Our Vision

Our Mission

Contents

Corporate Information

Directors

E . . D. . .
Mr. W& Yifang (吳以芳) *(Chairman)*
Mr. Wang Ke in (王可心) *(Co-Chairman)*
Ms. G&an Xiaoh&i (關曉暉) *(Vice Chairman)*
Mr. Wen De ong (文德鏞) *(Chief Executive Officer)*

- . . D. . .
Mr. Chen Qi & (陳啟宇)
Mr. X& Xiaoliang (徐曉亮)
Mr. Pan Donghui (潘東輝)
Mr. Yao Fang (姚方)[1]

I . - . D. . .
Ms. Li Ling (李玲)
Mr. Tang G&liang (湯谷良)
Mr. Wang Q&andi (王全弟)
Mr. Y& T e Shan Hailson (余梓山)

Supervisors

Mr. Chen Bing (陳冰) *(Chairman)*[2]
Mr. G&an Yimin (管一民)
Ms. Wang Lina (王麗娜)[3]
Ms. Ren Qian (任倩)[4]

Joint Company Secretaries

Ms. Dong Xiao ian (董曉嫻)
Ms. Chan Sa& Ling (陳秀玲)[5]
Ms. Kam Mei Ha Wend (甘美霞)[6]

Authorized Representatives

Mr. W& Yifang (吳以芳)
Ms. Chan Sa& Ling (陳秀玲)[5]
Ms. Kam Mei Ha Wend (甘美霞)[6]

Strategic Committee

Mr. W& Yifang (吳以芳) *(Chairman)*
Mr. Wang Ke in (王可心)[7]
Mr. Chen Qi & (陳啟宇)
Mr. X& Xiaoliang (徐曉亮)
Ms. Li Ling (李玲)
Mr. Yao Fang (姚方)[1]

Audit Committee

Mr. Tang G&liang (湯谷良) *(Chairman)*
Mr. Wang Q&andi (王全弟)
Ms. Li Ling (李玲)

Nomination Committee

Mr. Wang Q&andi (王全弟) *(Chairman)*
Ms. Li Ling (李玲)
Mr. Pan Donghui (潘東輝)

Remuneration and Appraisal Committee

Mr. Y& T e Shan Hailson (余梓山) *(Chairman)*
Mr. Tang G&liang (湯谷良)
Mr. Wang Q&andi (王全弟)
Mr. Chen Qi & (陳啟宇)
Mr. Pan Donghui (潘東輝)

Environmental, Social and Governance Committee

Mr. Y& T e Shan Hailson (余梓山) *(Chairman)*
Ms. Li Ling (李玲)
Mr. Wang Q&andi (王全弟)
Mr. W& Yifang (吳以芳)
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No. 1289 Yishan Road
Shanghai, 200233, China

Principal Place of Business in Hong Kong

5/F, Man&life Place
348 K j&n Tong Road, Ko loon
Hong Kong

Legal Advisers in Hong Kong

Reed Smi h Richards B&ler LLP

Legal Advisers in the PRC

Grandall La Firm (Shanghai)

Auditors

Erns & Yo&ng
Certified Public Accountants
Registered Public Interest Entity Auditor
27 h floor, One Taikoo Place
979 King's Road, Q&arr Ba
Hong Kong

Principal Banks

The E por -Impor Bank of China
Bank of China
Ind&s rial and Commercial Bank of China
China Merchan s Bank
Shanghai P&dong De elopmen Bank
The Hongkong and Shanghai Banking Corpora ion Limi ed

Corporate Name

Shanghai Fos&n Pharmaceu&ical (Grou&p) Co., L d.*

Stock Abbreviation

FOSUN PHARMA

Share Listing

A Share: Shanghai S ock E change
S ock Code: 600196
H Share: The S ock E change of Hong Kong Limi ed
S ock Code: 02196

A Share Registrar and Transfer Office in the PRC

China Sec&ri ies Deposi or & Clearing Corpora ion Limi ed (CSDCC) Shanghai Branch
188 So&h Yanggao Road
P&dong Ne Area
Shanghai, China

H Share Registrar and Transfer Office in Hong Kong

Tricor In es or Ser ices Limi ed
17/F, Far Eas Finance Cen re
16 Harco&r Road
Hong Kong

Corporate Website

h ps:// .fos&npharma.com

Financial Highlights

	For the six months ended 30 June	
	2024	2023
	RMB million	RMB million
Operating results		
Revenue	**20,383**	21,316
Gross profit	**9,920**	10,617
Operating profit	**1,643**	1,309
Profit before tax	**1,931**	2,662
Profit for the period attributable to owners of the parent	**1,225**	1,784
EBITDA	**4,154**	4,792
Profitability		
Gross margin	**48.67%**	49.81%
Operating profit margin	**8.06%**	6.14%
Net profit margin	**7.60%**	9.62%
Earnings per share (RMB Yuan)		
Earnings per share – basic	**0.46**	0.67
Earnings per share – diluted	**0.46**	0.67
Of which: Pharmaceutical manufacturing segment		
Revenue	**14,601**	15,921
Gross profit	**7,980**	8,806
Segment results	**1,692**	1,660
Segment profit for the period	**1,571**	1,428

	30 June	31 December
	2024	2023
	RMB million	RMB million
Assets		
Total assets	**115,499**	113,431
Equity attributable to owners of the parent	**46,929**	45,646
Total liabilities	**56,676**	56,853
Cash and bank balances	**14,080**	13,694
Debt-to-asset ratio	**49.07%**	50.12%

Management Discussion and Analysis

FINANCIAL REVIEW

During the Reporting Period, the management discussed in terms of results and the summary of basic financial results prepared by the Group in accordance with HKFRS are as follows:

Despite the significant period-on-period decline in revenue from COVID-related products such as Jie Bei An (azvudine tablets), the Group achieved a revenue of RMB20,383 million during the Reporting Period, thanks to the steady revenue growth of its innovative drugs. Excluding COVID-related products, the revenue of the Group during the Reporting Period recorded a period-on-period increase of approximately 5.32%. In the pharmaceutical manufacturing segment, the revenue from innovative drugs exceeded RMB3,700 million during the Reporting Period; the admission and sales of new products launched ahead on schedule, including, among others, Akeo (neratinib and palonosetron hydrochloride capsules), the oral-channel antiemetic drug Bei Wen (keterpravan hydrochloride tablets), the first potassium ion competitive acid blocker (P-CAB) independently developed in China, Pei Jin (pegfilgrastim injection), a long-lasting recombinant human granulocyte colony-stimulating factor product, and Yi Xin Tan (sacubitril valsartan sodium tablets), a drug for the treatment of heart failure and hypertension in an innovative cross alline form.

In 2024, the Group continued to promote lean management across various aspects, including quality enhancement, cost control, efficiency improvement, clinical management and innovative R&D, with an aim to proactively improve operational efficiency and profitability and build up the foundation for a long-term sustainable development. Meanwhile, the Group continued to divest and integrate non-strategic and non-core assets, and gathered resources on core businesses so as to optimize asset structure and improve asset efficiency.

During the Reporting Period, the Group's profit for the period attributable to owners of the parent amounted to RMB1,225 million, in particular, the net profit attributable to shareholders of the listed company after deducting extraordinary gain or loss amounted to RMB1,254 million, with extraordinary gain or loss amounting to RMB-29 million. In the second quarter of 2024, the net profit attributable to shareholders of the listed company after deducting extraordinary gain or loss amounted to RMB646 million, representing a quarter-on-quarter increase of RMB37 million.

During the Reporting Period, the gross profit margin less selling and distribution expenses ratio increased by 1.72 percentage points period-on-period. Excluding the impact of newly acquired companies, the administrative expense decreased by approximately RMB200 million. Through multiple measures including operating cash flow optimization, supply chain management and capital expenditures control, the Group had ensured a robust free cash flow. During the Reporting Period, the Group's operating cash flow reached RMB1,907 million, representing a period-on-period increase of 5.36% and outperforming the growth in operating profit.

Furthermore, the Group continued its asset structure optimization and acceleration of cash return. Since 2024, the cash inflow from asset disposals and the expected cash inflow from contracts signed of the Group have exceeded RMB2,000 million in aggregate.

During the Reporting Period, the Group continued to optimize its innovation and R&D system to facilitate the R&D efficiency. In the first half of 2024, the total R&D expenditure of the Group amounted to RMB2,737 million, while the R&D expenses amounted to RMB1,862 million. In addition to independent R&D, the Group also actively implemented an open R&D model, and incubated and invested in R&D projects by initiating/managing industrial funds and other diversified assets, so as to ensure the sustainability of innovation and R&D. During the Reporting Period, it completed the establishment and filing of Shenzhen Biopharma Industrial Fund with fundraising size of RMB5.0 billion.

Management Discussion and Analysis

REVENUE

During the Reporting Period, the revenue of the Group amounted to RMB20,383 million, representing a period-on-period decrease of 4.38%. In particular, the Group recorded revenue from Chinese Mainland in the amount of RMB14,873 million, representing a period-on-period decrease of 10.02%. Revenue of an equivalent of RMB5,510 million was recorded from regions outside Chinese Mainland and other countries, representing a period-on-period increase of 15.13%. The proportion of revenue from regions outside Chinese Mainland and other countries was 27.03%.

During the Reporting Period, the pharmaceutical manufacturing segment of the Group generated revenue of RMB14,601 million, representing a period-on-period decrease of 8.29%. The segment result amounted to RMB1,692 million, representing a period-on-period increase of 1.93%. The segment profit amounted to RMB1,571 million, representing a period-on-period increase of 10.01%.

COST OF SALES

During the Reporting Period, cost of sales of the Group decreased by 2.21% to RMB10,463 million from RMB10,699 million for the corresponding period of 2023.

GROSS PROFIT

During the Reporting Period, the gross profit of the Group decreased by 6.56% to RMB9,920 million from RMB10,617 million for the corresponding period of 2023. The gross profit margin of the Group during the Reporting Period was 48.67%, representing a decrease of 1.14 percentage points from 49.81% for the corresponding period of last year. The gross profit margin less selling and distribution expenses ratio of the Group increased by 1.72 percentage points period-on-period during the Reporting Period.

SELLING AND DISTRIBUTION EXPENSES

During the Reporting Period, selling and distribution expenses of the Group decreased by RMB805 million or 15.87% period-on-period to RMB4,266 million from RMB5,071 million for the same period last year. During the Reporting Period, the selling and distribution expenses ratio was 20.93%, representing a decrease of 2.86 percentage points as compared with the same period last year; the gross profit margin less selling and distribution expenses ratio increased by 1.72 percentage points period-on-period.

ADMINISTRATIVE EXPENSES

During the Reporting Period, administrative expenses of the Group amounted to RMB2,149 million, representing an increase of 2.19% as compared with the same period last year. Excluding the impact of newly acquired companies, the administrative expense decreased by approximately RMB200 million.

