the quality and expanding the scope of Volume-based Procurement ("VBP") to effectively raise the level of healthcare security. Since 2018, the National Healthcare Security Administration has organized 10

batches of VBP and purchased 435 drugs in total. It has also conducted seven rounds of adjustments to the National Reimbursement Drug List ("NRDL") and negotiated the inclusion of 530 new drugs, which has greatly promoted the quality enhancement and upgrading of the pharmaceutical industry. In 2024, the tenth batch of VBP products accounted for only 1% of the Group's total revenue, and the related risks have basically been removed. In addition, Anboni (Unecritinib Fumarate Capsules) and Anluoqing (Envonalkib Citrate Capsules), two category 1 innovative drugs independently developed by the Group, were newly included in the NRDL and are expected to benefit more patients.

Business Review

During the reporting period, the Group had a total of six innovative products approved for marketing by the National Medical Products Administration of China ("NMPA"), namely Andewei (Benmelstobart Injection), Anboni (Unecritinib Fumarate Capsules), Anluoqing (Envonalkib Citrate Capsules), Anfangning (Garsorasib Tablet), Paletan (Pertuzumab Injection) and Beilelin (Liraglutide Injection), four of which are national category 1 innovative drugs, making Sino Biopharm the company with the highest number of category 1 innovative drugs approved in 2024. During the year, the Group's revenue from innovative products reached RMB12,059.92 million, a year-on-year increase of 21.9%. In addition to innovative products, the Group has 28 generic drugs approved for marketing by the NMPA. The overall revenue of generic drugs achieved positive growth in 2024. New products are an important driver of the Group's revenue growth. In 2024, the Group's revenue from new products launched within five years reached RMB10,090.84 million, representing a year-on-year increase of 25.4%.

Oncology

– Focus V (Anlotinib Hydrochloride Capsules) is a new type of small molecule multi-target tyrosine kinase inhibitor. It has been approved for seven indications: first-line small cell lung cancer, third-line non-small cell lung cancer, third-line small cell lung cancer, soft tissue sarcoma, medullary thyroid cancer, differentiated thyroid cancer and second and third line endometrial cancer. The marketing applications of three new indications have been submitted to the Center for Drug Evaluation of the China National Medical Products Administration ("CDE"), including anlotinib in combination with benmelstobart for first-line advanced unresectable or metastatic renal cell carcinoma, anlotinib in combination with chemotherapy for first-line advanced unresectable or metastatic soft tissue sarcoma, and anlotinib in combination with penpulimab for first-line advanced hepatocellular carcinoma. In addition, three pivotal clinical trials for new indications have shown positive results. The Group will submit new marketing applications to the CDE for these indications in the near future, including: benmelstobart with or without anlotinib for the consolidation therapy of locally advanced/unresectable (stage III) non-small cell lung cancer that has not progressed after concurrent/sequential chemoradiotherapy, anlotinib in combination with benmelstobart for advanced acinar soft tissue sarcoma, and benmelstobart in combination with chemotherapy followed by sequential combination with anlotinib for first-line advanced squamous non-small cell lung cancer. In addition, anlotinib is in Phase III clinical studies for a number of new indications, including first-line non-squamous non-small cell lung cancer and first-line colorectal cancer. It is expected that marketing applications will be submitted gradually in the next few years.

– Yilishu (Efbemalenograstim alfa Injection) is a third-generation long-acting granulocyte colony stimulating factor (G-CSF) used to prevent and treat neutropenia in cancer patients after chemotherapy. Efbemalenograstim alfa has completed three global multi-center, randomized, and controlled pivotal Phase III clinical trials, and has been compared with the commonly used short-acting and long-acting G-CSF drugs in clinical practice, proving its efficacy and safety. Efbemalenograstim alfa forms a dimer through the Fc fusion protein, without PEG modification, which better avoids the immune response caused by PEG. It has the notable advantages of high stability and low immunogenicity, allowing early administration and therefore better patient compliance. In December 2023, Efbemalenograstim alfa was successfully included in the NRDL, and its sales volume accelerated in 2024, becoming an important contributor to the Group's revenue growth.

– Andewei (Benmelstobart Injection) is a humanized PD-L1 monoclonal antibody that was approved by the NMPA in April 2024 for use in combination with anlotinib, carboplatin, and etoposide in the first-line treatment of extensive-stage small cell lung cancer. In November 2024 it was approved by the NMPA in combination with anlotinib to treat recurrent or metastatic endometrial cancer that has failed prior systemic anti-tumour therapy and is not eligible for curative surgery or curative radiotherapy, that is non-microsatellite instability-high (non-MSI-H) or non-deficient mismatch repair (non-dMMR). A Phase III clinical study (ETER701) showed that the median progression-free survival (mPFS) of benmelstobart in combination with anlotinib and chemotherapy for the first-line treatment of extensive-stage small cell lung cancer was 6.9 months and the median overall survival (mOS) was 19.3 months, both of which were the highest in the history of registrational trials. The results of the study have been published in the authoritative international medical journal "Nature Medicine". At present, the Group is accelerating the clinical development of the combination of benmelstobart and anlotinib. Among them, the marketing application has been submitted to the CDE for the indication of first-line renal cell carcinoma, and the marketing applications of consolidation therapy after chemoradiotherapy for non-small cell lung cancer, alveolar soft tissue sarcoma, first-line squamous non-small cell lung cancer and other indications will be submitted to the CDE in the near future. In the next few years, the Group will continue to expand the indication coverage and explore the clinical value of this combination.

– Anboni (Unecritinib Fumarate Capsules) is a small molecule inhibitor of tyrosine kinase ROS1/ALK/c-Met, which was approved by the NMPA in April 2024 for the treatment of ROS1-positive locally advanced or metastatic non-small cell lung cancer. It is the first domestically produced targeted drug approved for the treatment of ROS1-positive non-small cell lung cancer. The pivotal Phase II clinical data showed that the efficacy of Unecritinib in the treatment of ROS1-positive non-small cell lung cancer has overcome the existing treatment bottleneck. Patients achieved deep and long-lasting responses regardless of the presence of brain metastases, with good safety and tolerability. It has the advantages of high efficacy and low toxicity. Unecritinib was successfully included in the NRDL in 2024.

– Anluoqing (Envonalkib Citrate Capsules) is a novel ALK inhibitor, which was approved by the NMPA in June 2024 for the treatment of patients with ALK-positive locally advanced or metastatic non-small cell lung cancer who have not been treated with ALK inhibitors. Phase III clinical data showed that compared with crizotinib, envonalkib can significantly extend progression-free survival in previously untreated patients with ALK-positive non-small cell lung cancer, and can significantly delay disease progression in patients with brain metastases or reduce the risk of brain metastases progression. Envonalkib was successfully included in the NRDL in 2024.

– Anfangning (Garsorasib Tablets) is a novel and highly effective KRAS G12C inhibitor that was approved for marketing by the NMPA in November 2024 for the treatment of advanced non-small cell lung cancer with KRAS G12C mutation that has received at least one systemic treatment. The pivotal Phase II clinical data showed that garsorasib achieved an objective response rate (ORR) of 52.0%, mPFS of 9.1 months, and mOS of 14.1 months in the treatment of KRAS G12C mutant non-small cell lung cancer. It is currently the targeted drug with the longest OS among KRAS G12C inhibitors marketed worldwide. In June 2024, two indications of garsorasib were granted Breakthrough Therapy Designation by the CDE, namely: 1) for the treatment of locally advanced or metastatic pancreatic ductal adenocarcinoma with KRAS G12C mutation that has failed first-line treatment; and 2) in combination with cetuximab for the treatment of KRAS G12C mutation-positive and surgically unresectable locally advanced or metastatic colorectal cancer. The Group has initiated a Phase II single-arm registrational clinical trial of garsorasib for the treatment of KRAS G12C mutation-positive locally advanced or metastatic pancreatic cancer. The Group will further explore the multi-indication potential of garsorasib, which is expected to become another blockbuster product in the oncology field.

– Anbeisi (Bevacizumab Injection), Delituo (Rituximab Injection), Saituo (Trastuzumab for Injection), and Paletan (Pertuzumab Injection) were approved for marketing by the NMPA in February 2023, May 2023, July 2023, and December 2024, respectively. Anbeisi (Bevacizumab Injection) is approved for the treatment of metastatic colorectal cancer, recurrent glioblastoma, and advanced, metastatic or recurrent non-small cell lung cancer. Delituo (Rituximab Injection) is approved for treating non-Hodgkin's lymphoma (follicular lymphoma, CD20-positive diffuse large B-cell lymphoma, and chronic lymphocytic leukemia). Saituo (Trastuzumab for Injection) is approved for the treatment of HER2-positive early breast cancer, metastatic breast cancer and metastatic gastric cancer. Paletan (Pertuzumab Injection) is approved for the treatment of HER2-positive early breast cancer and metastatic breast cancer. The rapid increase in the volume of these biosimilars in 2024 has accelerated the Group's revenue growth.

– Regarding the R&D pipeline, as at the end of the reporting period, the Group had a total of 36 innovative oncology drug candidates in the clinical development stage or beyond, of which 3 were at the marketing application stage, 8 were in Phase III clinical trials or pivotal clinical trials, 11 were in Phase II clinical trials, and 14 were in Phase I clinical trials. In addition, the Group had 14 biosimilars or generic oncology drug candidates in the clinical development stage or beyond, including 6 at the marketing application stage, 2 in pivotal clinical trials, 1 in Phase I clinical trials, and 5 in bioequivalence ("BE") trials. The Group expects 6 innovative drugs and 8 biosimilars or generic drugs in the oncology field to be approved for marketing in the next three years (2025-2027).

– TQB3616 (CDK2/4/6 inhibitor) submitted a marketing application to the CDE in July 2024 for the treatment of HR-positive, HER2-negative locally advanced or metastatic breast cancer in combination with fulvestrant. TQB3616 is a novel CDK2/4/6 inhibitor. Research results show that compared with abemaciclib, the inhibitory effect of TQB3616 on CDK2 and CDK4 is further enhanced, and its enhanced inhibitory activity may help overcome the current drug resistance problem of CDK4/6 inhibitor. At the annual meeting of the Chinese Society of Clinical Oncology (CSCO) in 2024, the Group announced (in the form of oral presentations) the latest data of Phase III study of TQB3616 combined with fulvestrant for HR-positive and HER2-negative advanced breast cancer previously treated with endocrine therapy: ORR was 40.21%, mPFS was 16.62 months, and mOS had not been reached. In addition to the approved indications, the Group is also actively advancing the Phase III clinical trials of TQB3616 for first-line treatment and postoperative adjuvant treatment of HR-positive and HER2-negative breast cancer, and expects to gradually submit marketing applications over the next two years. Based on the excellent clinical data of TQB3616 and its coverage of multi-line patients in first-line, second-line and adjuvant treatment of breast cancer, the Group is confident that TQB3616 will become another blockbuster product in the field of oncology.