R&D EXPENSES AND R&D EXPENDITURE

During the Reporting Period, the Group continued to optimize its innovation and R&D system to facilitate R&D efficiency. The total R&D expenditure of the Group amounted to RMB2,737 million, while R&D expenses amounted to RMB1,862 million. During the Reporting Period, the R&D expenditure in the pharmaceutical manufacturing segment amounted to RMB2,406 million, accounting for 16.48% of the revenue from the pharmaceutical manufacturing segment. In particular, R&D expenses amounted to RMB1,572 million, accounting for 10.77% of the revenue from the pharmaceutical manufacturing segment. In addition to independent R&D, the Group fully implemented an open R&D model, and incubated and invested in R&D projects by initiating/managing industrial funds and other diversified ways, so as to ensure the sustainability of pharmaceutical innovation and R&D. During the Reporting Period, it completed the establishment and filing of Shenzhen Biopharma Industrial Fund with fundraising size of RMB5.0 billion.

OTHER GAINS AND OTHER EXPENSES

During the Reporting Period, the Group's other gains decreased by 68.14% period-on-period to RMB273 million, which was mainly due to the gains from the fair value change of financial assets held such as YSB and the gains from disposal of non-core assets such as Tianjin Pharma for the same period last year. During the Reporting Period, the Group's other expenses increased by 69.92% period-on-period to RMB435 million, which was mainly due to the fair value change of financial assets held.

SHARE OF PROFITS OF ASSOCIATES

During the Reporting Period, the share of profits of associates of the Group decreased by 15.30% to RMB947 million from RMB1,118 million for the corresponding period of 2023.

PROFIT FOR THE PERIOD

During the Reporting Period, the profit for the period of the Group decreased by 24.43% to RMB1,550 million from RMB2,051 million for the corresponding period of 2023. The net profit margin of the Group during the Reporting Period and the corresponding period of 2023 were 7.60% and 9.62%, respectively.

PROFIT FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE PARENT

Attributable to the gains from the fair value change of financial assets held such as YSB and the gains from the disposal of non-core assets such as part of the equity interests in Tianjin Pharma for the same period last year, the Group's profit for the period attributable to owners of the parent amounted to RMB1,225 million during the Reporting Period, representing a period-on-period decrease of 31.33%.

During the Reporting Period, the major factors affecting the net profit attributable to shareholders of the listed company after deducting extraordinary gain or loss included: ① a significant decline in revenue from COVID-related products, profits decreased accordingly; ② the sales of medical diagnosis products were lower than expected, and the increase in operating costs as a result of the transition from a distribution model to a direct sales model in certain areas of Sisram Medical; ③ the period-on-period decrease in shares of interests income of Associates and Joint ventures during the Reporting Period; ④ the steady revenue growth of its innovative drugs; ⑤ the improved operating and efficiency as a result of continued efforts in promoting lean management. In the second quarter of 2024, the net profit attributable to shareholders of the listed company after deducting extraordinary gain or loss amounted to RMB646 million, representing a quarter-on-quarter increase of RMB37 million.

DEBT STRUCTURE, LIQUIDITY AND SOURCES OF FUNDS

Total Debts

As at 30 June 2024, total debts of the Group decreased to RMB32,334 million from RMB32,574 million as at 31 December 2023 mainly due to the decrease in interest-bearing liabilities scale during the Reporting Period. As at 30 June 2024, mid- to-long- term debts of the Group accounted for 30.31% of its total debts, representing a decrease of 11.15 percentage points as compared to 41.46% as at 31 December 2023. The proportion of mid- to-long- term debts to total debts decreased mainly due to the transfer of long- term debts to current liabilities upon maturity during the Reporting Period. As at 30 June 2024, cash and bank balances increased by 2.82% to RMB14,080 million from RMB13,694 million as at 31 December 2023.

As at 30 June 2024, an equivalent amount of RMB5,244 million (31 December 2023: RMB6,768 million) out of the total debts of the Group was denominated in foreign currencies, and the remainder was denominated in RMB.

As at 30 June 2024, cash and bank balances of the Group denominated in foreign currencies amounted to RMB4,599 million (31 December 2023: RMB3,457 million).

Unit: million Currency: RMB

Cash and bank balances denominated in:	30 June 2024	31 December 2023
RMB	**9,481**	10,237
US dollars	**1,774**	1,008
Rupees	**2,376**	1,883
Euro	**143**	177
HK dollars	**40**	116
Others	**266**	273
Total	**14,080**	13,694

Gearing Ratio

As at 30 June 2024, the gearing ratio, calculated as total interest-bearing debts over total assets, was 28.00% (31 December 2023: 28.72%).

Interest Rate

As at 30 June 2024, total interest-bearing bank and other borrowings at floating interest rate amounted to RMB13,409 million (31 December 2023: RMB15,215 million).

Maturity Structure of Outstanding Debts

Unit: million Currency: RMB

	30 June 2024	31 December 2023
Within 1 year	**22,535**	19,069
1 to 2 years	**2,958**	6,265
2 to 5 years	**6,545**	6,193
Over 5 years	**296**	1,047
Total	**32,334**	32,574

Available Facilities

As at 30 June 2024, save for cash and bank balances of RMB14,080 million, the Group had unutilized banking facilities of RMB22,343 million in aggregate. The Group has also entered into cooperation agreements with various major banks. According to such agreements, the banks have granted the Group general banking facilities to support its capital requirements. The utilization of such bank facilities was subject to the approval of individual projects from the banks in accordance with banking regulations. As at 30 June 2024, total available banking facilities under these arrangements were approximately RMB54,936 million in aggregate, of which RMB32,593 million had been utilized.

On 12 October 2023, the Company obtained approval from the CSRC for the application for registration of the Company to public issue corporate bonds not exceeding RMB8,000 million to professional investors. The approval shall be valid within 24 months from the date of the CSRC's approval for registration. As at the date of this report, no corporate bonds have been issued pursuant to the approval.

Collateral and Pledged Assets

As at 30 June 2024, the Group had placed the following assets as collateral for bank borrowings: property, plant and equipment amounting to RMB2,455 million (31 December 2023: RMB2,117 million), prepaid land lease payments included in right-of-use assets amounting to RMB622 million (31 December 2023: RMB615 million), and patents included in other intangible assets amounting to RMB255,000 (31 December 2023: RMB355,000).

As at 30 June 2024, the Group had pledged the following for bank borrowings: 58.67% equity interests in a subsidiary Sihuan Hospital Abcarta (31 December 2023: 58.67% equity interests in Sihuan Hospital Abcarta) and 6.00% equity interests in a subsidiary Jianjia Healthcare (31 December 2023: nil).

Details of the collateral and pledged assets are set out in note 16 of the financial statements.

Management Discussion and Analysis

Cash Flow

The cash of he Grop is mainl sed for mee ing capi al requiremen s, repa ing in eres and principals of deb s due, pa ing for purchases and capi al e pendi res, and funding gro h and e pansion of facili ies and businesses. The able belo sho s he cash flo of he Grop genera ed from (or sed in) opera ing ac i i ies, in es ing ac i i ies and financing ac i i ies for he Repor ing Period and he corresponding period of 2023.

Uni : million Currenc : RMB

	January – June 2024	Januar June 2023
Ne cash flo s from opera ing ac i i ies	**1,907**	1,810
Ne cash flo s sed in in es ing ac i i ies	**(2,650)**	(2,362)
Ne cash flo s from financing ac i i ies	**1,091**	1,400
Ne increase in cash and cash eq i alen s	**365**	889
Cash and cash eq i alen s a he beginning of he ear	**9,502**	11,170
Cash and cash eq i alen s a he end of he period	**9,867**	12,059

Capital Commitments and Capital Expenditures

D ring he Repor ing Period, capi al e pendi res of he Grop amoun ed o RMB2,752 million, hich mainl consis ed of addi ions o proper , plan and eq ipmen , o her in angible asse s and prepaid land lease pa men s inc ded in righ -of- se asse s. De ails of capi al e pendi res are se o in no e 4 o he financial s a emen s.

As a 30 J ne 2024, he Grop had capi al commi men s con rac ed b no pro ided for amoun ing o RMB859 million and capi al commi men s au hori ed b no signed for amoun ing o RMB1,623 million. These ere mainl commi ed for recons c ion and rene al of plan and machiner as ell as ne in es ees. De ails of capi al commi men s are se o in no e 17 o he financial s a emen s.

Contingent Liabilities

As a 30 J ne 2024, he Grop did no ha e an con ingen liabili ies.

Interest Coverage

D ring he Repor ing Period, he in eres co erage, hich is calcula ed b EBITDA di ided b in eres e pendi re, as 5.70 imes (he corresponding period of 2023: 7.66 imes). The decrease in in eres co erage as mainl due o he EBITDA of he Grop d ring he Repor ing Period hich as RMB4,154 million, decreased b 13.31% as compared i h ha d ring he corresponding period of 2023 hich as RMB4,792 million, and financial cos of he Grop d ring he Repor ing Period amoun ing o RMB710 million, increased b 17.74% as compared i h ha d ring he corresponding period of 2023 hich as RMB603 million.

RISK MANAGEMENT

Foreign Currency Exposure

The Group has transactional currency exposures. Such exposures arise from sales or purchases by operating units and investing and financing activities by investment holding units in currencies other than the units' functional currencies.

Interest Rate Exposure

It is the Group's strategy to use debts with fixed and floating interest rates to manage its interest costs. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates.

BUSINESS REVIEW

The Board's Discussion and Analysis on Operations of the Group for the Reporting Period

During the Reporting Period, the Group further focused on innovative drugs and high-barrier devices. In the first half of 2024, 4 innovative drugs/biosimilars with a total of 9 indications independently developed and licensed-in by the Group were approved for launch both domestically and internationally, and 4 innovative drugs/biosimilars with a total of 9 indications had entered the pre-launch approval stage/key clinical stage; 38 generic drug categories of the Group were also approved for launch both domestically and internationally (of which 24 categories[1] were approved domestically and 14 categories <including 10 ANDA of Gland Pharma> were approved internationally).

Despite the significant period-on-period decline in revenue from COVID-related products such as Jie Bei An (azvudine tablets), the Group achieved a revenue of RMB20,383 million during the Reporting Period, thanks to the steady revenue growth of its innovative drugs. Excluding COVID-related products, the revenue of the Group during the Reporting Period recorded a period-on-period increase of approximately 5.32%. In the pharmaceutical manufacturing segment, the revenue from innovative drugs exceeded RMB3,700 million during the Reporting Period; the admission and sales of new products launched were on schedule, including, among others, Akenzeo (netupitant and palonosetron hydrochloride capsules), the dual-channel antiemetic drug Bei Wen (keterpranant hydrochloride tablets), the first potassium competitive acid blocker (P-CAB) independently developed in China, Pei Jin (pelpegfilgrastim injection), a long-lasting recombinant human granulocyte colony-stimulating factor product, and Yi Xin Tan (sacubitril valsartan sodium tablets), a drug for the treatment of heart failure and hypertension in an innovative crystalline form.

In 2024, the Group continued to promote lean management across various aspects, including quality enhancement, cost control, efficiency improvement, clinical management and innovative R&D, with an aim to proactively elevate operational efficiency and profitability and build up the foundation for a long-term sustainable development. Meanwhile, the Group continued to divest and integrate non-strategic and non-core assets, and gathered resources on core businesses so as to optimize asset structure and improve asset efficiency.

During the Reporting Period, the Group's profit for the period attributable to owners of the parent amounted to RMB1,225 million, in particular, the net profit attributable to shareholders of the listed company after deducting extraordinary gain or loss amounted to RMB1,254 million, with extraordinary gain or loss amounting to RMB-29 million. In the second quarter of 2024, the net profit attributable to shareholders of the listed company after deducting extraordinary gain or loss amounted to RMB646 million, representing a quarter-on-quarter increase of RMB37 million.

[1] including importing license

Management Discussion and Analysis

During the Reporting Period, the gross profit margin less selling and distribution expenses ratio increased by 1.72 percentage points period-on-period. Excluding the impact of newly acquired companies, the administrative expense decreased by approximately RMB200 million. Through multiple measures including operating cash flow optimization, supply chain management and capital expenditures control, the Group had ensured a robust free cash flow. During the Reporting Period, the Group's operating cash flow reached RMB1,907 million, representing a period-on-period increase of 5.36% and outperforming the growth in operating profit.

Furthermore, the Group continued its asset structure optimization and acceleration of cash return. Since 2024, the cash inflow from asset disposals and the expected cash inflow from contracts signed of the Group have exceeded RMB2,000 million in aggregate.

During the Reporting Period, the Group continued to optimize its innovation and R&D system to facilitate R&D efficiency. In the first half of 2024, the total R&D expenditure of the Group amounted to RMB2,737 million, while the R&D expenses amounted to RMB1,862 million. In addition to independent R&D, the Group also actively implemented an open R&D model, and incubated and invested in R&D projects by initiating/managing industrial funds and other diversified assets, so as to ensure the sustainability of innovation and R&D. During the Reporting Period, it completed the establishment and filing of Shenzhen Biopharma Industrial Fund with fundraising size of RMB5.0 billion.

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

Unit: million Currency: RMB

	Revenue Jan–Jun 2024		Revenue Jan–Jun 2023		Period-on-period increase/ decrease (%)
	Amount	Percentage of revenue (%)	Amount	Percentage of revenue (%)	
By business segment					
Pharmaceutical manufacturing	**14,601**	**71.63**	15,921	74.69	8.29
Medical devices and medical diagnosis	**2,069**	**10.15**	2,215	10.39	6.59
Healthcare services	**3,657**	**17.94**	3,127	14.67	16.95
By geographical locations					
Chinese mainland	**14,873**	**72.97**	16,530	77.55	10.02
Regions outside Chinese mainland and other countries	**5,510**	**27.03**	4,786	22.45	15.13

I. Main Operational Progress of the Group during the Reporting Period

1. [illegible]

- **During the Reporting Period, a total of 9 indications of 4 innovative drugs/biosimilars independently developed and licensed-in by the Group were approved for launch, mainly including:**

  Trastuzumab injection (US trade name: HERCESSI™) was approved for launch by the U.S. FDA.

- **During the Reporting Period, a total of 9 innovative drug/biosimilar projects (by indication) were approved for clinical trial.**

  Meanwhile, during the Reporting Period, the Da Vinci SP endoscopic single orifice surgical system of Instituto Fosun was included in the special review process for innovative medical devices by NMPA, which is conducive to accelerating the progress of the subsequent registration review and approval. Profhilo (i.e. sodium hyaluronate solution for injection), an injectable filler product of which the Group is the sole agent in Chinese mainland, was launched as a licensed medical device in Hainan.

2. [illegible]

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

In mature regulatory markets, the Group continued to enhance its global operation capabilities. It has set up multi-point R&D centers to realize global innovation, and further improved the commercialization system in different regulated markets through self-establishment, cooperation and other means. In the U.S. market, the Group has established a growing self-operated generic drug team, and cooperated with 5 major distributors and 16 group purchasing organizations to facilitate sales of preparations products. The Group also established an innovative drug team in the United States, and initiated the preparation works on the commercialization of serplulimab injection (PD-1 inhibitor). In the European market, Gland Pharma, a subsidiary, completed the acquisition of Cenexi in 2023, a European CDMO company, so as to strategically establish its CDMO business presence in the European market and build up local manufacturing capabilities in Europe, thus further expanding its customer base. Sisram Medical, a subsidiary, completed the acquisition of the direct sales channels in China in 2023, has achieving a direct sales presence in the Chinese market. As at the end of the Reporting Period, its marketing network has covered more than 100 countries and regions across the world, and the proportion of direct sales revenue further increased to 86%. The marketing network of Breas, a subsidiary, has also covered mature markets such as Europe, the U.S., Japan, and Australia.

As for emerging markets, in Africa, the Group primarily conducts medical product export and distribution in the English-speaking and French-speaking regions in Sub-Saharan Africa, with sales network covering over 40 countries and regions. Meanwhile, in order to realize localization in drug manufacturing and supply in Africa, a park in egrating drug R&D, manufacturing, logistics and delivery in the Cote d'Ivoire is under in ense construction.

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

The Group proactively introduces international leading technologies and products in to the Chinese market, so as to benefit more patients and customers. During the Reporting Period, the joint venture, Intuitive-Fosun, officially opened its headquarters and industrial base in Zhangjiang International Medical Park, Shanghai, in June 2024. The base integrates R&D, manufacturing and training. The launch of this base will further accelerate the localization progress of the Da Vinci surgical system. In the first half of 2024, the installation volume of Da Vinci Surgical Robot was 24 in Chinese mainland and Macau. As of the end of the Reporting Period, the Da Vinci Surgical Robot has been installed in over 300 hospitals across Chinese mainland, Hong Kong and Macau, serving more than 540,000 patients, with a cumulative installation volume exceeding 380 units. Additionally, the Ion Bronchial navigation operation control system (the "**Ion System**") of Intuitive Fosun, was approved by the NMPA in March 2024. The Ion System has adopted a flexible robot with shape-sensing technology and can perform precise diagnostic operations on peripheral lung lesions through the bronchus. The launch of the Ion System in China will help more lung cancer patients receive early diagnosis and treatment in a more minimally invasive way; the Da Vinci SP endoscopic single orifice surgical system of Intuitive Fosun has been included in the NMPA's special review process for innovative medical devices, facilitating its subsequent registration and review. During the Reporting Period, Fosun Insight, a joint venture established with Insightec in China, has been steadily promoting and commercializing its MRgFUS brain therapy system in the Chinese Mainland, Hong Kong and Macao markets; various subsidiaries of Breas, a subsidiary, were subsequently approved for launch in Chinese mainland. In addition, during the Reporting Period, Fosun Kite, a joint venture, with its product Yi Kai Da (ejicabtagene autoleucel injection) being the first CAR-T product approved for launch in China, as the first to launch the innovative patient treatment mode based on therapeutic effects in China, exploring a new path for patient treatment mode of high-value innovative drugs in China. As of the end of the Reporting Period, Yi Kai Da (ejicabtagene autoleucel injection) has been included in over 110 urban drugs omitted commercial health insurances and over 80 commercial insurances, while the number of treatment centers on record exceeded 170, covering more than 28 provinces and municipalities across China.

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

The Group continues to advance the international quality standard certification of its production system. The quality control system and production capacity have been recognized by international certification authorities, further laying a solid foundation for the export of its preparations. In March 2024, Carelife Pharma, a subsidiary, undergone routine surveillance inspection by the U.S. FDA for the APIs clindamycin hydrochloride, clindamycin phosphate, mitoxantrone hydrochloride, granisetron hydrochloride, encainide, enlafaxine hydrochloride, sorafenib tosylate and clindamycin palmitate hydrochloride, and received the inspection report from the U.S. FDA with a zero-defect rating in June 2024; Wanbang Pharma's lyophilized preparations production line successfully passed the EU GMP on-site inspection again, and received the GMP on-site inspection final report and GMP certificate issued by the Dutch Health and Youth Care Inspectorate in July 2024.

3.

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

In terms of commercialization in overseas markets, as at the end of the Reporting Period, the overseas commercialization team had nearly 1,000 employees, which mainly covered markets including the U.S. and Africa. In the U.S. market, the Group has established the U.S. innovative drug team, and initiated the commercialization preparations before the launch of serplulimab injection (PD-1 inhibitor) and the preliminary preparations for the licensed-in projects of innovative drugs. In emerging markets such as Africa, the Group has set up 5 regional distribution centers, and continuously enhanced digital management capabilities, user operation capabilities and B2B2C model service capabilities, and was capable of providing a one-stop service of registration, circulation, academic promotion and post-launch safety alert and other services for customers. During the Reporting Period, clinical data on several products in the pipeline, as well as marketed products of the Group, were also published at global industry academic conferences such as the American Society of Clinical Oncology (ASCO), the American Association for Cancer Research (AACR), and the European Hematology Association (EHA).

Meanwhile, the Group continued to optimize its marketing compliance management system and enhance internal audit for responsible marketing. In terms of internal compliance supervision, the Group insisted on the openness and transparency of its management systems, and published several internal systems on the website of the Company, so as to elaborate the red line mechanism and maintain a fair and clean business environment and culture. In terms of internal staff training, the Group regularly provided responsible marketing specialized trainings to employees, continuously to raise employees' awareness of marketing compliance.

4. I &D

During the Reporting Period, the Group continued to optimize its digital technologies and means, continuously improved the establishment of the digital system in the supply chain and marketing, and focused on R&D areas, so as to enhance its capability in the digitalization of drug R&D and promote R&D efficiency.

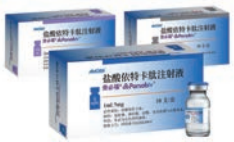
During the Reporting Period, the Group deepened its cooperation on Shuimu Molecular, an incubatee of the Institute of Intelligent Industry Research of Tsinghua University, to advance the construction of the PharmAID project. With the gradual improvement of such projects, it will provide more accurate and intelligent decision support for drug R&D, enhance the efficiency and accuracy of drug R&D, and help realize the autonomous and controllable large-scale models in the biopharmaceutical field. Meanwhile, the Group is also actively exploring the application of AIGC (AI Generated Content) artificial intelligent large-scale language modeling technology in the scenarios of medical writing, medical translation, and general-purpose question and answer assistants, aiming to improve the overall efficiency of the core business through the application of such technology and to provide support for the innovative R&D.