– TQ05105 (JAK/ROCK inhibitor) submitted a marketing application to the CDE in July 2024 for the treatment of moderate and high-risk myelofibrosis. It is the fastest developing JAK/ROCK inhibitor in the world. At the annual meeting of the American Society of Hematology (ASH) in 2024, the Group announced the results of three studies on TQ05105 in the form of oral presentations, including a Phase Ib clinical study in patients with myelofibrosis who were refractory or relapsed or intolerant to ruxolitinib, a Phase Ib/IIa clinical study in patients with glucocorticoid-refractory or -dependent chronic graft-versus-host disease, and a Phase I clinical study in patients with hemophagocytic lymphohistiocytosis. The Group is accelerating the advancement of several clinical trials of TQ05105 to fully realize its clinical value.

– LM-108 (CCR8 monoclonal antibody) is an ADCC-enhanced CCR8 humanized monoclonal antibody. It is currently undergoing a Phase II registrational clinical trial in China, combining with PD-1 monoclonal antibody for the treatment of patients with unresectable or metastatic advanced MSI-H/dMMR solid tumors who have previously failed anti-PD-1/PD-L1 therapy. Its development progress ranks first among the same target projects in China and among the top three in the world. LM-108 is a promising tumor immunotherapy that can specifically eliminate tumor-infiltrating regulatory T cells (Treg) and enhance the immune killing effect on tumor cells without affecting peripheral Treg. As shown by the data from early explorations and clinical studies, LM-108 demonstrates good safety and efficacy in the treatment of gastric cancer, pancreatic cancer, lung cancer, breast cancer and other solid tumors, and is expected to provide better treatment options for patients with advanced tumors.

– M701 (CD3/EpCAM bispecific antibody) is the first independently developed CD3/EpCAM bispecific antibody to enter clinical trials in China. It is currently undergoing Phase III clinical trials in China and is intended to be developed for the treatment of malignant pleural effusion and malignant ascites caused by tumors. M701 targets both the tumor cell target EpCAM and the immune T cell activation target CD3, and bridges tumor cells and immune T cells through dual-target binding, thereby inducing T cells to kill tumor cells. Malignant pleural effusion and ascites is a common complication in patients with advanced cancer, but there is currently a lack of effective standard treatment options in clinical practice, and puncture drainage combined with local pleural or peritoneal infusion of drugs is still the primary treatment. Compared with the current primary clinical treatments, M701 has better safety and efficacy, and is expected to become the first standard treatment for malignant pleural effusion and ascites in China.

– FS222 (CD137 agonist/PD-L1 inhibitor) is a novel tetravalent bispecific antibody currently in Phase I clinical trials as a single agent for the treatment of patients with advanced solid tumors. The Group announced the latest research results of the Phase I clinical trials of FS222 in the form of an oral report at the 2024 annual meeting of the American Society of Clinical Oncology (ASCO). The results of the study showed that FS222 exhibited strong anti-tumor activity in a variety of tumor types. Responses were observed in cutaneous melanoma, ovarian cancer, non-small cell lung cancer, mucosal melanoma, triple-negative breast cancer, mesothelioma, and MSS colorectal cancer. Notably, in patients with metastatic/advanced cutaneous melanoma who had previously received PD-1 antibody treatment, the ORR was 47.4%, and the disease control rate (DCR) was 68.4%. The Group will accelerate the clinical development of FS222 and continue to utilize the Group's proprietary antibody platform to develop more innovative drugs.

Liver Diseases

– Tianqing Ganmei (Magnesium Isoglycyrrhizinate Injection) is the fourth-generation of glycyrrhizic acid preparation that has been approved for three indications: chronic viral hepatitis, acute drug-induced liver injury, and improvement of liver dysfunction. Magnesium isoglycyrrhizinate is the world's first 99.9% purified alpha-glycyrrhizic acid. It has the advantages of strong liver targeting, excellent anti-inflammatory effects, and good safety. It has been recommended by the "Chinese Guideline for Diagnosis and Management of Drug-Induced Liver Injury (2023 Version)", the "Guideline for the Diagnosis and Treatment of Primary Liver Cancer (2024 Edition)", and other authoritative guidelines. It also has many studies presented at the annual meeting of the Asia Pacific Association for the Study of the Liver (APASL), the European Association for the Study of the Liver (EASL), and other internationally renowned academic conferences. The Group made efforts to strengthen the academic promotion, expanding doctor coverage and gaining recognition from experts through academic conferences at all levels, while vigorously exploring new patients to expand into new markets, and actively promoting retrospective research to provide more academic evidence for its clinical use.

– Regarding the R&D pipeline, as at the end of the reporting period, the Group had a total of 7 innovative liver diseases drug candidates in the clinical development stage or beyond, of which 1 was in Phase III clinical trials, and 6 were in Phase II clinical trials. In addition, the Group had 7 biosimilars or generic liver diseases drug candidates in the clinical development stage or beyond, including 3 at the marketing application stage, 2 in pivotal clinical trials, 1 in Phase I clinical trials, and 1 in BE trials. The Group expects 1 innovative drug and 5 biosimilars or generic drugs in the field of liver diseases to be approved for marketing in the next three years (2025-2027).

– Lanifibranor (pan-PPAR agonist) is an orally available small molecule drug that is currently undergoing Phase III clinical trials worldwide for the treatment of metabolic dysfunction-associated steatohepatitis (MASH). In a randomized, double-blind, placebo-controlled Phase IIb study in patients with MASH stage F1 to F3, Lanifibranor demonstrated excellent efficacy and good safety. The study met the primary endpoint and key secondary endpoint, and the results have been published in the authoritative international journal "New England Journal of Medicine" (NEJM). Lanifibranor regulates anti-fibrosis and anti-inflammatory pathways in vivo by activating three subtypes, PPAR α, PPAR β/δ and PPAR γ. Compared with single/dual subtype agonists, Lanifibranor targets all three subtypes, and its moderate and balanced pan-PPAR binding properties make the drug well tolerated. In July 2023, Lanifibranor was granted Breakthrough Therapy Designation by the CDE. Lanifibranor is China's first MASH drug to enter Phase III clinical trials and is expected to fill the gap in China's MASH market.

– TQA2225 (recombinant human FGF21-Fc fusion protein) is a fully human long-acting FGF21 fusion protein for the treatment of MASH. Phase II clinical trials are currently underway in China and all subjects have been enrolled. Compared with other similar targeted drugs, TQA2225 adopts pure natural human FGF21 as the active form, which reduces potential immunogenicity and has a good safety profile. Clinical studies have shown that FGF21 signal transduction can reverse many features of the pathogenesis of MASH and has the potential to reverse fibrosis, reduce liver fat, and improve blood sugar control. TQA2225 is the fastest-developing product among drugs with the same target in China, and is expected to become the first FGF21 fusion protein to be marketed in China.

Respiratory

– Tianqing Suchang (Budesonide Suspension for Inhalation) is China's first budesonide nebulized generic drug approved for marketing, breaking the long-term monopoly of branded drugs in the domestic market, and offering an effective, safe and economical high-end product for patients with chronic airway inflammation in China. The product has been included in the national VBP. The Group has taken a series of proactive management measures in a timely manner, including strengthening downstream channels, expanding market coverage and conducting secondary development in markets outside the scope of the VBP, enabling its sales to achieve steady growth in 2024.

– Tianyun (Colistimethate Sodium for Injection) is a first-to-market generic drug launched in 2021. It is China's first colistimethate sodium for injection approved for marketing, and was successfully included in the NRDL in 2023. Colistimethate sodium is one of the most widely used and evidence-based polymyxins in the world and has been recommended by the "Multi-Disciplinary Expert Consensus on the Optimal Clinical Use of the Polymyxins in China (2021)", "International Consensus Guidelines for the Optimal Use of the Polymyxins (2019)" and many other authoritative guidelines at home and abroad. At present, only two products with the same generic name have been approved in China. The Group continued to expand its market coverage through active academic promotion, and Tianyun's sales grew rapidly in 2024.

– Regarding the R&D pipeline, as at the end of the reporting period, the Group had a total of 11 innovative respiratory drug candidates in the clinical development stage or beyond, of which 2 were in Phase III clinical trials, 5 were in Phase II clinical trials, and 4 were in Phase I clinical trials. In addition, the Group has 13 biosimilars or generic respiratory drug candidates in the clinical development stage or beyond, including 6 at the marketing application stage, 2 in pivotal clinical trials, 1 in Phase I clinical trials, and 4 in BE trials. The Group expects 2 innovative drugs and 8 biosimilars or generic respiratory drugs to be approved for marketing in the next three years (2025-2027).

– TQC2731 (TSLP monoclonal antibody) is a humanized monoclonal antibody targeting TSLP, currently undergoing Phase III clinical trials in China. Its indications include severe asthma, chronic rhinosinusitis with nasal polyps and chronic obstructive pulmonary disease. It is the most rapidly developed domestically produced TSLP monoclonal antibody. Studies have shown that TSLP monoclonal antibody is not only effective in the treatment of eosinophilic asthma, but also shows significant efficacy in people with low eosinophilic phenotypes, so it can cover a wider range of patients with severe asthma. Currently, no TSLP monoclonal antibody has been approved for marketing in China. The Group will vigorously promote the clinical development of TQC2731 to address the unmet clinical needs.

– TDI01 (ROCK2 inhibitor) is a novel targeted and highly selective ROCK2 inhibitor currently in Phase II clinical development, and its indications include idiopathic pulmonary fibrosis and graft-versus-host disease. By highly selective inhibition of the ROCK2 signaling pathway, TDI01 can inhibit the progression of fibrosis, has anti-inflammatory and immunomodulatory effects, and has good therapeutic potential in the fields of pulmonary fibrosis and liver fibrosis. The Phase II clinical trial of TDI01 is nearing completion and the Phase III registrational clinical trial is expected to start in 2025. The Group believes that TDI01 has the potential to become a blockbuster drug and will vigorously promote its clinical development and continue to explore its applications in other fibrosis and related fields.

– TQC3721 (PDE3/4 inhibitor) is a dual PDE3/4 inhibitor that has completed Phase II clinical trials in China for the treatment of moderate to severe chronic obstructive pulmonary disease. PDE3 mainly acts on bronchial smooth muscle. PDE4 is mainly expressed in various inflammatory cells. TQC3721 can reduce off-target effects through dual-target inhibition and combines the dual activities of bronchiectasis and anti-inflammation in one compound. At present, no drug with the same target has been approved for marketing in China. TQC3721 is the fastest-developing domestic PDE3/4 dual inhibitor in China.

– TCR1672 (P2X3R antagonist) is a second-generation highly selective P2X3 receptor antagonist. It is currently undergoing Phase Ib/II clinical trials in China for the treatment of refractory chronic cough. In 2021, TCR1672 submitted an investigational new drug (IND) application to the FDA and obtained IND approval. Preclinical studies have shown that, compared with the first-generation P2X3 receptor antagonist, TCR1672 is more effective in vivo and in vitro, has better selectivity for P2X3 and P2X2/3, and is expected to have less clinical taste interference. Currently, there are no drugs targeting P2X3 on the market in China, and TCR1672 is expected to become one of the first three P2X3 receptor antagonists approved in China.

– TQH2722 (IL-4R α monoclonal antibody) is a humanized monoclonal antibody that targets IL-4R α. It is currently undergoing Phase III clinical trials in China. The proposed indications for development include atopic dermatitis, chronic rhinosinusitis with or without nasal polyps and seasonal allergic rhinitis. TQH2722 can lead to double blockade of IL-4 and IL-13 signals, inhibiting type 2 inflammatory pathways, thereby achieving control on type 2 inflammatory diseases, such as atopic dermatitis, asthma, and chronic sinusitis.