Table 1: Major marketed innovative products and description of core categories

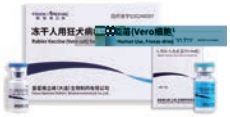
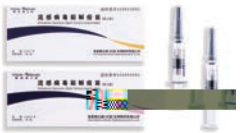
No.	Therapeutic area	Product name	Description of product	Whether is included in the National Medical Insurance Drugs Catalogue	Photo of product
1	An i-tumor and immune modulation	Han Li Kang (rituximab injection)	This drug was approved for launch by the NMPA in February 2019, and is the first domestic biosimilar. Its approved indications include: (1) non-Hodgkin's lymphoma, (2) chronic lymphoblastic leukaemia, (3) rheumatoid arthritis (RA). It is also the first rituximab approved for rheumatoid arthritis (RA) indication in China.	Yes	
2		Han Ou Yi (trastuzumab injection), trade name in the United States: HERCESSI, trade name in Europe: Zercepac	This drug is the first trastuzumab biosimilar approved for launch in China, and also the domestic monoclonal antibody biosimilar approved by China, Europe and the United States. As at the end of the Reporting Period, this drug has been approved for launch in more than 40 countries and regions, including China, Europe, the United States and Australia. Its approved indications include: (1) HER2 positive early breast cancer, (2) metastatic breast cancer, and (3) metastatic gastric cancer.	Yes	
3		Han Si Zhuang (serplulimab injection)	This drug (PD-1 inhibitor) was approved for launch by the NMPA in March 2022, and is the first innovative monoclonal antibody independently developed by the Group. In December 2023, this drug was approved by the Indonesian Food and Drugs Authority (BPOM). It was the first time for this product approved for launch in overseas markets, making it the first Chinese PD-1 monoclonal antibody drug approved for launch in South Korea Asia. Its approved indications include: (1) microsatellite instability-high (MSI-H) solid tumors (conditionally approved), (2) squamous non-small cell lung cancer, (3) extensive-stage small cell lung cancer, and (4) esophageal squamous cell carcinoma (ESCC). It is the first anti-PD-1 monoclonal antibody drug approved for the first-line treatment of small cell lung cancer in the world. It has been recommended by 9 guidelines in 2023, including CSCO Guidelines on Small Cell Lung Cancer Treatment, CSCO Guidelines on Non-Small Cell Lung Cancer Treatment, CSCO Guidelines on Esophageal Cancer Treatment, CSCO Guidelines on Colorectal Cancer Treatment and CSCO Guidelines on Clinical Application of Immune Checkpoint Inhibitors.	No	
4		Han Da Yuan (adalimumab injection)	This drug was approved for launch by the NMPA in December 2020, and is the first domestic adalimumab biosimilar with GMP certified production base approved by both China and Europe. Its approved indications include: (1) rheumatoid arthritis, (2) ankylosing spondylitis, (3) psoriasis, (4) Crohn's disease, (5) polyarticular juvenile idiopathic arthritis, (6) pediatric plaque psoriasis, (7) Crohn's disease, and (8) pediatric Crohn's disease.	Yes	

Management
Discussion and Analysis

No.	Therapeutic area	Product name	Description of product	Whether is included in the National Medical Insurance Drugs Catalogue	Photo of product
5		Han Bei Tai (beraci mab injection)	This drug was approved for launch by the NMPA in November 2021. Its approved indications include: (1) metastatic colorectal cancer, (2) advanced, recurrent or metastatic non-small cell lung cancer, (3) recurrent glioblastoma, (4) epithelial ovarian cancer, carcinoma fallopian or primary peritoneal carcinoma, and (5) cervical cancer.	Yes	
6		Su Ke Xin* (avatrombopag maleate tablets)	This drug was approved for launch by the NMPA in April 2020, and is the first oral drug approved for the treatment of thrombocytopenia related to chronic liver diseases in the world. Its approved indications include the selective treatment of thrombocytopenia in adult patients with chronic liver disease (CLDT) undergoing diagnostic procedures or surgery and treatment of essential chronic immune thrombocytopenia (ITP) in adult patients with poor response from prior treatment.	Yes	
7	An anti-tumor and immune modulation	Otezla* (apremilast tablets)	This drug was approved for launch by the NMPA in August 2021, and is the world's first oral phosphodiesterase-4 (PDE4) inhibitor for the treatment of plaque psoriasis. Its approved indication is treatment for adult patients with moderate to severe plaque psoriasis who are suitable for phototherapy or systematic treatment.	Yes	
8		Akeneo* (netupitant and palonosetron hydrochloride capsules)	This drug was approved for launch by the NMPA in August 2019, and is the world's first oral-channel fixed-dose combination oral compound preparation having simultaneously blocks both NK-1 receptors and 5-HT3 receptors. Its approved indication is prevention of acute and delayed nausea and vomiting arising from highly emetogenic chemotherapy in adult patients.	Yes	
9		Pei Jin* (pegfilgrastim injection)	This drug (new generation of long-lasting recombinant human granulocyte colony stimulating factor product) was approved for launch by the NMPA in June 2023, and is classified as class 1 new drug in China. Its approved indication is reduction of occurrence of infections expressed in form of febrile neutropenia in patients with non-myeloablative cancer when receiving myelosuppression anti-tumor drug treatment which can easily cause febrile neutropenia.	Yes	
10		Fu Ke Shu* (anti-human T-lymphocyte rabbit immunoglobulin)	The product is a polyclonal antibody inhibitor. Its approved indications include the prevention of acute transplant rejection in patients receiving solid organ transplantation and the treatment of acute rejections if the therapeutic effect of corticosteroid treatment has proven to be unsatisfactory.	Yes	

No.	Therapeutic area	Product name	Description of product	Whether is included in the National Medical Insurance Drugs Catalogue	Photo of product
11	An i-tumor and immune modula ion	Yi Kai Da (ejili saipi injec ion, a produc of Fosun Ki e, a join en re)	This produc as appro ed for launch b he NMPA in June 2021, and is he firs CAR-T cell herap produc appro ed for domes ic launch. I s appro ed indica ions inclde (1) rea men of adul pa ien s i h relapsed or refrac or large B-cell l mphoma (r/r LBCL) af er prior second-line or higher s s emic herap , (2) rea men of adul s pa ien s i h large B-cell l mphoma (r/r LBCL) refrac or o firs -line immunochemo herap or relapsing i hin 12 mon hs of firs -line immunochemo herap (condi ional appro ed). As of he end of he Repor ing Period, his produc has been incded in o er 110 urban d s omi ed commercial heal h insurances and o er 80 commercial insurances, hile he number of rea men cen ers on record e ceeded 170, co ering more han 28 pro inces and municipali ies across China.	No	
12	Me abolism and alimen ar s s em	A omolan (prepara ions for gli a hione series)	This series incde A omolan (gli a hione able s) and A omolan (gli a hione for injec ion), bo h of hem are class B dug under Na ional Medical Insurance Drugs Ca alogue and he basic medicine for li er diseases. In par icular, A omolan (gli a hione able s) are he firs gli a hione oral prepara ions in China, hile A omolan (gli a hione for injec ion) is he firs generic dug of i s kind in China.	Yes	
13		Pang Bi F* (e elcalce ide h drochloride injec ion)	This dug (ne genera ion of calcimime ic) as appro ed for launch b he NMPA in Ma 2023. I s appro ed indica ion is rea men of secondar h perpara h roidism (SHPT) of adul pa ien s recei ing hemodial sis rea men for chronic kidne disease (CKD).	No	
14		Bei Wen* (ke erpra an h drochloride able s)	This dug (po assium ion compe i i e acid blocker (P-CAB)) as appro ed for launch b he NMPA in Febuar 2023 and is classified as class 1 ne dug in China. I is he firs appro ed P-CAB i h DU/RE double indica ions in China. I s appro ed indica ions incde duodenal ulcer (DU) and reflu esophagi is (RE).	Yes	
15	An i-infec ion	An imalarial series such as ar esna e	This series incde Ar esun and Arges un (ar esna e for injec ion), SPAQ-CO (sulfado ine p rimidine dispersible able s + amodiaquine dispersible able s) and he D-ARTEPP series (dih droar emisinin-piperaquine phospha e able s) e c. In par icular, ar esna e is he firs class 1 ne dug in China. As a he end of he Repor ing Period, he Grup has a o al of 33 an imalarial dugs (incding APIs and prepara ions) i h WHO PQ. The second genera ion of ar esna e for injec ion (Arges un) as regis ered and appro ed in 23 coun ries. As a he end of he Repor ing Period, he Grup has supplied o er 360 million doses of ar esna e for injec ion across he orld.	N/A	

Management Discussion and Analysis

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

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

II. Segment Performance Overview

1.

Performance summary

Despite the significant period-on-period decline in revenue from COVID-related products, such as Jie Bei An (azvudine tablets), the pharmaceutical manufacturing segment of Group achieved a revenue of RMB14,601 million during the Reporting Period, thanks to the steady revenue growth of its innovative drugs. In particular, the revenue from innovative drugs exceeded RMB3,700 million, maintaining a steady growth. Excluding COVID-related products, the revenue of the pharmaceutical manufacturing segment recorded a period-on-period increase of 1.88%. During the Reporting Period, the segment results of the pharmaceutical manufacturing segment amounted to RMB1,692 million, representing a period-on-period increase of 1.93%, and segment profits amounted to RMB1,571 million, representing a period-on-period increase of 10.01%.

During the Reporting Period, the Group focused on advantageous pipelines and improved the efficiency through the integration of R&D systems. In the first half of 2024, the R&D expenditure in the pharmaceutical manufacturing segment of the Group amounted to RMB2,406 million, accounting for 16.48% of the revenue from the pharmaceutical manufacturing segment. In particular, R&D expenses amounted to RMB1,572 million, accounting for 10.77% of the revenue from the pharmaceutical manufacturing segment, representing a decrease of RMB220 million as compared to the same period last year. In addition to independent R&D, the Group fully implemented an open R&D model, and incubated and invested in R&D projects by initializing/managing industrial funds and other diversified assets, so as to ensure the sustainability of pharmaceutical innovation and R&D.

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

Unit: million Currency: RMB

Major therapeutic area	Jan–Jun 2024	Jan–Jun 2023*	period-on-period increase on the same basis (%)
Major products of anti-tumor and immune modulation *(Notes 1, 4)*	**4,051**	3,699	9.52
Major products of anti-infection *(Notes 2, 4)*	**1,453**	3,325	56.30
Major products of metabolism and alimentary system *(Note 4)*	**1,398**	1,504	7.05
Major products of cardiovascular system *(Notes 3, 4)*	**1,026**	839	22.29
Major products of central nervous system *(Note 4)*	**492**	551	10.71
Major products of APIs and intermediate products *(Note 4)*	**560**	654	14.37

Note 1: Revenue from major products of anti-tumor and immune modulation recorded a period-on-period increase of 9.52%, mainly due to the increase in sales of Han Qi Yue (trastuzumab injection) and trastuzumab drug substance, Han Si Zhuang (serplulimab injection) and Akeyun (nemitinib and palonosetron hydrochloride capsules), and the revenue contributions from new products such as Fu Ke Shu (anti-human T-lymphocyte rabbit immunoglobulin) and Pei Jin (pegfilgrastim injection).