Surgery/Analgesia

– Zepolas (Flurbiprofen Cataplasms) is the first domestically produced cataplasms approved for marketing in China, ranking first in the market share of topical analgesia for many years. It is recommended by many guidelines, including the "Expert Consensus on Diagnosis and Treatment of Chronic Musculoskeletal Pain" and "Chinese Guidelines for the Treatment of Chronic Pain Disorders with Non-Opioid Analgesics". The Group focuses on the development of high-potential areas, further expanding its market coverage and gradually increasing its production capacity to meet the booming market demand. Sales of flurbiprofen cataplasms have maintained a growth trend in recent years and achieved breakthrough growth in 2024. The second-generation flurbiprofen patch developed by the Group is expected to be approved for marketing in 2025. By upgrading the dosage form, the product can significantly improve the transdermal absorption of the drug and enhance the adhesiveness of the plaster, thereby improving patient compliance. The Group will vigorously promote the professional marketing of this product and continue to expand the coverage of non-hospital retail channels.

– Regarding the R&D pipeline, as at the end of the reporting period, the Group had a total of 6 innovative surgical/analgesic drug candidates in the clinical development stage or beyond, of which 2 were at the marketing application stage, 1 was in Phase III clinical trials, 2 were in Phase II clinical trials, and 1 was in Phase I clinical trials. In addition, the Group had 8 biosimilars or generic surgical/analgesic drug candidates in the clinical development stage or beyond, including 6 at the marketing application stage, and 2 in pivotal clinical trials. The Group expects 4 innovative drugs and 8 biosimilars or generic drugs in the surgery/analgesic field to be approved for marketing in the next three years (2025-2027).

– PL-5 (Antimicrobial Peptide) submitted a marketing application to the CDE in December 2024. It is the first innovative antimicrobial peptide applied for marketing in China. PL-5 is used as a topical broad-spectrum anti-infective drug, intended to treat superficial secondary wound infection caused by staphylococcus aureus, staphylococcus epidermidis, pseudomonas aeruginosa, staphylococcus haemolyticus, acinetobacter baumannii, etc., including burn wound infection and physical injury wound infection. PL-5 is the first newly designed non-antibiotic antibacterial drug. It has a broad antibacterial spectrum, is less susceptible to resistance, and is highly effective in sterilization. It has good efficacy against local open wound infections, especially against drug-resistant strains. It has a good safety profile, with no entry to the blood circulatory system.

– TRD205 (AT2R inhibitor) is a highly selective inhibitor targeting AT2R. As a "first-in-class" drug candidate, it has been approved for clinical trials in China and the United States. It is currently undergoing Phase II clinical trials in China. Indications to be developed include chronic postoperative neuralgia and peripheral neuropathic pain. TRD205 accurately inhibits AT2R and blocks the pain sensitization signaling pathway, showing breakthrough potential in the areas of peripheral neuropathic pain and postoperative pain. Preclinical and early clinical data show that TRD205 can significantly reduce pain scores and has excellent safety (adverse reaction rate <15%), which is expected to solve the pain points of limited efficacy and high risk of addiction of traditional analgesics. At present, no other drugs with the same target have entered clinical trials worldwide. With its original mechanism and multi-indication layout, TRD205 may become the first innovative therapy to rewrite the paradigm of neuralgia treatment and seize the leading opportunity in the over US$10 billion pain treatment market.

– TRD303 (Ropivacaine sustained-release solution) is an innovative preparation that acts on sodium ion channels. It is currently undergoing Phase II clinical trials in China for postoperative long-acting analgesia (abdominal surgery, hip replacement surgery, etc.). TRD303 is administered topically by applying the drug to the wound site. After the wound is sutured, the drug can be slowly released. TRD303 has the characteristics of long-acting sustained release. After the drug comes into contact with body fluids, the drug will undergo a phase change to form a drug reservoir. This mechanism can not only effectively increase the concentration of the drug, but also achieve a sustained and slow release of the drug within 72 hours. The results of preclinical studies have shown TRD303 maintains its efficacy for a longer period and has a better safety profile than the short-acting postoperative analgesics currently used in clinical practice. In addition, TRD303's innovative topical drug delivery method can reduce the technical requirements for invasive drug delivery, reduce the irritation caused by invasive drug delivery, and avoid the risk of systemic toxicity caused by accidental injection into the blood vessel.

Awards

– On 21 March 2024, the 9th Annual Meeting of Medical Scientists was held in Beijing. The Group's subsidiary, Beijing Tide, won the honor of "'Driving Force Behind the Industry's Progress' – Top 10 Pharmaceutical Public Welfare Enterprises in 2023".

– On 28 March 2024, the 2024 PMC Pharmaceutical Investment, Financing and Trading Conference and the 2nd PharmCube TOP15 List Release Conference were held in Shanghai, and the Group was selected as one of the "Top 15 Chinese Innovative Drug Listed Companies Leading in Value".

– On 25 June 2024, the 2024 China Medical and Health. Industry Symbiosis Conference ("MHIS") was held in Huzhou, Zhejiang Province, and the Group ranked second in the "2023 Top 100 Chinese Chemical Pharmaceutical Enterprises List".

– On 30 June 2024, the China ESG Release event, jointly organized by China Media Group's Financial and Economic Program Center, the State-owned Assets Supervision and Administration Commission of the State Council, the All-China Federation of Industry and Commerce, and the Economic Research Think Tank of the Chinese Academy of Social Sciences, was held in Beijing. The Group was listed among "China's Top 100 ESG Listed Companies".

– On 16 July 2024, the S&P Global Sustainable Seminar and the "Sustainability Yearbook 2024 (China Edition)" Launch Ceremony were held in Beijing, and the Group was included in the "Sustainability Yearbook 2024 (China Edition)".

– On 10 August 2024, the 17th Health Industry (International) Ecology Conference -2024 CPEO was held in Boao, Hainan, and the Group ranked fourth in the "2024 Top 100 Companies in Pharmaceutical Industry Comprehensive Competitiveness Index".

– On 7 September 2024, the 41st China Pharmaceutical Industry Information Annual Conference was held in Chengdu, Sichuan. The Group's subsidiaries CT Tianqing and Beijing Tide were selected for inclusion in the "2023 Top 100 Companies in Chinese Pharmaceutical Industry List", and both were named among the "Best Industrial Enterprises in China for Pharmaceutical R&D Product Lines".

– On 11 September 2024, Healthcare Executive released the "Top 100 Chinese Pharmaceutical Innovative Enterprises" list, and the Group ranked third, up one place from last year.

– On 26 September 2024, Forbes China released its "2024 ESG Inspirational Cases" list, and the Group was selected as one of the 10 most representative ESG inspirational cases.

– On 13 November 2024, the 16th China Healthcare Summit of Entrepreneurs, Scientists and Investors was held in Chengdu, Sichuan, and the Group ranked third among the "Top 100 Chinese Pharmaceutical Innovative Enterprises" and was selected as one of the "Top 20 Chinese Pharmaceutical Listed Companies in ESG Competitiveness" and the "Top 10 Low-Carbon Pioneers among Chinese Pharmaceutical Listed Companies in Addressing Climate Change". Anlotinib Hydrochloride Capsules (trade name: Focus V), a category 1 innovative drug independently developed by the Group, was selected as one of the "2015-2030 Top 20 Blockbuster New Drugs in China".

– On 14 December 2024, the 4th China Biochemical Pharmaceutical Industry High-quality Development Conference was held in Beijing. Benmelstobart Injection (trade name: Andewei), a category 1 innovative drug independently developed by the Group, was recognized as an "Excellent Brand in Biochemical and Biopharmaceutical Products" for 2024.

– On 16 December 2024, the Ministry of Industry and Information Technology of the People's Republic of China announced the 2024 Green Manufacturing List, and NJCTT, a subsidiary of the Group, was selected as a "National Green Factory".

Financial Review

During the year, the Group recorded revenue of approximately RMB28,866.16 million, an increase of approximately 10.2% over last year (2023: RMB26,199.41 million). Gross profit was approximately RMB23,529.94 million, an increase of approximately 10.9% over last year (2023: approximately RMB21,209.53 million). The gross profit of the modernised Chinese medicines and chemical medicines segment was approximately RMB23,450.00 million, an increase of approximately 11.0% over last year (2023: approximately RMB21,124.85 million). The gross profit of other segments totaled approximately RMB79.94 million, a decrease of approximately 5.6% over last year (2023: approximately RMB84.68 million).

Profit attributable to the owners of the parent was approximately RMB3,499.83 million, an increase of approximately 50.1% over last year. Basic earnings per share attributable to the owners of the parent were approximately RMB19.13 cents, an increase of approximately 51.9% over last year. The significant increase in profit attributable to the owners of the parent was mainly driven by the notable growth in revenue and the gain on disposal of subsidiaries during the year. Excluding the profit attributable to the owners of the parent from the discontinued operations, the share of profits and losses of associates and joint ventures (net of related tax and non-controlling interests), one-off adjustments for the impairment and fair value changes of certain assets and liabilities (net of related tax and non-controlling interests), fair value losses/(gains) of current equity investments (net of related tax and non-controlling interests), share-based payments (net of related tax and non-controlling interests), effective interest expenses and exchange (gain)/loss of the convertible bond debt component, adjusted non-HKFRS profit attributable to the owners of the parent was approximately RMB3,456.96 million, an increase of approximately 33.5% over last year.

The Group's liquidity remains strong. With cash and bank balances classified under current assets of approximately RMB9,569.58 million, bank deposit classified under non-current assets of approximately RMB9,365.81 million, and the wealth management products of approximately RMB5,171.47 million in aggregate, the Group's total fund reserve was approximately RMB24,106.86 million at the year end.

Discontinued operations

With the disposal of the entire equity interests held by the Group in Shanghai Chia Tai Tongyong Pharmaceutical Co., Ltd. ("CT Tongyong"), Suzhou Tianqing Xingwei Medicines Co., Ltd., Lianyungang Chia Tai Tianqing Medicines Co., Ltd. and Zhejiang Tianqing Zhongwei Medicines Co., Ltd. completed in 2023, and upon the resolutions by the board of directors (the "Board") of the Company to adopt a plan to dispose the equity interest in CP Pharmaceutical Qingdao Co., Ltd. ("CP Qingdao") in December 2023 (collectively referred to as the "Target Companies"), in accordance with Hong Kong Financial Reporting Standard 5, the Target Companies has been re-classified as discontinued operations and CP Qingdao's underlying assets and liabilities have been re-classified as "Assets of a disposal group classified as held for sale" and "Liabilities directly associated with the assets classified as held for sale" as at 31 December 2023. The disposal of CP Qingdao was completed in March 2024 at a consideration of RMB1,819.72 million, resulting in a pre-tax gain of RMB1,709.60 million. Upon the completion of the disposal, the interest of the Group in CP Qingdao decreased from 93% to 26%.

In 2024, the Target Companies earned profit of approximately RMB1,580.13 million, as compared with the profit of approximately RMB484.76 million for 2023, and was included in discontinued operations.

Details of the disposal has been set out in note 7 to the financial statements in this announcement.

Continuing operations

The Group continues to focus on developing specialized medicines where its strengths lie so as to build up its brand in specialist therapeutic areas. The major therapeutic areas of the Group include oncology medicines, liver diseases medicines, respiratory medicines, surgery/analgesia medicines, cardiocerebral vascular medicines and others.

Oncology medicines

For the year ended 31 December 2024, the sales of oncology medicines amounted to approximately RMB10,733.63 million, representing approximately 37.2% of the Group's revenue, an increase of approximately 22.0% over last year.

Liver diseases medicines

For the year ended 31 December 2024, the sales of liver diseases medicines amounted to approximately RMB3,437.95 million, representing approximately 11.9% of the Group's revenue, a decrease of approximately 10.1% over last year.

Respiratory medicines

For the year ended 31 December 2024, the sales of respiratory medicines and services amounted to approximately RMB3,151.71 million, representing approximately 10.9% of the Group's revenue, an increase of approximately 6.2% over last year.

Surgery/analgesia medicines

For the year ended 31 December 2024, the sales of surgery/analgesia medicines amounted to approximately RMB4,458.17 million, representing approximately 15.4% of the Group's revenue, an increase of approximately 18.9% over last year.

Cardio-cerebral vascular medicines

For the year ended 31 December 2024, the sales of cardio-cerebral vascular medicines amounted to approximately RMB2,169.22 million, representing approximately 7.5% of the Group's revenue, a decrease of approximately 21.0% over last year.

Others

For the year ended 31 December 2024, the sales of others amounted to approximately RMB4,915.48 million, representing approximately 17.1% of the Group' revenue, an increase of approximately 19.6% over last year.

ADJUSTED NON-HKFRS PROFIT ATTRIBUTABLE TO THE OWNERS OF THE PARENT

Additional information is provided below to reconcile profit attributable to the owners of the parent and adjusted non-HKFRS profit attributable to the owners of the parent. The reconciling items principally adjust for the impact of discontinued operations, share of profits and losses of associates and joint ventures (net of related tax and non-controlling interests), one-off adjustments for the impairment and fair value changes of certain assets and liabilities (net of related tax and non-controlling interests), fair value gains of current equity investments (net of related tax and non-controlling interests), share-based payments (net of related tax and non-controlling interests) and effective interest expenses and exchange (gain)/loss of the convertible bond debt component. Adjusted non-HKFRS profit attributable to the owners of the parent for the year increased by approximately 33.5% over last year.

	For the year ended 31 December		
	2024	2023	Change
	RMB'000	*RMB'000*	*%*
Profit attributable to the owners of the parent	**3,499,834**	2,331,939	+50.1%
Profit attributable to the owners of the parent from discontinued operations	**(1,579,717)**	(440,599)	
Share of profits and losses of associates and joint ventures (net of related tax and non-controlling interests)	**108,281**	479,075	
One-off adjustments for the impairment and fair value changes of certain assets and liabilities (net of related tax and non-controlling interests)*	**1,390,431**	100,974	
Fair value losses/(gains) of current equity investments, net (net of related tax and non-controlling interests)	**2,217**	(62,198)	
Share-based payments (net of related tax and non-controlling interests)	**36,705**	15,382	
Loss on extinguishment of partial convertible bond	**–**	120,603	
Fair value gain of convertible bond embedded derivative component	**–**	(161)	
Convertible bond debt component of:			
– Effective interest expenses	**357**	10,427	
– Exchange (gain)/loss	**(1,145)**	80,326	
– Fair value gains of derivative financial instruments in relation to foreign currency forward contracts	**–**	(46,985)	
Adjusted non-HKFRS profit attributable to the owners of the parent	**3,456,963**	2,588,783	+33.5%

* *Mainly due to the one-off impairment losses and fair value losses of various non-current investments held by invoX*

Basic earnings per share			
Adjusted non-HKFRS profit attributable to the owners of the parent used in the basic earnings per share calculation	**3,456,963**	2,588,783	+33.5%
Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculation *(Shares)*	**18,293,510,734**	18,529,064,920	
Basic earnings per share, based on adjusted non-HKFRS profit attributable to the owner of the parent *(RMB cents)*	**18.90**	13.97	+35.3%

To supplement the consolidated results of the Group prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS"), adjusted non-HKFRS profit attributable to the owners of the parent is presented in this results announcement as an additional non-HKFRS financial measure to provide supplementary information for better assessment of the performance of the Group's core operations by excluding impacts of certain non-cash items and the contribution of associates and joint ventures. Adjusted non-HKFRS profit attributable to the owners of the parent is to be considered in addition to, and not as a substitute for, measures of the Group's financial performance prepared in accordance with HKFRS.

INVESTMENT IN ASSOCIATES AND JOINT VENTURES

As at 31 December 2024, the Group had no major investment in associates and joint ventures. As at 31 December 2023, the Group's major investment in associates and joint ventures was the 15.03% equity interest held in Sinovac Life Sciences Co., Ltd. ("SINOVAC LS"), a company mainly engaged in the R&D, production and sales of human vaccines. During the year under review, the Group continued to optimize its business structure by further focusing on key therapeutic areas (four core therapeutic strengths: oncology, liver diseases, respiratory and surgery/analgesia), ceased allocating additional resources and manpower to non-core businesses (including vaccine business) and no longer intended to continue its engagement in the management decisions of SINOVAC LS. Substantive amendments were made to the articles of association of SINOVAC LS, and the board seat held by the Group at the board of directors of SINOVAC LS was changed to a board observer. Although the equity interest held by the Group in SINOVAC LS remains unchanged, the Group no longer had significant influence over SINOVAC LS operationally, legally, or financially. Consequently, the Group's equity investment in SINOVAC LS has been changed from investment in an associate to non-current equity investment designated at fair value through other comprehensive income. This resulted in a loss on deemed disposal of an associate of approximately RMB578.83 million recorded in other losses, net.

The profits and losses of associates and joint ventures attributable to the Group for the year was losses of approximately RMB118.30 million. After deducting related taxes credit and non-controlling interests, the actual net losses of associates and joint ventures totaled approximately RMB108.28 million.

EQUITY INVESTMENTS/FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS AND EQUITY INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

As at 31 December 2024, the Group had: 1) non-current equity investments designated at fair value through other comprehensive income (including certain listed and unlisted equity investments, such as SINOVAC LS) of approximately RMB10,911.53 million (31 December 2023: approximately RMB1,562.87 million), including the carrying amount of the investment in SINOVAC LS which was approximately RMB9,579.00 million, accounting for approximately 14.6% of the Group's total assets; and 2) current equity investments designated at fair value through profit or loss (including certain listed shares investments) of approximately RMB76.86 million (31 December 2023: approximately RMB301.08 million).

In addition, as at 31 December 2024, the Group had the non-current financial assets at fair value through profit or loss of approximately RMB4,439.11 million (31 December 2023: RMB4,699.70 million) and the current financial assets at fair value through profit or loss, including certain wealth management products of approximately RMB4,950.83 million (31 December 2023: approximately RMB2,811.96 million), which included the wealth management products of CSC Financial (approximately RMB861.75 million), China Guangfa Bank (approximately RMB552.00 million), Bank of Jiangsu (approximately RMB505.14 million), Huatai Securities (approximately RMB469.00 million), Bosera Funds (International) (approximately RMB341.51 million), CCB Asia Trust (approximately RMB337.26 million), China International Capital Corporation (approximately RMB330.08 million), Industrial Bank (approximately RMB308.00 million), Huaxia Bank (approximately RMB250.00 million) and other banks. The wealth management products mainly consisted of principal-guaranteed products with floating return and relatively lower risk of default. All principal and interests will be paid together on the maturity date. The Board of the Company believes that the investment in wealth management products can strengthen the financial position of the Group and bring the fruitful contribution to the profit of the Group. As at 31 December 2024, the above mentioned wealth management products (approximately RMB4,950.83 million) together with the wealth management products reclassified in other receivables of approximately RMB220.64 million (31 December 2023: approximately RMB1,553.26 million) including the wealth management products of CSC Financial (approximately RMB220.64 million), amounted to approximately RMB5,171.47 million in total, representing approximately 7.9% of the total assets of the Group.

Each of the transactions of acquisition or disposal of wealth management products was entered into with third party who was not a connected person (as defined in the Rules ("Listing Rules") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Stock Exchange")) of the Company, and did not constitute a notifiable transaction under Chapter 14 of the Listing Rules as all the applicable percentage ratios were less than 5%, calculated either on a standalone basis or by aggregation of the transactions with the same counterparty pursuant to the Rule 14.22 of the Listing Rules.

For the year ended 31 December 2024, the Group recorded fair value loss (net) of the current equity investments of approximately RMB9.20 million.

The Board believes that the investment in equity investments and financial assets can diversify the investment portfolio of the Group and achieve a better return to the Group in future.

R&D

The Group continued to focus its R&D efforts on new medicines in the four therapeutic areas of oncology, liver diseases, respiratory and surgery/analgesia. As at the end of the reporting period, the Group had 70 innovative products in development, including 39 oncology products, 7 liver diseases products, 13 respiratory products, 6 surgery/analgesia products, and 5 other products. In addition, the Group had 65 generic drug products in development.

Always placing utmost importance on R&D, the Group has continuously improved its R&D capabilities and speed by embracing the R&D concept of combining independent innovation, collaborative development, and development of both innovative and generic drugs. It considers R&D as the foundation for its sustainable development and has kept increasing R&D investment. For the year ended 31 December 2024, total investment in the R&D amounted to approximately RMB5,487.67 million, accounting for approximately 19.0% of the Group's revenue, 92.7% of which was charged to the statement of profit or loss amounting to approximately RMB5,089.20 million and accounting for approximately 17.6% of the Group's revenue. During the reporting period, the investment in the R&D of innovative drugs accounted for more than 77.0% of R&D investment, and the amount of investment increased by approximately 17.2% year-on-year.

The Group also attaches tremendous importance to the protection of intellectual property rights and encourages its member enterprises to file patent applications in order to enhance the Group's core competitiveness. During the reporting period, the Group filed 1,069 new patent applications and received 349 patent invention approvals. As at the end of the reporting period, the Group had accumulated 5,082 effective patents and patent applications and obtained 1,958 patent invention approvals.

INVESTOR RELATIONS

The Group is committed to maintaining high standards of corporate governance to ensure its long-term sustainable development. It also values communication with shareholders and investors. During the reporting period, the Group actively reached out to a wide range of investors in various regions through different channels to maintain close and good relationships and ensure adequate two-way communication with investors. In addition to ensuring that investors had a thorough understanding of its latest business developments and strategies, the Group was also able to gather valuable views and feedback from the investment community through its interaction with investors to help raise corporate governance standards.

Over the past year, the Group has continued to proactively disclose the latest information on its business development to investors. On 28 March 2024, the Group held the 2023 Annual Results Announcement Conference in Hong Kong to provide investors with an in-depth explanation of its annual results and latest business updates. On 13 August 2024, the Group held the 2024 Interim Results Announcement Conference and Investor Day in Beijing to introduce the Group's leading innovative R&D technology

platform and blockbuster innovative products to investors in detail. The two events were attended by nearly one thousand analysts, fund managers and other investors, and the response was enthusiastic. In addition, the Group also issued results press releases to the media in a timely manner to keep retail investors informed of its latest business status and prospects through media channels. In addition to results press releases, the Group also released information through the media on topics such as the Company's share repurchases, purchases of shares under its restricted share award scheme and purchases of shares by CT Tianqing under its share incentive scheme, in the hope of strengthening the confidence of shareholders and the market by maintaining a high level of transparency.