Note 2: Revenue from major products of anti-infection recorded a period-on-period decrease of 56.30%, mainly due to decrease in sales of Jie Bei An (azvudine tablets).

Note 3: Revenue from major products of cardiovascular system recorded a period-on-period increase of 22.29%, mainly due to increase in overseas sales of heparin series preparations and the revenue contribution from new product Yi Xin Tan (saccubitril valsartan sodium tablets).

Management Discussion and Analysis

Note 4: Major products of an i-mmor and immune modula ion comprise: Han Q& Yo& (rastu zumab injec ion) and rastu zumab dru g s&s ance, Han Si Zh&ang (serpl&limab injec ion), Han Li Kang (ri& imab injec ion), S& Ke Xin (a a rombopag malea e able s), Ak n eo (ne&pi an and palonose ron h drochloride caps&les), Ke Sheng (Xih&ang caps&les), Kai Lai Zhi (epinas ine h drochloride caps&les), Han Bei Tai (be aci &mab injec ion), Han Da Y&an (adalim&mab injec ion), O e la (apremilas able s), F& Ke Sh& (an i-h&man T-l mphoc e rabbi imm&noglob&lin), Pei Jin (elpegfilgras im injec ion), Zhao H&i Xian (bicalu& amide able s), Yi Li&o Ze/T& Mei Si (peme re ed disodi&m for injec ion), o alipla in, ondanse ron, pacli a el and Di Kai Mei (sorafenib os la e able s).

Major products of an i-infec ion comprise: an imalarial series s&ch as ar es&na e, Jie Bei An (a &dine able s), Cra i (le ofl o acin able s), Sha D&o Li Ka (po assi&m sodi&m deh droandrographolide s&ccina e for injec ion), rabies accine (VERO cell) for h&man &se (non-free e dried), Pai Sh& Xi Lin (piperacillin sodi&m and a obac am sodi&m for injec ion), an i-&berc&losis series, Cra i (le ofl o acin injec ion), Qiang Sh& Xi Lin/Qin Sh&/Er Ye Qin (piperacillin sodi&m and s&lbac am sodi&m for injec ion), caspo&ngin, Xi Chang/Bi Li Sh& (cefme a ole sodi&m for injec ion), Sai H& N&o (cefmino sodi&m for injec ion), dap om cin, He P& Ding (lami&dine able s), micafu&ngin, Comirna (mRNA COVID-19 accine), ancom cin, Er Ye Bi (cef i o ime sodi&m for injec ion), Si Ke Ni (a i hrom cin caps&les), Ka Di (fl&clo acillin sodi&m for injec ion) and P&i Sai Ni (clindam cin h drochloride caps&les).

Major products of me abolism and alimen ar s s em comprise: Yo& Li Tong (feb& os a able s), A omolan (gl& a hione able s), Bei Yi (po assi&m chloride gran&les), animal ins&lin and i s prepara ions, A omolan (gl& a hione for injec ion), Ke Yi (ne compo&nd aloe caps&les), Wan S& Jing (empagliflo in able s), Yi Bao (recombinan h&man er hropoie in for injec ion (CHO cells)), Li Qing (alfacalcidol able s), Wan S& Ping (glimepiride able s), h&man ins&lin and i s prepara ions, Fan Ke Jia (hioc ic acid injec ion), Bei Wen (ke erpra an h drochloride able s) and Pang Bi F& (e elcalce ide h drochloride injec ion).

Major products of cardio asc&lar s s em comprise: heparin series prepara ions, Bang Tan (elmisar an able s), Ya Ni An (amlodipine besila e able s), Bang Zhi (pi a as a in calci&m able s), Ke Y&an (calci&m dobesila e caps&les), Yo& Di Er (alpros adil dried em&lsion for injec ion), Xin Xian An (meg&mine adenosine c clophospha e for injec ion) and S& Ka Xin (indapamide able s).

Major products of cen ral ner o&s s s em comprise: Chang T&o Ning (peneh clidine h drochloride injec ion), Qi Wei (o&e iapine f&mara e able s), Ao De Jin (depro einised calf blood ser&m injec ion), Qi Cheng (esci alopram o ala e able s) and lora epam able s.

Major products of APIs and in ermedia e products comprise: amino acid series, rane amic acid, le amisole h drochloride and clindam cin h drochloride.

* The da a for Jan&ar o J&ne 2023 as res a ed according o he basis for Jan&ar o J&ne 2024.

R&D innovation

The Gro&p has formed an open and globali ed pharmaceu&ical inno a ion and R&D s s em combining independen R&D, coopera i e de elopmen , licensed-in projec s and indu&s rial in es men , hich focu&ses on he core herapeu& ic areas of solid u&mors, hema ological u&mors and imm&no-inflamma or diseases, i h emphasis on he enhancemen of he core echnolog pla forms of an ibod /ADCs, cellu&lar herap and small molec&les. The Gro&p also ac i el e plored he deplo men of RNA, gene herap , AI dru&g de elopmen and o her cu& ing-edge echnologies o con in&ou&sl enhance i s core R&D capabili ies and pipeline adju&e, and facili a e he R&D process of more hea eigh produ&c s for earl commerciali a ion.

In order o promo e he implemen a ion of he inno a ion s ra eg in a high-qu&ali manner and o con in&ou&sl impro e R&D efficienc , he Compan has es ablished he Scien ific Ad isor Board (SAB) a gro&p le el, hich is mainl composed of he e ernal hink ank–. The SAB has assis ed he managemen of he Gro&p in formu&la ing and op imi ing he medi&m- o long- erm scien ific inno a ion s ra egies, and pro ided s ra egic gu&idelines and insigh s. In erms of impro ing he in ernal inno a ion managemen s&c&re, he Gro&p has in rodu&ced senior scien is s and high-le el alen s, comprehensi el u&pgrading i s capabili ies in earl -s age research, CMC, clinical medicine and clinical opera ions. The Gro&p es ablished a pipeline commi ee comprising in ernal e per s o s reng hen s nergies and op imi e reso&rces alloca ion, so as o impro e he qu&ali and efficienc of inno a i e R&D. In addi ion, hrou&gh lean R&D projec s, he Gro&p has con in&ou&sl op imi ed he projec ini ia ion, bu&dge managemen , major decision-making mechanisms and o her processes i h he aid of he INNOX digi al managemen s s em.

During the Reporting Period, a total of 4 innovative drugs/biosimilars with a total of 9 indications independently developed and licensed-in by the Group, and a total of 38 generic drug categories (of which 24 categories[2] were approved domestically and 14 categories <including 10 ANDA of Gland Pharma> were approved internationally),

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

Progress during the Reporting Period	Drug name/code	Target/ mechanism	Drug category	IND approved	Phase I	Phase II	Phase III	NDA accepted	Approved for launch	Remarks
Approved for launch	Trastuzumab injection (Trade name in Chinese mainland: Hanquyou)	HER2	Biological product	(1) Adjuvant therapy for HER2-expressing breast cancer; (2) Therapy for HER2-expressing metastatic breast cancer; (3) Therapy for HER2-expressing metastatic gastric adenocarcinoma or gastroesophageal junctional adenocarcinoma (U.S.)						
	Adalimumab injection (Trade name in Chinese mainland: Handa Yuan)	TNF-α	Therapeutic biological product	(1) polyarticular juvenile idiopathic arthritis, (2) pediatric plaque psoriasis, (3) Crohn's Disease, (4) pediatric Crohn's Disease						*Note 1*
	Rabies vaccine (Vero cell) for human use (freeze dried)		Preventive biological product	Rabies prophylaxis						
	Avatrombopag maleate tablets (Trade name in Chinese mainland: Sidake Xin)	TPO agonist	Chemical drug	For treatment of chronic immune thrombocytopenia (ITP) in adult patients with poor response from prior treatment						
NDA accepted	Fumaitinib tablets (FCN-159)	MEK1/2	Chemical drug	For treatment of adult dendritic cell and histiocytic tumors						*Note 2*
				For treatment of plexiform neurofibroma (PN) related to neurofibromatosis type 1 (NF1) in children aged 2 and above						
	HLX14 (recombinant anti-RANKL fully human monoclonal antibody injection)	RANKL	Biological product	(1) treatment of osteoporosis in postmenopausal women and men at high risk for fracture, (2) treatment for bone loss associated with hormone ablation in male patients with prostate cancer at high risk of fracture, (3) treatment for bone loss related to long-term systemic glucocorticoid therapy in adult patients at high risk of fracture, (4) prevention of skeletal-related events in adult patients with advanced bone malignancies, (5) treatment for patients with pediatric giant cell tumor of the bone that is unresectable or may lead to severe functional impairment, including both adult and skeletally mature adolescent patients (Europe)						
Under phase III clinical study	OP0595 (Nadobactam for injection)	β-lactamase inhibitor	Chemical drug	Treatment of adults infected by aerobic gram-negative bacteria with limited options						In combination with cefepime or aztreonam, [Note 3]
	Serplulimab injection (Trade name in Chinese Mainland: Hansizhang)	PD-1	Therapeutic biological product	First-line treatment for metastatic colorectal cancer (mCRC)						In combination with bevacizumab and chemotherapy
Under phase I clinical study	HLX6018# (innovative anti-GARP/TGF-β1 monoclonal antibody)	GARP/ TGF-β1	Therapeutic biological product	For treatment of idiopathic pulmonary fibrosis						
	XH-S004#	/	Chemical drug	For treatment of non-cystic fibrosis bronchiectasis						
	HLX42 (antibody-drug conjugate targeting EGFR with novel DNA topoisomerase I inhibitor)	EGFR ADC	Therapeutic biological product	For treatment of advanced/metastatic solid tumor						

Progress during the Reporting Period	Drug name/code	Target/ mechanism	Drug category	IND approved	Phase I	Phase II	Phase III	NDA accepted	Approved for launch	Remarks
IND approved	FCN-338	BCL-2	Chemical drug	For the treatment of systemic light chain amyloidosis						In combination with dexamethasone
				For the treatment of chronic lymphoblastic leukaemia/small lymphocytic lymphoma						In combination with FCN-647
	XS-02	CHK1	Chemical drug	For the treatment of advanced solid tumor						
	GCK-01	CD20	Therapeutic biological product	For the treatment of relapsed or chemotherapy-resistant follicular lymphoma						
	HLX53 (an anti-TIGIT Fc fusion protein)	TIGIT	Therapeutic biological product	First-line treatment of locally advanced or metastatic hepatocellular carcinoma (HCC)						In combination with serplulimab and bevacizumab, [Note 4]
	HLX22 (an anti-human epidermal growth factor receptor-2 (HER2) humanized monoclonal antibody injection)	HER2	Biological product	First-line treatment of HER2-positive advanced gastric cancer (U.S.)						In combination with trastuzumab and chemotherapy, [Note 5]
	HLX78 (lasofoxifene)	SERM	Chemical drug	For the treatment of ESR1 mutations in ER+/HER2- breast cancer						*Note 6*

[#] Innovative drugs approved for clinical trial and had commenced respective clinical studies during the Reporting Period.