In addition, during the year, the Group participated in many investment summits and roadshows hosted by major investment banks and securities companies, including Bank of America, Citi, UBS, Morgan Stanley, Goldman Sachs, J.P. Morgan, CICC, CITIC, CSC Financial, HTSC, Haitong and China Industrial Securities, to help investors understand its business development and competitive advantages. During the reporting period, the Group participated in more than 800 investor communication meetings in various forms such as one-on-one meetings, group meetings and teleconferences.

The Group publishes its annual reports, interim reports, disclosures and circulars in a timely manner both on its corporate website and on the website of the Hong Kong Exchanges and Clearing Limited. The Group also voluntarily issues announcements to inform shareholders and investors of its latest business endeavors in order to maintain a high level of corporate transparency and to increase market interest in the Company.

LIQUIDITY AND FINANCIAL RESOURCES

The Group's liquidity remains strong. During the year, the Group's primary sources of funds were cash derived from operating activities, issuance of panda bonds and bank borrowings. As at 31 December 2024, the Group's cash and bank balances classified under current assets were approximately RMB9,569.58 million (31 December 2023: approximately RMB9,451.88 million). Bank deposit classified under non-current assets were approximately RMB9,365.81 million (31 December 2023: approximately RMB7,312.89 million).

CAPITAL STRUCTURE

As at 31 December 2024, the Group had short term loans of approximately RMB7,585.83 million (31 December 2023: approximately RMB11,135.94 million) and had long term loans of approximately RMB1,996.75 million (31 December 2023: approximately RMB1,057.94 million). Debt component of the convertible bonds amounted to approximately RMB16.24 million as at 31 December 2024 (31 December 2023: RMB16.48 million). In addition, total lease liabilities (classified under current and non-current liabilities) amounted to approximately RMB111.73 million as at 31 December 2024 (31 December 2023: RMB369.88 million). As at 31 December 2024, the Group's total available credit facilities approximately amounted to 39.4 billion (31 December 2023: approximately RMB38.2 billion) of which 30.0 billion were unused (31 December 2023: 26.0 billion).

CHARGE ON ASSETS

As at 31 December 2024, the Group had charge on assets of approximately RMB459.39 million (31 December 2023: approximately RMB1,494 million).

CONTINGENT LIABILITIES

As at 31 December 2024, the Group and the Company had no material contingent liabilities (31 December 2023: Nil).

ASSETS AND GEARING RATIO

As at 31 December 2024, the total assets of the Group amounted to approximately RMB65,408.07 million (31 December 2023: approximately RMB63,604.82 million) whereas the total liabilities amounted to approximately RMB22,634.00 million (31 December 2023: approximately RMB25,434.87 million). The gearing ratio (total liabilities over total assets) was approximately 34.6% (31 December 2023: approximately 40.0%). The Group was in a net cash position (including wealth management products) of approximately RMB14,396.31 million (31 December 2023: approximately RMB8,549.75 million), being the aggregate of cash and bank balances classified under current assets, bank deposit classified under non-current assets and wealth management products less the aggregate of short term loans, long terms loans, debt component of the convertible bonds and total lease liabilities.

EMPLOYEE AND REMUNERATION POLICIES

The Group had 24,379 employees as at 31 December 2024 and remunerates its employees based on their performance, experience and the prevailing market rates. Other employee benefits include mandatory provident fund, insurance and medical coverage, subsidized training programmes as well as employee share incentive schemes. Total staff cost (including Directors' remuneration and equity-settled share-based payments) for the year was approximately RMB4,670.56 million (31 December 2023: approximately RMB4,353.03 million).

The Company adopted a share option scheme on 15 June 2023 (the "2023 Share Option Scheme") and a share award scheme on 5 January 2018 (the "2018 Share Award Scheme"). The Company approved the implementation of a share incentive scheme by CT Tianqing, a subsidiary of the Company, on 7 May 2024 ("2024 CT Tianqing Share Incentive Scheme"). The schemes will provide incentive to retain and encourage the selected participants for the continual operation and development of the Group. No option in respect of the shares of the Company ("Shares") had been granted under the 2023 Share Option Scheme up to 31 December 2024. During the year ended 31 December 2024, 8,476,600 Shares had been granted to a total of 26 selected participants by the Company under the 2018 Share Award Scheme, and 108,384,000 Shares have been granted to a total of 310 designated participants by the Group under the 2024 CT Tianqing Share Incentive Scheme. As at the year end, 528,366,443 Shares were held on trust by the trustee under the 2018 Share Award Scheme and 338,690,000 shares were held on trust by the trustee under 2024 CT Tianqing Share Incentive Scheme.

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES

Most of the assets and liabilities of the Group were denominated in Renminbi, US dollars, Euro and HK dollars. The Group has hedged part of the RMB risk in net foreign operations by borrowing RMB loan and will continue to closely monitor the net foreign exchange exposure to reduce the impact of foreign exchange fluctuations.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG")

Sino Biopharm is committed to promoting the harmonious development of the Company, society and the environment through high-quality ESG management. The Group adheres to its operating philosophy of "For the Country, for the People, for the Company" to respond to the United Nations Sustainable Development Goals and contribute to the Healthy China initiative, thereby enabling the treatment of more diseases and promoting the health and well-being of more patients. With this vision, we aim to lay a strong foundation for the Group's sustainable development and create long-term value for ourselves and our partners.

In 2024, Sino Biopharm formulated the "2024 ESG Work Plan" based on the ESG work policy of "Consolidation + Improvement" and the substantive needs of the Group's development, which listed 10 core work objectives for the year, with "corporate governance, information disclosure, carbon neutral goal and pathways planning, product quality safety management, talent recruitment and development, responsible supply chain construction, and charity and public welfare" as the main focus, to promote the in-depth integration of ESG management and corporate operations, and promote the innovation and development of the Group. Under the effective guidance and supervision of the Board, this year's ESG work plan was fully implemented and various key tasks were completed with significant results.

In terms of corporate governance, on the basis of the effective operation of the ESG governance system, the Group actively explored the application scenarios of AI large language models and became one of the first pharmaceutical companies in China to officially adopt DeepSeek-R1, providing strong support for the Board's scientific decision-making and sufficient system guarantees for the full implementation of ESG work. At the same time, the Group organized "ESG DAY" for the first time, which it took as a sign to carry out the systematic development of concepts and culture within the Group and all member companies, further strengthening the popularization and deepening adoption of the ESG concept and culture.

In terms of ESG information disclosure, the Group published the "Sino Biopharmaceutical Limited FY2023 ESG Report" (the "Report") in April 2024, and, for the first time, engaged an international professional third-party organization to conduct an independent assurance of the Report. The Report won the Best in Reporting Award from BDO Limited.

In the area of environmental friendliness, the Group launched the "Carbon Neutral Goal and Pathways Planning Project of Sino Biopharmaceutical Limited" and systematically advanced the low-carbon transformation initiative. Annual sustainable energy utilization continues to increase, while the annual carbon emission intensity continues to decrease. After the Group's member companies CT Tianqing and

Jiangsu CT Qingjiang were recognized as a "National Green Factory" and "Provincial Green Factory", respectively, NJCTT, another member company of the Group, was also awarded the "National Green Factory" title.

With regard to quality and safety, the Group's quality and safety management system that spans the entire product lifecycle was operating effectively, and there was no major quality, safety or recall incidents reported during the year.

In terms of talent development, the Group promoted a talent attraction and incentive mechanism represented by the share incentive schemes, and continued to implement talent cultivation and development measures such as continuing education for employees and joint cultivation by educational institutions to attract and retain employees and enrich the talent pool. After being presented with "Forbes China Best Employer" and "Forbes China Most Digitally Responsible Employer of the Year" honors, the Group was awarded the titles of "2024-2025 China Healthiest Workplace" and "2024 Happy Enterprise – Best Employer" during the year.

As for the development of the responsible supply chain, following the comprehensive promotion and implementation of ESG concepts for suppliers and the signing of the "Sino Biopharm ESG Code of Conduct" in alignment with the Principles for Responsible Supply Chain Management of PSCI, a leading international industry initiative, the Group fully implemented a self-assessment of ESG management for its suppliers for the first time, with a 96% pass rate in supplier assessment, 13 key risks identified, and a 100% improvement plan formulation rate achieved.

In terms of giving back to society, the Group has continued to invest in areas such as disaster relief, rural revitalization, inclusive healthcare, educational donations, and public welfare charities. The total annual community investment amounted to RMB60.11 million, with the community welfare activities totaling 3,213 hours.

During the year, the Group's ESG performance continued to receive widespread recognition from the domestic and international communities. As of the end of 2024, the Group has received an "A" rating from the MSCI ESG ratings for two consecutive years, and its S&P CSA score has risen to the top 4% of the global pharmaceutical industry. It has been newly included in S&P Global's Sustainability Yearbook 2025 (Global Edition) and the FTSE4Good Social Responsibility Index Series. As for professional recognition, the Group was included in CCTV's Top 100 ESG Pioneers among China Listed Companies List for two years running. It also received other prestigious accolades, such as inclusion in Forbes China 2024 ESG Inspired Case Studies and Bloomberg Businessweek's ESG Leading Enterprises 2024.

PROSPECTS

In the global pharmaceutical industry structure, the Chinese pharmaceutical market has occupied a key position due to its huge volume, stable and increasing market demand, and strong innovation drivers. Its role in the global pharmaceutical development process has become increasingly prominent, and its influence on the global pharmaceutical industry is growing.

As a strategic industry closely linked to the national economy and people's livelihood, the pharmaceutical industry receives key support from national policies and incentives. In January 2025, the National Healthcare Security Administration announced that it would release the first edition of the Category C of NRDL within a year. As a supplement to the current Category A and B of NRDL, the Category C focuses on drugs that are not yet covered by medical insurance because they are beyond the "basic insurance coverage", but are highly innovative, have significant clinical value, and can greatly benefit patients. At the same time, the National Healthcare Security Administration will introduce incentives to facilitate the inclusion of Category C drugs within the coverage scope of affordable commercial health insurance, so as to realize the effective connection between the Category C and the basic medical insurance directory. This series of policies is expected to broaden the pricing flexibility of innovative drugs, improve their accessibility, and create a wider market prospect for such drugs.

The Group has closely followed national, social and industry development trends and continuously optimized its development strategy. Guided by the four main strategies of "organizational integration, comprehensive innovation, globalization, and digitalization", the Group has actively advanced its organizational structure, comprehensively improved its operational efficiency, focused on its four core therapeutic areas of oncology, liver diseases, respiratory and surgery/analgesia, and accelerated global deployment with innovation-driven development.

Committed to its vision "to be a leading global pharmaceutical company through delivering innovative therapies for patients", the Group has built an innovative development model driven by its dual engines of internal R&D and external business development. Over the years, the Group has adhered to comprehensive innovation, stepped up its R&D investment, and continued to strengthen its internal R&D capabilities. It has now built a comprehensive pipeline and product portfolio. At the same time, the Group has actively carried out business development and strategic cooperation, striving to become the best partner for global pharmaceutical and biotechnology enterprises. In April 2024, the Group entered into a strategic partnership with Boehringer Ingelheim to introduce its innovative cancer therapies to the Mainland China market. At present, the Group has entered the harvest period of its innovative development. It is expected that by 2027, the number of innovative products launched to the market will exceed 30, with revenue from innovative products accounting for over 55% of total revenue. This will further strengthen the Group's dominant position in the four main therapeutic areas and provide strong impetus for long-term sustainable growth.

The Group has comprehensively advanced its digitalization strategy with artificial intelligence (AI) as the core driving force. Currently, the Group has taken the lead in locally deploying cutting-edge AI models including DeepSeek and ChatGPT, deeply integrating these technologies to optimize key business scenarios such as cross-departmental collaboration, talent management, and supply chain management, thereby significantly improving operational efficiency. At the same time, through strategic investment and cooperation, the Group has partnered with emerging companies such as Insilico Medicine and XtalPi to explore the vast potential of AI in the fields of target screening, molecular design, and indication expansion, so as to drive a leap in R&D efficiency and quality. Going forward, the Group will continue to empower innovation and development with AI and use health technology to enrich more lives.

In addition to its foothold in China, the Group is also looking to the global market to accelerate innovation and development through its dual-pronged globalization strategy. Through this strategy, the Group will bring global pharmaceutical innovations to China and adapt them for practical use to benefit Chinese patients, while also expanding its presence in international markets to target unmet clinical needs worldwide. Looking ahead to 2025, the Group will continue to focus on innovation, step up the pace of globalization, drive rapid business growth and steady performance improvement, and contribute to the development of the global pharmaceutical industry.

APPRECIATION

On behalf of the Board, I would like to express my gratitude to our shareholders for their trust, support and understanding, as well as to all our staff for their dedication and diligence.

RESULTS

The Board of the Company announces the audited consolidated results of the Group for the year ended 31 December 2024 together with the comparative consolidated results for 2023 as follows:

Consolidated Statement of Profit or Loss

		For the year ended 31 December	
		2024	2023
	Notes	***RMB'000***	*RMB'000*
CONTINUING OPERATIONS			
REVENUE	*3*	**28,866,159**	26,199,409
Cost of sales		**(5,336,218)**	(4,989,877)
Gross profit		**23,529,941**	21,209,532
Other income	*3*	**1,207,037**	756,097
Other losses, net	*3*	**(1,184,526)**	(142,816)
Selling and distribution costs		**(10,077,966)**	(9,193,351)
Administrative expenses		**(2,081,510)**	(1,873,284)
Other expenses		**(6,201,656)**	(4,703,660)
Including: Research and development costs		***(5,089,203)***	*(4,402,973)*
Finance income		***499,564***	*378,335*
Finance costs	*4*	***(295,117)***	*(495,237)*
Net finance income/(costs)		**204,447**	(116,902)
Share of profits and losses of associates and joint ventures		**(118,299)**	(525,710)
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS	*5*	**5,277,468**	5,409,906
Income tax expense	*6*	**(492,918)**	(797,267)
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS		**4,784,550**	4,612,639
DISCONTINUED OPERATIONS			
Profit for the year from discontinued operations	*7*	**1,580,132**	484,759
PROFIT FOR THE YEAR		**6,364,682**	5,097,398
Profit attributable to:			
Owners of the parent		**3,499,834**	2,331,939
Non-controlling interests		**2,864,848**	2,765,459
		6,364,682	5,097,398
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	*9*		
Basic			
– For profit for the year		**RMB19.13 cents**	RMB12.59 cents
– For profit from continuing operations		**RMB10.50 cents**	RMB10.21 cents
Diluted			
– For profit for the year		**RMB19.13 cents**	RMB12.59 cents
– For profit from continuing operations		**RMB10.49 cents**	RMB10.21 cents

Details of the final dividend recommended for the year are disclosed in note 8 to the financial statements of this announcement.

Consolidated Statement of Comprehensive Income

	For the year ended 31 December	
	2024	2023
	RMB'000	*RMB'000*
PROFIT FOR THE YEAR	**6,364,682**	5,097,398
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences:		
Net gain/(loss) on hedge of net investment	**170,227**	(70,564)
Exchange differences on translation of foreign operations	**145,131**	46,023
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods	**315,358**	(24,541)
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	**(65,309)**	98,418
Income tax effect	**–**	–
	(65,309)	98,418
Share of other comprehensive income of associates and joint ventures	**(44,959)**	16,110
Net other comprehensive income that will not be reclassified to profit or loss in subsequent periods	**(110,268)**	114,528
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	**205,090**	89,987
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**6,569,772**	5,187,385
Attributable to:		
Owners of the parent	**3,707,747**	2,421,926
Non-controlling interests	**2,862,025**	2,765,459
	6,569,772	5,187,385

Consolidated Statement of Financial Position

	Notes	31 December 2024 RMB'000	31 December 2023 RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment		**8,691,382**	8,080,907
Investment properties		**269,030**	289,342
Right-of-use assets		**1,596,774**	1,831,254
Goodwill		**915,689**	680,452
Intangible assets		**2,145,277**	2,228,509
Investments in associates and joint ventures		**1,620,085**	12,243,675
Equity investments designated at fair value through other comprehensive income		**10,911,529**	1,562,870
Financial assets at fair value through profit or loss		**4,439,113**	4,699,703
Bank deposits		**9,365,805**	7,312,891
Deferred tax assets		**516,288**	567,012
Prepayments and other asset		**251,766**	302,673
Total non-current assets		**40,722,738**	39,799,288
CURRENT ASSETS			
Inventories		**2,373,145**	1,993,472
Trade and bills receivables	*10*	**4,967,560**	4,510,195
Prepayments, other receivables and other assets		**2,451,744**	3,635,630
Amounts due from related companies		**295,610**	188,610
Equity investments designated at fair value through profit or loss		**76,859**	301,080
Financial assets at fair value through profit or loss		**4,950,829**	2,811,960
Cash and bank balances	*11*	**9,569,584**	9,451,878
		24,685,331	22,892,825
Assets of a disposal group classified as held for sale	*7*	**–**	912,706
Total current assets		**24,685,331**	23,805,531
CURRENT LIABILITIES			
Trade and bills payables	*12*	**1,497,461**	1,334,703
Tax payable		**318,198**	271,871
Other payables and accruals		**10,028,415**	9,405,589
Interest-bearing bank borrowings		**7,585,825**	11,135,940
Amounts due to related companies		**73,295**	136,130
Lease liabilities		**28,333**	71,488
Contingent consideration		**8,720**	12,195
Convertible bonds – debt component		**16,243**	–
		19,556,490	22,367,916
Liabilities directly associated with the assets classified as held for sale	*7*	**–**	238,859
Total current liabilities		**19,556,490**	22,606,775
NET CURRENT ASSETS		**5,128,841**	1,198,756
TOTAL ASSETS LESS CURRENT LIABILITIES		**45,851,579**	40,998,044

	Notes	31 December 2024 *RMB'000*	31 December 2023 *RMB'000*
TOTAL ASSETS LESS CURRENT LIABILITIES		**45,851,579**	40,998,044
NON-CURRENT LIABILITIES			
Convertible bonds – debt component		**–**	16,478
Deferred government grants		**557,916**	548,272
Interest-bearing bank borrowings		**1,996,752**	1,057,944
Lease liabilities		**83,393**	298,394
Contingent consideration		**201,895**	125,460
Deferred tax liabilities		**237,553**	781,543
Total non-current liabilities		**3,077,509**	2,828,091
Net assets		**42,774,070**	38,169,953
EQUITY			
Equity attributable to owners of the parent			
Share capital	*13*	**414,384**	414,615
Treasury shares		**(2,974,787)**	(1,769,723)
Reserves		**34,521,192**	31,829,577
		31,960,789	30,474,469
Non-controlling interests		**10,813,281**	7,695,484
Total equity		**42,774,070**	38,169,953

Notes:

1. BASIS OF PREPARATION

These consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for equity investments designated at fair value through other comprehensive income/profit or loss, financial assets at fair value through profit or loss, certain bills receivables measured at fair value through other comprehensive income, contingent consideration liabilities and embedded derivative components of convertible bonds which have been measured at fair value. Disposal company held for sale is stated at the lower of its carrying amount and fair value less cost to sell. These financial statements are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand except when otherwise indicated.

1.1 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 new and revised HKFRSs for the first time for the current year's financial statements.

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*
Amendments to HKFRS 16	*Lease Liability in a Sale and Leaseback*

The adoption of these new and amended standards does not have significant impact on the consolidated financial statements of the Group.

1.3 Issued but Not Yet Effective Hong Kong Financial Reporting Standards

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

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

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 periods beginning on or after 1 January 2027
4 No mandatory effective date yet determined but available for adoption

The Group is in the process of making an assessment of the impact of these revised HKFRSs upon initial application. So far, the Group considers that these standards will not have a significant impact on the Group's financial performance and financial position.

2. OPERATING SEGMENT INFORMATION

Management considers the business from a product/service perspective. The three reportable segments are as follows:

(a) the modernised Chinese medicines and chemical medicines segment comprises the manufacture, sale and distribution of modernised Chinese medicine products and western medicine products and related services;

(b) the investment segment is engaged in long term and short term investments; and

(c) the "others" segment comprises, principally related healthcare and hospital business.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit or loss, which is a measure of adjusted profit or loss before tax.

Segment assets exclude deferred tax assets and the investments in associates and joint ventures as these assets are managed on a group basis.

Segment liabilities exclude tax payable and deferred tax liabilities as these liabilities are managed on a group basis.