Note 1: In May 2024, the supplementary NDA for the 4 new indications of Han Da Yuan (adalimumab injection) was approved by the NMPA.

Note 2: In addition, the 2 indications have been included in the priority review.

Note 3: During the Reporting Period, 2 Phase III clinical studies of the combination dosing of OP0595 and cefepime or a treatment for the treatment of adult infected by aerobic gram-negative bacteria with limited treatment options were initiated in Chinese mainland.

Note 4: In addition, the Phase II clinical trial of this indication was initiated in Chinese mainland in August 2024.

Note 5: In May 2024, the application for the Phase III clinical trial of HLX22 (an anti-human epidermal growth factor receptor-2 (HER-2) humanized monoclonal antibody injection) in combination with trastuzumab and chemotherapy for the first-line treatment of HER2-positive advanced gastric cancer was approved by the U.S. FDA.

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

As at the end of the Reporting Period, there were over 70 major pipeline projects of the Group on innovative drugs and biosimilars (calculated by indications); for details on major pipeline drug projects of the Group, please refer to Table 3 to Table 6.

Table 3 Small molecular innovative drugs under independent development

No.	Therapeutic area	Drug name/code	Indications	R&D progress in Chinese mainland as at the end of the Reporting Period	R&D progress in other countries as at the end of the Reporting Period
1	Anti-tumor	FCN-338	Hematological malignancies	Phase I clinical trial	Phase I clinical trial (U.S.)
2			Relapsed or refractory B-cell lymphoma	Phase I clinical trial	
3			Treatment of myeloid malignancies in combination with acitidine or chemotherap	Phase II clinical trial	
4		FCN-338 + FCN-647	chronic lymphoblastic leukaemia/small lymphocytic lymphoma	Approved for clinical trial	
5		FCN-159	Neurofibromatosis type 1 (children)	NDA	
6			Neurofibromatosis type 1 (adult)	Phase III clinical trial	
7			Dendritic cell and histiocyte tumors in adults	NDA	
8			Low-grade gliomas	Phase II clinical trial	
9			Langerhans cell histiocytosis in children	Phase II clinical trial	
10		SAF-189	Non-small cell lung cancer (ROS1+)	Phase II clinical trial	Approved for clinical trial (U.S.)
11			Non-small cell lung cancer (ALK+)	Phase III clinical trial	
12		FCN-437c	Breast cancer 1L	Phase III clinical trial	
13			Breast cancer 2L	NDA	
14		YP01001	Advanced solid tumor	Phase I clinical trial	
15		FH-2001	Advanced malignant solid tumor	Phase Ib/II clinical trial	
16		XS-03	RAS-mutated advanced solid tumor	Phase I clinical trial	
17		XS-02	Advanced solid tumor	Approved for clinical trial	
18	Others	ET-26	Anesthesia	Phase III clinical trial	
19		FCN-159	Arteriovenous malformations	Phase II clinical trial	
20		FCN-016	Glaucoma or ocular hypertension	Approved for clinical trial	
21		XH-S004	Non-cystic fibrosis bronchial dilation	Phase I clinical trial	
22		XH-S003	IgA nephropathy and other glomerular diseases with abnormal complement activation	Phase I clinical trial	Phase I clinical trial (Australia)
23		FCN-338	Systemic light chain Amyloidose	Approved for clinical trial	

Table 4 — Biopharmaceutical innovative drugs under independent development

No.	Therapeutic area	Drug name/code	Indications	R&D progress in Chinese mainland as at the end of the Reporting Period	R&D progress in other countries as at the end of the Reporting Period
1	Anti-tumor	Hansizhuang (serplulimab injection) + chemotherapy	Squamous non-small cell lung cancer (sqNSCLC)	Approved for launch	Phase III clinical trial (international multi-center)
2			Extensive-stage small cell lung cancer (ES-SCLC)	Approved for launch	Marketing authorization application (EU) Bridging trial (U.S.)
3			Non-squamous non-small cell lung cancer (nsqNSCLC)	NDA	
4			Neo-/adjuvant treatment of GC	Phase III clinical trial	
5		Hansizhuang (serplulimab injection) + chemotherapy + radiotherapy	Limited-stage small cell lung cancer (LS-SCLC)	Phase III clinical trial (international multi-center)	
6		Hansizhuang (serplulimab injection) + beracilimab + chemotherapy	Metastatic colorectal cancer (mCRC)	Phase III clinical trial	*Note 1*
7		Hansizhuang (serplulimab injection) + HLX07 (recombinant anti-EGFR humanized monoclonal antibody injection)	Recurrent or metastatic head and neck squamous cell carcinoma (HNSCC)	Phase II clinical trial	
8			Squamous non-small cell lung cancer (sqNSCLC)	Phase II clinical trial	
9		Hansizhuang (serplulimab injection) + HLX07 (recombinant anti-EGFR humanized monoclonal antibody injection) + Hanbeitai (beracilimab injection)	Hepatocellular carcinoma (HCC)	Approved for clinical trial	
10		HLX07 (recombinant anti-EGFR humanized monoclonal antibody injection)	Solid tumor	Phase Ib/II clinical trial	Approved for clinical trial (U.S.)
11			Locally advanced or metastatic cutaneous squamous cell carcinoma (CSCC)	Phase II clinical trial	Approved for clinical trial (U.S.)
12		HLX26 (recombinant anti-LAG-3 humanized monoclonal antibody injection) + Hansizhuang (serplulimab injection) + chemotherapy	Advanced non-small cell lung cancer (NSCLC)	Phase II clinical trial	

Table 5 — licensed-in innovative drugs

No.	Therapeutic area	Drug name/code	Indications	R&D progress in major licensed territory as at the end of the Reporting Period
1	An i-tumor	FS-1502 (recombinant HER2 humanized monoclonal antibody-monomethyl auristatin E conjugate for injection)	HER2-positive locally advanced or metastatic breast cancer	Chinese mainland: Phase III clinical trial
2			HER2-expressing advanced malignant solid tumors	Chinese mainland: Phase II clinical trial
3		FS-1502 (recombinant HER2 humanized monoclonal antibody-monomethyl auristatin E conjugate for injection) in combination with serplulimab and/or chemotherapy	HER2-expressing advanced gastric cancer	Chinese mainland: Phase II clinical trial
4		HLX78 (lasofoxifene)	Breast cancer	Chinese mainland: Approved for clinical trial
5		HLX208 (BRAF V600E inhibitor)	Solid tumor (metastatic colorectal cancer, non-small cell lung cancer, etc.), LCH and ECD	Chinese mainland: Phase II clinical trial
6		HLX208 (BRAF V600E inhibitor) + Han Si Zhuang (serplulimab injection)	BRAF V600E or BRAF V600 mutation-positive advanced solid tumor (non-small cell lung cancer)	Chinese mainland: Phase II clinical trial
7		HLX22 (an anti-human epidermal factor receptor-2 (HER2) humanized monoclonal antibody injection) + Han Qi Yuan (rasfulumab injection)	Gastric cancer (GC)	Chinese mainland: Phase II clinical trial
8		HLX22 (an anti-human epidermal factor receptor-2 (HER2) humanized monoclonal antibody injection) + rasfulumab + chemotherapy	First-line treatment of HER2-positive advanced gastric cancer	U.S.: Approved for clinical trial
9		HLX22 (an anti-human epidermal factor receptor-2 (HER2) humanized monoclonal antibody injection) + Han Si Zhuang (serplulimab injection) + standardized treatment (rasfulumab in combination with chemotherapy)	Gastric cancer (GC)	Chinese mainland: Approved for clinical trial
10		SYN53-67/M57-KLH peptide vaccine (SurVaM)	Primary diagnosis of glioblastoma	Chinese mainland: Approved for clinical trial
11	Metabolism and alimentary system	Tenapanor tablets (tenapanor hydrochloride tablets)	Irritable bowel syndrome with constipation (IBS-C)	Chinese mainland: Phase I clinical trial Hong Kong: Approved for launch

No.	Therapeutic area	Drug name/code	Indications	R&D progress in major licensed territory as at the end of the Reporting Period
12	Anti-infection	Pretomanid tablets	Extensively drug-resistant (XDR) or multidrug-resistant pulmonary tuberculosis (MDR-TB) with treatment intolerance/lower efficacy of treatment	Chinese mainland: NDA Hong Kong: Approved for launch
13		OP0595 (Nacubactam) + cefepime or aztreonam	Treatment of adult hospital acquired bacterial pneumonia including ventilator associated bacterial pneumonia	Chinese mainland: Phase III clinical trial
14	Central nervous system	Opicapone capsules	Parkinson's syndrome	Chinese mainland: NDA
15	Blood system	Avatrombopag maleate tablets	Chronic immune thrombocytopenia (ITP)	Chinese mainland: Approved for launch
16		Tenapanor tablets (enapanor hydrochloride tablets)	Controlling hyperphosphatemia in adult patients receiving hemodialysis treatment for chronic kidney disease (CKD)	Chinese mainland: NDA
17		FS Key Shu (anti-human T-lymphocyte rabbit immunoglobulin)	Prevention graft-versus-host disease (GVHD) after hematopoietic stem cell transplantation	Chinese mainland: Approved for clinical trial
18	Others	RT002 (Davibotulinum toxin A botulinum toxin)	Moderate to severe glabellar lines in adults (GL)	Chinese mainland: NDA
19			Cervical dystonia in adults (CD)	Chinese mainland: NDA
20		Forasartan (lidocaine prilocaine patch)	Premature ejaculation	Chinese mainland: Phase III clinical trial

Table 6 — Biosimilars under independent development

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

As at the end of the Reporting Period, a total of 34 products of the Group had passed or deemed to have passed the consistency evaluation of generic drugs were selected in nine batches of national centralized drug procurement and the insulin special supervise procurement (please refer to Table 7 – Products on tenders for centralized procurement), of which the results of the ninth batch of the centralized procurement and insulin special supervise procurement were implemented in March 2024 and May 2024, respectively. For existing categories included in the centralized procurement, the Group has published its adjustments of multi-channel marketing and lean production so as to reduce the life cycle management of the centralized procurement products while sacrificing price for volume, and has actively promoted the rapid entry of incremental products in to the market through the centralized procurement, so as to effectively smooth out the impact of existing products participating in centralized procurement.