The segment results for the year ended 31 December 2024

	Modernised Chinese medicines and chemical medicines *RMB'000*	Investment *RMB'000*	Others *RMB'000*	Total *RMB'000*
Segment revenue				
Sales to external customers	**28,461,729**	**–**	**404,430**	**28,866,159**
Segment results	**5,609,184**	**(258,469)**	**76,070**	**5,426,785**
Reconciliation:				
Interest and unallocated gains				**499,564**
Share of profits and losses of associates and joint ventures				**(118,299)**
Unallocated expenses				**(530,582)**
Profit before tax from continuing operations				**5,277,468**
Income tax expense				**(492,918)**
Profit for the year from continuing operations				**4,784,550**
As at 31 December 2024				
Assets and liabilities				
Segment assets	**42,986,766**	**18,707,754**	**1,577,176**	**63,271,696**
Reconciliation:				
Investments in associates and joint ventures				**1,620,085**
Other unallocated assets				**516,288**
Total assets				**65,408,069**
Segment liabilities	**15,783,484**	**5,534,440**	**760,324**	**22,078,248**
Reconciliation:				
Other unallocated liabilities				**555,751**
Total liabilities				**22,633,999**
Other segment information				
Depreciation and amortisation	**1,216,159**	**50,959**	**54,063**	**1,321,181**
Capital expenditure	**2,696,749**	**2,414**	**55,144**	**2,754,307**
Other non-cash expenses	**788,056**	**578,826**	**–**	**1,366,882**

The segment results for the year ended 31 December 2023

	Modernised Chinese medicines and chemical medicines *RMB'000*	Investment *RMB'000*	Others *RMB'000*	Total *RMB'000*
Segment revenue				
Sales to external customers	25,771,303	–	428,106	26,199,409
Segment results	6,525,182	(405,888)	19,878	6,139,172
Reconciliation:				
Interest and unallocated gains				389,494
Share of profits and losses of associates and joint ventures				(525,710)
Unallocated expenses				(593,050)
Profit before tax				5,409,906
Income tax expense				(797,267)
Profit for the year from continuing operations				4,612,639
As at 31 December 2023				
Assets and liabilities				
Segment assets	40,489,011	7,791,693	1,600,722	49,881,426
Reconciliation:				
Investments in associates and joint ventures				12,243,675
Other unallocated assets				567,012
Assets related to a discontinued operation				912,706
Total assets				63,604,819
Segment liabilities	16,116,328	7,261,854	764,411	24,142,593
Reconciliation:				
Other unallocated liabilities				1,053,414
Liabilities related to a discontinued operation				238,859
Total liabilities				25,434,866
Other segment information				
Depreciation and amortization	1,005,227	14,724	16,744	1,036,695
Capital expenditure	2,377,188	11,776	253,951	2,642,915
Other non-cash expenses	18,123	–	–	18,123

Geographical information

(a) Revenue from external customers

No further geographical segment information is presented as over 90% of the Group's revenue is derived from customers based in Mainland China.

(b) Non-current assets

	31 December 2024	31 December 2023
	RMB'000	*RMB'000*
Hong Kong	**3,567,607**	8,987,602
Mainland China	**11,533,245**	16,239,046
Other countries/regions	**389,151**	430,164
	15,490,003	25,656,812

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

Information about a major customer

No information about a major customer is presented as no single customer contributes to over 10% of the Group's revenue for the year ended 31 December 2024 and 2023.

3. REVENUE, OTHER INCOME AND OTHER LOSSES, NET

Revenue, which is the Group's revenue, represents the net invoiced value of goods sold, after allowances for returns and trade discounts.

An analysis of revenue, other income and other losses, net is as follows:

	For the year ended 31 December	
	2024	2023
	RMB'000	*RMB'000*
Revenue from contracts with customers		
Sale of industrial products	**28,160,673**	25,771,303
Revenue from other sources	**705,486**	428,106
	28,866,159	26,199,409

	For the year ended 31 December	
	2024	2023
	RMB'000	*RMB'000*
Other income		
Dividend income	**753,428**	87,104
Government grants	**139,857**	346,477
Sale of materials	**29,712**	21,331
Investment income	**94,180**	145,938
Gross rental income	**7,054**	8,964
Others	**182,806**	146,283
	1,207,037	756,097
Other losses, net		
Gain on disposal of items of property, plant and equipment	**40,901**	62,554
Loss on deemed disposal of an associate	**(578,826)**	–
Gain on disposal of subsidiaries	**75,314**	–
Foreign exchange losses, net	**(123,412)**	(96,015)
Fair value (losses)/gains, net		
Equity investments designated at fair value through profit or loss	**(9,202)**	62,198
Financial assets at fair value through profit or loss	**20,432**	8,416
Financial assets at fair value through profit or loss (Non-current)	**(588,898)**	(117,518)
Convertible bond embedded derivative component	**–**	161
Contingent consideration	**(68,091)**	(16,645)
Derivative financial instruments	**–**	46,985
Gain/(loss) on termination of right-of-use assets	**47,256**	(5,538)
Loss on extinguishment of partial convertible bonds	**–**	(120,603)
Gain on step acquisition of pHion	**–**	33,189
	(1,184,526)	(142,816)

4. FINANCE COSTS

	For the year ended 31 December	
	2024	2023
	RMB'000	*RMB'000*
Interest on bank borrowings	**287,244**	465,006
Interest on convertible bonds	**357**	10,427
Interest on lease liabilities	**7,516**	19,804
	295,117	495,237

5. PROFIT BEFORE TAX

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

	For the year ended 31 December	
	2024	2023
	RMB'000	*RMB'000*
Cost of inventories sold	**5,336,218**	4,989,877
Depreciation of property, plant and equipment	**1,034,330**	836,116
Depreciation of investment properties	**28,338**	27,274
Depreciation of right-of-use assets	**83,918**	64,207
Amortization of intangible assets	**174,595**	109,098
Research and development costs	**5,089,203**	4,402,973
Gain on disposal of items of property, plant and equipment	**(40,901)**	(62,554)
Loss on deemed disposal of an associate	**578,826**	–
Gain on disposal of subsidiaries	**(75,314)**	–
(Gain)/loss on termination of right-of-use assets	**(47,256)**	5,538
Loss on extinguishment of partial convertible bonds	**–**	120,603
Gain on step acquisition of pHion	**–**	(33,189)
Bank interest income	**(499,564)**	(378,335)
Dividend income	**(753,428)**	(87,104)
Investment income	**(94,180)**	(145,938)
Fair value (gains)/losses, net:		
Equity investments designated at fair value through profit or loss	**9,202**	(62,198)
Financial assets at fair value through profit or loss	**(20,432)**	(8,416)
Financial assets at fair value through profit or loss (non-current)	**588,898**	117,518
Convertible bond embedded derivative component	**–**	(161)
Contingent consideration	**68,091**	16,645
Derivative financial instruments	**–**	(46,985)
Minimum lease payments under operating leases:		
Lease payments not included in the measurement of lease liabilities	**270,391**	139,878
Auditors' remuneration	**6,000**	6,000
Staff cost (including directors' remuneration) in selling and distribution costs and administrative expenses:		
Wages and salaries	**3,618,852**	3,400,119
Pension scheme contributions	**997,986**	934,789
Equity-settled share-based payments	**53,721**	18,123
	4,670,559	4,353,031
Accrual/(reversal) of impairment of trade receivables	**12,786**	(3,535)
Impairment of other receivable*	**86,627**	–
Impairment of intangible assets*	**286,811**	–
Impairment of goodwill*	**18,619**	–
Impairment of investment in an associate*	**326,979**	–
Foreign exchange differences, net	**123,412**	96,015

* *The impairment of intangible assets, goodwill and investment in an associate and other receivable were included in "Other expenses" in the consolidated statement of profit or loss.*

6. INCOME TAX

Taxes on profits have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

	For the year ended 31 December	
	2024	2023
	RMB'000	*RMB'000*
Group:		
Current – Hong Kong	**–**	–
Current – Mainland China	**981,751**	608,335
Deferred tax	**(488,833)**	188,932
Total tax charge for the year from continuing operations	**492,918**	797,267
Total tax charge for the year from discontinued operations	**136,775**	38,914
Total tax charge for the year	**629,693**	836,181

The Company incorporated in the Cayman Islands is not subject to tax on income or capital gains under the law of the Cayman Islands. In addition, dividend payments are not subject to withholding tax in the Cayman Islands.

The subsidiaries incorporated in the British Virgin Islands (the "BVI") are not subject to income tax as these subsidiaries do not have a place of business (other than a registered office only) or carry on any business in the BVI.

The subsidiaries incorporated in Hong Kong is subject to Hong Kong profits tax at the rate of 16.5% (2023: 16.5%) on the estimated assessable profits arising in Hong Kong during the year.

The subsidiary incorporated in the United Kingdom ("UK") is subject to UK Corporate Income Tax at a rate of 25% (2023: 19%-25%) on the estimated assessable profits arising in the UK during the year.

Belgium profits tax has been provided at a rate of 25% (2023: 25%) on the estimated assessable profits arising in Belgium during the year.

The provision for corporate income tax in Mainland China is based on the statutory rate of 25% of the assessable profits as determined in accordance with the PRC Corporate Income Tax Law which was approved and became effective on 1 January 2008.

Certain subsidiaries operating in Mainland China were entitled to a preferential corporate income tax rate of 15% during the year because they were qualified as "High and New Technology Enterprises".

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. The Group is therefore liable to withholding taxes on dividends distributed by subsidiaries and associates established in Mainland China in respect of earnings generated from 1 January 2008 with 5% and 10%, respectively.

Pillar Two income taxes

The Group is within the scope of the Pillar Two model rules. The Group has applied the mandatory exception to recognising and disclosing information about deferred tax assets and liabilities arising from Pillar Two income taxes, and will account for the Pillar Two income taxes as current tax when incurred. Pillar Two legislation has been enacted or substantively enacted but not yet in effect as at 31 December 2024 in certain jurisdictions in which the Group operates.

Since the legislation was enacted close to the reporting date, the Group is still in the process of assessing the potential exposure to Pillar Two income taxes. Potential exposure, if any, to Pillar Two income taxes is currently not known or reasonably estimable. The Group expects to be in a position to report potential exposure in the next interim financial statements for the period ending 30 June 2025.

7. DISCONTINUED OPERATIONS

In 2023, the Group decided to divest its commercial distribution business in China and the osteoporosis medicines and marine pharmaceuticals business in order to further focus on its four core therapeutic areas of oncology, liver diseases, respiratory diseases and surgery/analgesia.

The board of directors of the Company resolved to dispose of the equity interests in three subsidiaries engaged in commercial distribution business in China, namely Suzhou Tianqing Xingwei Medicines Co., Ltd. ("Suzhou Xingwei"), Lianyungang Chia Tai Tianqing Medicines Co., Ltd. ("Lianyungang Tianqing") and Zhejiang Tianqing Zhongwei Medicines Co., Ltd. ("Zhejiang Zhongwei") (or collectively referred to as "Commercial Distribution Subsidiaries"). The disposal of the Commercial Distribution Subsidiaries was completed in December 2023 and recorded as discontinued operations. The Group no longer holds any equity interest in the Commercial Distribution Subsidiaries.

The board of directors of the Company resolved to dispose of the equity interest in its subsidiary Shanghai Chia Tai Tongyong Pharmaceutical Co., Ltd. ("CT Tongyong"). The disposal of CT Tongyong was completed in 2023 and recorded as discontinued operations. The Group no longer holds any equity interest in CT Tongyong.

The board of directors of the Company resolved in December 2023 to adopt the plan for the disposal of the equity interest in its subsidiary CP Pharmaceutical Qingdao Co., Ltd. ("CP Qingdao"), and subsequently resolved in February 2024 to dispose part of the equity interest in CP Qingdao. The disposal of CP Qingdao was completed in March 2024 at a consideration of RMB1,819.72 million, resulting in a pre-tax gain of RMB1,709.60 million. Upon the completion of the disposal, the interest of the Group in CP Qingdao decreased from 93% to 26%.

As at 31 December 2023, CP Qingdao was classified as a disposal group held for sale and as a discontinued operation. With the Target Group being classified as discontinued operations, the Target Group is no longer presented in the segment note.

The results of the Commercial Distribution Subsidiaries and CT Tongyong for the year are presented below:

	For the year ended 31 December	
	2024*	2023
	RMB'000	*RMB'000*
Revenue	**–**	1,143,739
Expenses	**–**	(1,091,962)
Finance costs	**–**	(15,801)
Gain on disposal of the discontinued operation	**–**	231,880
Profit before tax from the discontinued operation	**–**	267,856
Income tax expense:		
Related to pre-tax profit	**–**	(8,304)
Profit for the year from the discontinued operation	**–**	259,552

* *Represents no activity in 2024 after the disposal in 2023.*

The results of the CP Qingdao for the year are presented below:

	For the year ended 31 December	
	2024#	2023
	RMB'000	*RMB'000*
Revenue	**53,290**	639,149
Expenses	**(45,985)**	(383,305)
Finance costs	**(2)**	(27)
Profit before tax from the discontinued operation	**7,303**	255,817
Income tax expense:		
Related to pre-tax profit	**(1,375)**	(30,610)
Post-tax profit for the year from the discontinued operation	**5,928**	225,207
Gain on disposal of the discontinued operations	**1,709,604**	–
Attributable tax expense	**(135,400)**	–
Post-tax gain on disposal of discontinued operations	**1,574,204**	–
Profit after tax for the year from the discontinued operation	**1,580,132**	225,207

\# *Represents two months of activity prior to the disposal in March 2024.*

The net cash flows generated from the sale of CP Qingdao are, as follows:

	RMB'000
Cash consideration received	**1,455,780**
Cash and bank balances disposed of	**(46,101)**
Net inflow of cash and cash equivalents in respect of the disposal of subsidiaries	**1,409,679**
Cash consideration receivable within one year	**363,940**
The portion of the gain on disposal of subsidiaries attributable to measuring 26% investment retained in CP Qingdao at its fair value at the date when control is lost	**342,192**

The net cash flows incurred by the Commercial Distribution Subsidiaries and CT Tongyong are as follows:

	For the year ended 31 December	
	2024*	2023
	RMB'000	*RMB'000*
Operating activities	**–**	64,926
Investing activities	**–**	(42,445)
Financing activities	**–**	(54,295)
Net cash outflow	**–**	(31,814)

* *Represents no activity in 2024 after the disposal in 2023.*

The net cash flows incurred by the CP Qingdao are as follows:

	For the year ended 31 December	
	2024#	2023
	RMB'000	*RMB'000*
Operating activities	**(42,419)**	80,462
Investing activities	**(114,700)**	66,118
Net cash (outflow)/inflow	**(157,119)**	146,580

\# *Represents two months of activity prior to the disposal in March 2024.*

Earnings per share:

	For the year ended 31 December	
	2024	2023
Basic, from the discontinued operation	**RMB8.64 cents**	RMB2.38 cents
Diluted, from the discontinued operation	**RMB8.63 cents**	RMB2.38 cents

The calculations of basic and diluted loss per share from the discontinued operation is based on:

	For the year ended 31 December	
	2024	2023
Profit attributable to ordinary equity holders of the parent from the discontinued operations *(RMB'000)*	**1,579,717**	440,599
Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculation	**18,293,510,734**	18,529,064,920
Weighted average number of ordinary shares in issue during the year used in the diluted earnings per share calculation	**18,295,059,997**	18,529,064,920

8. DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS

	For the year ended 31 December	
	2024	2023
	RMB'000	*RMB'000*
Interim – HK$0.03 (equivalent to RMB0.02767) (2023: HK$0.02 (equivalent to RMB0.01715) per ordinary share	**505,865**	332,324
Proposed final – HK$0.04 (equivalent to RMB0.03760) (2023: HK$0.03 (equivalent to RMB0.02726) per ordinary share	**674,031**	500,194
	1,179,896	832,518

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

The Board has recommended the payment of a final dividend of HK4 cents per ordinary share for the year ended 31 December 2024 (2023: HK3 cents). Subject to the approval by the shareholders of the Company at the annual general meeting to be held on Tuesday, 10 June 2025, the final dividend will be paid to shareholders on Thursday, 10 July 2025 whose names appear on the register of members of the Company on Monday, 23 June 2025.

The register of members of the Company will be closed for the following periods:–

(a) For the purpose of determining shareholders who are entitled to attend and vote at the annual general meeting, the register of members of the Company will be closed from Thursday, 5 June 2025 to Tuesday, 10 June 2025, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the attendance and voting at the annual general meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by 4:30 p.m. on Wednesday, 4 June 2025.

(b) For the purpose of determining shareholders who are qualified for the final dividend, the register of members of the Company will be closed from Wednesday, 18 June 2025 to Monday, 23 June 2025, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by 4:30 p.m. on Tuesday, 17 June 2025.

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

The calculation of the basic earnings per share amount is based on the profit attributable to ordinary equity holders of the parent for the year of approximately RMB3,499,834,000 (2023: approximately RMB2,331,939,000), and the weighted average number of ordinary shares of 18,293,510,734 (2023: 18,529,064,920) in issue during the year.

The calculation of the diluted earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the parent, adjusted to reflect the interest, exchange difference and fair value change on the convertible bonds, where applicable (see below). The weighted average number of ordinary shares used in the calculation for the year ended 31 December 2024 is the number of ordinary shares outstanding during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been converted from the convertible bonds.

The diluted earnings per share for the year ended 31 December 2023 did not assume conversion of the convertible bonds as its conversion be anti-dilutive.

The computation of diluted earnings per share in current year does not assume the exercise of the Company's equity-settled restricted shares granted pursuant to the launch of 2024 CT Tianqing Share Incentive Scheme as the exercise price (including the fair value of services yet to be rendered) of the restricted shares was higher than the average market price for the shares during the outstanding period.

The calculations of basic and diluted earnings per share for the year ended 31 December 2024 are based on:

	For the year ended 31 December	
	2024	2023
	RMB'000	*RMB'000*
Earnings		
Profit attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation:		
From continuing operations	**1,920,117**	1,891,340
From discontinued operations	**1,579,717**	440,599
	3,499,834	2,331,939
Interest on convertible bonds	**357**	10,427
Exchange (gain)/loss on convertible bonds – debt component	**(1,145)**	80,326
Fair value gain on the derivative component of the convertible bonds	**–**	(161)
Loss on extinguishment of partial convertible bonds	**–**	120,603
Profit attributable to ordinary equity holders of the parent before interest, and exchange gain on convertible bonds	**3,499,046**	2,543,134
Attributable to:		
Continuing operations	**1,919,329**	2,102,535
Discontinued operations	**1,579,717**	440,599
	3,499,046	2,543,134

	No. of shares 2024	No. of shares 2023
Shares		
Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculation	**18,293,510,734**	18,529,064,920
Effect of dilution – weighted average number of ordinary shares:		
– Convertible bonds	**1,549,263**	46,015,510
	18,295,059,997	18,575,080,430

10. TRADE AND BILLS RECEIVABLES

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period ranges from 0 days to 90 days. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. Trade receivables are non-interest bearing.

An ageing analysis of the Group's trade and bills receivables as at the end of reporting period, based on invoice date and net of provisions, is as follows:

	31 December 2024 *RMB'000*	31 December 2023 *RMB'000*
Current to 90 days	**4,615,375**	4,319,725
91 days to 180 days	**219,314**	142,561
Over 180 days	**132,871**	47,909
	4,967,560	4,510,195

11. CASH AND BANK BALANCES

	31 December 2024 *RMB'000*	31 December 2023 *RMB'000*
Cash and bank balances, unrestricted	**2,848,231**	4,203,568
Time deposits with original maturity of less than three months	**3,383,292**	3,098,310
Time deposits with original maturity of more than three months	**3,338,061**	2,150,000
Cash and bank balances	**9,569,584**	9,451,878

12. TRADE AND BILLS PAYABLES

An ageing analysis of the Group's trade and bills payables as at the end of reporting period, based on invoice date, is as follows:

	31 December 2024	31 December 2023
	RMB'000	*RMB'000*
Current to 90 days	**841,643**	694,354
91 days to 180 days	**399,434**	397,702
Over 180 days	**256,384**	242,647
	1,497,461	1,334,703

13. SHARE CAPITAL

	31 December 2024	31 December 2023
	RMB'000	*RMB'000*
Issued and fully paid:		
18,791,217,230 ordinary shares of HK$0.025 each (2023: 18,801,217,230 ordinary shares of HK$0.025 each)	**414,384**	414,615

14. COMPARATIVE AMOUNTS

The comparative statement of profit or loss has been re-presented to be consistent with current year presentation. For the year ended 31 December 2023, other income with total amount of RMB378,335,000 has been re-presented to finance income.

CORPORATE GOVERNANCE CODE

In the opinion of the Directors, the Company has complied with all the Code Provisions of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules for the year ended 31 December 2024 except for the deviation from Code Provision C.1.6 in relation to attendance of the annual general meeting of the Company (the "AGM") by the independent non-executive Directors ("INEDs") of the Company. Two INEDs were unable to attend the AGM held on 5 June 2024 due to other business engagements.

INDEPENDENT NON-EXECUTIVE DIRECTORS, AUDIT COMMITTEE AND REVIEW OF RESULTS

The Company has complied with Rules 3.10 and 3.10(A) of the Listing Rules and appointed sufficient number of INEDs including two with appropriate professional qualifications, or accounting or related financial management expertise. The Audit Committee is comprised of four INEDs. It has reviewed with management the accounting principles and practices adopted by the Group and discussed internal control and financial reporting matters including the review of the audited consolidated financial statements of the Company for the year ended 31 December 2024.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year ended 31 December 2024, the Company bought back a total of 10,000,000 Shares on the Stock Exchange at an aggregate consideration of approximately HK$24,382,000 before expenses. The bought back Shares were subsequently cancelled. Further details are set out as follows:

Month	Number of Shares bought bought back	Purchase consideration per Share		Consideration paid
		Highest	Lowest	
		HK$	*HK$*	*HK$*
April	10,000,000	2.54	2.32	24,382,000

Pursuant to the rules of the 2018 Share Award Scheme, the trustee of the scheme purchased on the Stock Exchange a total of 82,750,000 Shares at a total consideration of approximately HK$254,183,000 during the year.

Pursuant to the rules of the 2024 CT Tianqing Share Incentive Scheme, the trustee of the scheme purchased on the Stock Exchange a total of 338,690,000 Shares at a total consideration of approximately HK$1,075,827,000 during the year.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

FORWARD LOOKING STATEMENTS

Certain statements contained in this announcement may be viewed as "forward-looking statements" with respect to the business outlook, financial performance estimates, and business operations forecast of the Group. These forward-looking statements are based on the current beliefs, assumptions, and expectations of and the information currently available to the Board and the Company, and therefore involve risks and uncertainties. Actual outcome may differ materially from the forecasts and expectations in such forward-looking statements. The Company assumes no obligation to update the forward-looking statements contained in this announcement. In light of the above risks and uncertainties, shareholders of the Company and potential investors should not place undue reliance on such statements.

By Order of the Board
Sino Biopharmaceutical Limited
Tse, Theresa Y Y
Chairwoman

Hong Kong, 20 March 2025

As at the date of this announcement, the Board of the Company comprises six executive directors, namely Ms. Tse, Theresa Y Y, Mr. Tse Ping, Ms. Cheng Cheung Ling, Mr. Tse, Eric S Y, Mr. Tse Hsin and Mr. Tian Zhoushan, and five independent non-executive directors, namely Mr. Lu Zhengfei, Mr. Li Dakui, Ms. Lu Hong, Mr. Zhang Lu Fu and Dr. Li Kwok Tung Donald.