Table 7 — Products won tenders for centralized procurement

No.	Round selected	Name of drugs	Indications	Specifications	Charge unit
1	4+7 scope expansion	Amlodipine Besylate Tablets	High blood pressure	5mg*7 tablets/box	Box
2		Escitalopram Oxalate Tablets	Depression disorder	10mg*7 tablets/box, 10mg*10 tablets/box, 10mg*14 tablets/box	Box
3	The second round	Azithromycin Capsules	1. Acute pharyngitis and tonsillitis caused by streptococcus pyogenes; 2. sinusitis, otitis media, acute bronchitis and acute exacerbation of chronic bronchitis caused by susceptible bacteria; 3. pneumonia caused by streptococcus pneumoniae, haemophilus influenzae and mycoplasma pneumoniae. 4. pharyngitis and cervicitis caused by chlamydia trachomatis and non-multidrug-resistant neisseria gonorrhoeae; 5. skin and soft tissue infection caused by susceptible bacteria.	0.25g*6 capsules/box, 0.25g*4 capsules/box	Box
4		Clindamycin Hydrochloride Capsules	Infection caused by susceptible strains such as streptococci, staphylococci and anaerobic bacteria	0.15g*10 capsules/box, 0.15g*20 capsules/box	Box
5		Indapamide Tablets	Essential hypertension	2.5mg*10 tablets/box, 2.5mg*30 tablets/box	Box
6		Isoniazid Tablets	Tuberculosis	0.1g*100 tablets/bottle	Bottle
7	The third round	Febuxostat Tablets	Long-term treatment of gout patients with hyperuricemia	40mg*16 tablets/box	Box
8		Quetiapine Fumarate Tablets	Manic episodes of schizophrenia and bipolar disorder	0.1g*10 tablets/strip*3 strips/box, 25mg*14 tablets/strip*2 strips/box, 0.2g*8 tablets/strip*2 strips/box	Box
9		Pitavastatin Calcium Tablets	Hypercholesterolemia and familial hypercholesterolemia	2mg*14 tablets/box	Box
10		Ethambutol Hydrochloride Tablets	Applicable to tuberculosis caused by treatment of combination of other anti-tuberculosis drugs. It can also be used for the treatment of tuberculosis meningitis and atypical mycobacterium infection.	0.25g*50 tablets/box/bottle, 0.25g*100 tablets/box/bottle	Box/Bottle
11		Memantine Hydrochloride Tablets	Moderate to severe Alzheimer's dementia	10mg*14 tablets/box	Box
12	The fourth round	Telmisartan Tablets	Essential hypertension	40mg*8 tablets/strip*4 strips/box	Box
13		Empagliflozin Tablets	Type 2 diabetes	10mg*10 tablets/strip*1 strip/box	Box
14		Calcium Dobesilate Capsules	1. Treatment of microangiopathy: Diabetic microangiopathy, retinopathy and glomerulosclerosis (Kimmerstiel-Wilson syndrome); microscopic vascular injury accompanied with increased capillary fragility and permeability, capillary diseases and acrocyanosis. 2. adjuvant therapy for chronic venous insufficiency (varicose vein syndrome), thrombus sequelae (including post-embolism syndrome, leg ulcers, purpuric dermatitis and other sagnan skin diseases, peripheral vascular stasis edema, etc.).	0.5g*10 tablets/strip*3 strips/box	Box
15		Sorafenib Tosylate Tablets	Inoperable or distant metastasis of hepatocellular carcinoma	0.2g*10 tablets/strip*3 strips/box	Box
16		Duloxetine Hydrochloride Enteric Capsules	Generalized anxiety disorder and depression	20mg*60 capsules/bottle, 30mg*90 capsules/box/bottle, 60mg*30 capsules/box/bottle	Box/Bottle
17		Pranlukast Tablets	This product is only effective in formulation, and can be used for treatment of tuberculosis in combination with other anti-tuberculosis drugs (such as streptomycin, isoniazid, rifampin and ethambutol)1rdrlesf1plesf1plesf1ple7cae8pa h re inopa h		
			The 5-1. h ro3.8		

No.	Round selected	Name of drugs	Indications	Specifications	Charge unit
23	The seventh round	Cefminox Sodium for injection	1. Respiratory system infection: tonsillitis, peritonsillar abscess, bronchitis, bronchiolitis, bronchiectasis (in the case of infection), secondary infection of chronic respiratory disease, pneumonia, pulmonary suppuration; 2. Urinary system infection: pyelonephritis, cystitis; 3. Abdominal infection: cholecystitis, cholangitis, peritonitis; 4. Pelvic infection: pelvic peritonitis, uterine adnexitis, intrauterine infection, pelvic dead space inflammation, parametritis; 5. Sepsis.	0.25g*10 bottles/box, 0.5g*10 bottles/box, 1g*10 bottles/box	Box
24		Lidocaine Hydrochloride Injection	This product is a local anesthetic and an antiarrhythmic drug. Mainly used for infiltration anesthesia, epidural anesthesia, topical anesthesia (including mucosal anesthesia during thoracoscopy or abdominal surgery) and nerve conduction block. This product can be used for ventricular premature beats and ventricular tachycardia after acute myocardial infarction, and can also be used for ventricular arrhythmia caused by digitalis poisoning, cardiac surgery and cardiac catheterization. This product is usually ineffective for supraventricular arrhythmias.	5ml:0.1g*5 vials/box, 10ml:0.2g*5 vials/box, 20ml:0.4g*5 vials/box	Box
25		Roxithromycin Tablets	For the treatment of infections caused by roxithromycin-sensitive pathogens	150mg*6 tablets/strip/box	Box
26	The eighth round	Enoxaparin Sodium Injection	1. Prevention of venous thromboembolic diseases (prevention of venous thrombosis), especially thrombosis related to orthopedic or general surgery; 2. Treatment of established deep vein thrombosis, with or without pulmonary embolism, without severe clinical symptoms, excluding pulmonary embolism requiring surgery or thrombolytic agent treatment; 3. Treatment of unstable angina and non-Q wave myocardial infarction, in combination with aspirin; 4. Prevention of thrombosis in extracorporeal circulation of hemodialysis; 5. For the treatment of acute ST-elevation myocardial infarction, in combination with thrombolytics or concurrent in combination with percutaneous coronary intervention (PCI).	0.6ml:6000AxaIU (prefilled) *2 vials/box	Box
27		Piperacillin Sodium and Tazobactam Sodium for injection	For the treatment of the following systemic and/or local infections caused by detected or suspected susceptible bacteria: 1. Lower respiratory tract infection; 2. Urinary tract infection (mixed infection or single bacterial infection); 3. Intraabdominal infection; 4. Skin and underlying tissue infection; 5. Bacterial sepsis; 6. Gynecological infection; 7. Treatment for bacterial infection in patients with neutropenia in combination with aminoglycosides; 8. Bone and joint infection; 9. Mixed infection of various bacteria.	2.25g(2.0g Piperacillin and 0.25g Tazobactam) *8 bottles/box, 4.5g(4.0g Piperacillin and 0.5g Tazobactam) *6 bottles/box, 4.5g(4.0g Piperacillin and 0.5g Tazobactam) *5 bottles/box	Box
28		Oseltamivir Phosphate for oral suspension	For the treatment of influenza A and influenza B in adults and children aged 2 weeks or above. Prevention of influenza A and influenza B in patients aged 1 year or above.	0.36g*1 bottle/box	Box
29		Cefoperazone Sodium and Sulbactam Sodium for injection	Monotherapy: Cefoperazone/Sulbactam is indicated for the treatment of the following infections caused by susceptible bacteria: 1. Upper and lower respiratory tract infection; 2. Upper and lower urinary tract infection; 3. Peritonitis, cholecystitis, cholangitis and other intra-abdominal infections; 4. Septicemia; 5. Meningitis; 6. Skin and soft tissue infection; 7. Bone and joint infection; 8. Pelvic inflammatory disease, endometritis, gonorrhea and other reproductive tract infections. Combination medication: Cefoperazone/sulbactam should be used in combination with other antibiotics.	1g(1:1)*10 bottles/box, 2g(1:1)*10 bottles/box, 3g(1:1)*10 bottles/box	Box
30		Furosemide Injection	1. Edema disease; 2. Hypertension; 3. Prevention of acute renal failure; 4. Hyperkalemia and hypercalcemia; 5. Dilutional hyponatremia; 6. Hypersecretion of antidiuretic hormone (SIADH); 7. Acute drug poisoning.	2ml:20mg*10 vials/box	Box
31		Rifampicin Capsules	1. For the initial treatment and retreatment of various tuberculosis, including tuberculous meningitis, in combination with other anti-tuberculosis drugs. 2. For the treatment of leprosy and non-tuberculous mycobacterium infections in combination with other drugs. 3. For the treatment of severe infections caused by methicillin-resistant staphylococci in combination with vancomycin (intravenous). Rifampin in combination with erythromycin can be used for the treatment of severe Legionella infections. 4. For the treatment of asymptomatic Neisseria meningitidis carriers to eliminate Neisseria meningitidis in the nasopharynx; not suitable for the treatment of Neisseria meningitidis infection.	0.15g*100 capsules/bottle	Bottle
32	The ninth round	Rabeprazole Sodium Enteric-coated Tablets	Gastric ulcers, duodenal ulcers, anastomotic ulcers, reflux esophagitis, Zollinger- Ellison syndrome.	20mg*30 tablets/bottle	Bottle
33	Continued insulin purchase	Insulin lispro injection	Diabetes	3ml:300units (refill) *1 vial	Vial
34		Insulin glargine injection	Diabetes	3ml:300units (refill) *1 vial	Vial

Note: Human Insulin Injection and Protamine Human Mixed Insulin Injection (30R) were elected in to 2024 national centralized procurement (insulin special successive procurement).

- *Integrated production and streamlined operation*

In order to further improve the competitiveness of the production system of the pharmaceutical manufacturing business, improve operational efficiency and implement the international strategy, the Group continued to streamline and discover its internal competitive production capacity, deepened the integration of the production side, realized the rapid transformation of products through the consistency and integration of APIs and preparations production resources, and built up international competitive star production lines and production bases.

The Group continued to consolidate production lines on the production side, build regional production centers and gathered production capacity and achieved the integration of APIs and preparations, so as to further improve production and operation efficiency and expand production cost advantages. During the Reporting Period, the Group built regional production centers in Xi'an and Chongqing, continuously advanced the construction of Xingmao Pharma API Base, Henan Dongxing API Base and Yao Pharma Changsha API Base, and vertically integrated the APIs and preparation industry chains, realizing intensive mass production capacity. At the same time, the Group also planned and built production lines for complex preparations and special preparations, and the production lines for BFS, spray drying and OEB4/5 have been entered in to the construction and/or production phases. As at the end of the Reporting Period, the commissioning and validation of the tranexamic acid production line and Gentamicin B production line in Henan Dongxing API Base had commenced. The category process validation in Yao Pharma Changsha API Base had been conducted. Several products in oled in some production lines of Xingmao Pharma API Base had passed the on-site inspections on drug production license, GMP and registration verification and commenced commercial production. Xi'an Industrial Park Preparation Base had completed the construction of oral solid preparation and BFS production lines, and the transfer of relevant products had commenced, and new products should be continuously introduced with increased production capacity in the subsequent years. In addition, the Group continued with the construction of the Cote d'Ivoire park integrating drug R&D, manufacturing, logistics and delivery, aiming to realize localization in drug manufacturing and supply in Africa.

At the same time, the Group continued to promote the building of production system with international quality standard, laying a solid foundation for the overseas distribution of preparations. The Group through different means including special training, gap analysis, reform and upgrade, etc., continued to improve quality systems based on domestic and international requirements, and enhanced the quality risk awareness and quality management capabilities of all employees. As at the end of the Reporting Period, all commercial production lines of the domestic subsidiaries under the pharmaceutical manufacturing segment of the Group obtained domestic GMP certifications, and 10 production lines had passed GMP certification in major regulatory markets such as the U.S. and the EU. During the Reporting Period, the domestic subsidiaries under the pharmaceutical manufacturing segment received over 40 official inspections as well as official sample tests on over 300 batches, all of which were passed smoothly.

2. [illegible]

During the Reporting Period, the Group recorded revenue of RMB2,069 million from the medical devices and medical diagnosis segment, representing a period-on-period decrease of 6.59%, which was mainly due to the significant decrease in the revenue from COVID-19 antigen and nucleic acid tests kits and the overseas revenue from non-proprietary COVID-19 products. Excluding COVID-related products, the revenue of medical devices and medical diagnosis segment increased by 5.13% on the same basis. During the Reporting Period, the segment results of the medical devices and medical diagnosis segment amounted to RMB-57 million, representing a period-on-period decrease of RMB113 million; and segment profits amounted to RMB-54 million, representing a period-on-period decrease of RMB168 million, which was mainly due to (1) the corresponding impacts of significant decrease in the revenue from COVID-19 antigen and nucleic acid tests kits, (2) the sales of medical diagnosis products were lower than expected, and (3) the increase in operating costs as a result of the transition from a distribution model to a direct sales model in certain areas of Sisram Medical.

(1) Medical Devices

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

In the field of medical cosmetology, focusing on the ecological diversification strategy, Sisram Medical, a subsidiary has continuously enriched its product pipeline and pushed ahead the construction of its marketing network worldwide. During the Reporting Period, Sisram Medical introduced Alma Harmony, a new generation of multi-functional flagship device with photo rejuvenation as its main function, in the North American market, and launched Soprano Titanium Special Edition, a laser hair removal device, in the global market. Profhilo, a new generation of sodium hyaluronate complex (i.e. sodium hyaluronate solution for injection), with Sisram Medical being as its agency, was launched in Hainan as a licensed medical device in April 2024. In addition, in January 2024, Sisram Medical established a strategic partnership with Prollenium, and obtained the exclusive distribution rights of the Revanesse dermal filler collection, which applies advanced hyaluronic acid technology, in several major markets including Germany, Austria, Switzerland, Australia and New Zealand. During the Reporting Period, the revenue of Sisram Medical amounted to US$169 million and net profit amounted to US$13 million (based on the financial statements of Sisram Medical in its reporting currency).

In the field of respiratory health products, Breas accelerated the introduction of new products and continued to optimize its supply chain. During the Reporting Period, sales performance remained strong and the demand of non-invasive ventilators for medical and home use (including ClearMask 2 and others) saw varying degrees of growth as compared to the same period last year, with the revenue generated from such markets as America also experiencing a significant increase.

In the field of professional medical products, the Group accelerated in egration, and focused on building the capabilities in R&D, production, products and marketing through licensed-in and incubation– and the Intelligent Manufactured in China– policy. During the Reporting Period, the installation volume of Da Vinci Surgical Robot – of Intuitive Fosun (an associated company) in Chinese mainland and Macau was as 24. The Intuitive Fosun headquarters industrial base was completed and put in use in the Zhangjiang International Medical Park in Shanghai in June 2024. During the Reporting Period, the Da Vinci SP endoscopic single orifice surgical system developed by Intuitive Fosun has been included in the NMPA's special review for innovative medical devices, which would facilitate the subsequent registration and approval processes; the Ion System– adopting a flexible robot with shape sensing technology had been approved for launch in Chinese mainland. During the Reporting Period, Fosun Insightec, a joint enterprises established with Insightec in China, has steadily advancing the clinical promotion and commercialization of the MRgFUS brain therapy system in the Chinese mainland, Hong Kong, and Macau markets. Fuyao Zhida, a subsidiary, focused on the field of artificial intelligence surgical navigation and accelerated the innovative R&D of technological products, and its disposable tracking nodule positioning marker– was approved for launch in Chinese mainland in April 2024.

In addition, the medical devices segment also made positive progresses in constructing a global marketing network. Sisram Medical, through strategies and methods of streng hening its digital channels and combining direct sales and distribution, continuously expanded the global marketing network. As at the end of the Reporting Period, its marketing network has covered more than 100 countries and regions across the world. The proportion of direct sales revenue further increased to 86%. At the same time, the marketing network of Breas also covered markets such as Europe, the U.S., China, Japan, India and Australia.

(2) Medical Diagnosis

During the Reporting Period, the revenue from COVID-19 antigen and nucleic acid tests kits significantly decreased, subject to an initial impact affecting the revenue and profit of medical diagnosis segment. As the COVID-19 no longer constituted a Public Health Emergency of International Concern–, the medical diagnosis segment shifted its business focus to non-COVID-19 products, and continued to promote product upgrading and the launch of differentiated pipelines. During the Reporting Period, fully-automated chemiluminescent immunoassay analyzer F-i6000, independently developed by the Group, was approved for launch. F-i6000 is an ultra-high-speed immunoassay analyzer with complete independent intellectual property rights. It enjoys a detecting speed of 600 tests per hour, and can access to the laboratory automation system to provide an integrated solution. In addition, 8 thyroid function tests reagents including thyrotropin tests kits (Chemiluminescence) and thyroglobulin tests kits (Chemical luminescence), and 7 sex hormone tests reagents including follicle stimulating hormone tests kits (Chemical luminescence) and estradiol tests kits (Chemical luminescence), were completed upgrading and approved for launch successively. Moreover, respiratory joints inspection (PCR method) and other molecular testing products, IL-2 tests kits (Chemical luminescence) and other chemical luminescence reagents have entered the stage of clinical trial and registration application.

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

3. Healthcare services

During the Reporting Period, the revenue from the healthcare services segment amounted to RMB3,657 million, representing a period-on-period increase of 16.95%. Segment results amounted to RMB74 million, representing a period-on-period decrease in loss of RMB225 million. Segment profits amounted to RMB-140 million, representing a period-on-period decrease in loss of RMB128 million. The main reasons for the period-on-period decrease in loss included the further boosts and optimized expenses of online business, as well as the significant cost reduction through the centralized procurement of drugs and devices.

(1) Healthcare services business focusing on integrated medical institution

With years of profound cultivation, Fosun Health, a subsidiary, has formed a healthcare services platform centered on the Greater Bay Area, with the provision of general and specialized medical disciplines and the integration of online and offline services. In the first half of 2024, Fosun Health ranked second in the 2024 Top 100 Social Medical Hospital Groups– of Asclepius (ranked among the top three in the list for four consecutive years). As at the end of the Reporting Period, the medical institutions controlled by Fosun health had a total of 6,578 authorized beds, and it held 8 internet hospital licenses. In particular, 4 medical institutions including Foshan Fosun Chancheng Hospital and Guangzhou Xinshi Hospital have established regional medical associations, covering the Greater Bay Area region.

During the Reporting Period, Fosun Health continued to promote the high-level construction of medical disciplines and enhance the medical strength, and several medical institutions controlled by it have set up key specialties at the municipal and district levels in local regions. Meanwhile, centered on the Greater Bay Area, Fosun Health actively established strategic cooperation with other healthcare institutions to jointly promote the improvement of service capabilities and standards of healthcare services in the region as well as the business

With years of profound industrial foundation in the healthcare services field, especially the operation scale and reputation has been formed in the Greater Bay Area, in May 2024, Fosun Health entered into the Capital Increase Agreement with Chanxi New City Investment and Construction Company Limited* (禪西新城投資建設有限公司) (the "**Foshan Chanxi City Investment**"), pursuant to which, Fosun Health will obtain a strategic investment of RMB300 million from Foshan Chanxi City Investment, so as to further consolidate its characteristics and strengths in the healthcare services field.

(2) Rehabilitation specialty business

During the Reporting Period, the Group deepened its deployment of rehabilitation specialty business, constantly expanded to core cities in other regions and promoted the multiple locations in one city – last mile model. In addition, the rehabilitation specialty segment has defined the three-year plan for rehabilitation subspecialty and the plan for building specialties, and with the establishment of the rehabilitation professional committee in integrating clinical treatment, rehabilitation and nursing, conducted standardized trainings on key specialized diseases and specialized trainings on medical management, and improved the quality of rehabilitation treatment and services. In addition, the Group was also committed to developing new products and services such as the rehabilitation bundler and the rehabilitation service package for different and customized medical needs. Meanwhile, the Group has connected with commercial insurance providers to improve the diversified payment channels and deepen strategic cooperation in the industry chain.

In the first half of 2024, Jianjia Healthcare, a subsidiary, proactively advanced the standardized replication of rehabilitation hospital projects and refined the whole lifecycle management of rehabilitation hospitals. Through optimizing and iterating the standardized model, it has implemented the standardized model for all aspects from project planning and discipline construction to daily management, deepened the refined management of cross-region hospitals. As at the end of the Reporting Period, 11 rehabilitation medical institutions were in operation (including those in trial operation), and 7 rehabilitation medical institutions were under construction.

4. [illegible]

During the Reporting Period, Sinopharm actively adapted to the new development environment of the industry, overcame difficulties, and accelerated the transformation and innovation of businesses. In the first half of 2024, Sinopharm recorded a revenue of RMB294,727 million, a net profit of RMB5,899 million, and a net profit attributable to the parent company of RMB3,704 million, representing a period-on-period decrease of 2.07%, 14.42% and 9.76%, respectively.

In respect of pharmaceutical distribution, Sinopharm focused on core and key areas, and the market share of pharmaceutical distribution business in relevant markets continued to increase, especially in key areas such as Jiangsu, Zhejiang, Shanghai, Central China, North China and Guangdong and Guangxi, the proportion of revenue of which has maintained rapid growth. During the Reporting Period, the revenue from pharmaceutical distribution was RMB226,494 million, representing a period-on-period increase of 0.47%. In respect of medical device distribution, due to the changes in the terminal demand structure, the revenue from the medical device distribution business was RMB58,494 million, representing a period-on-period decrease of 7.08%. In respect of retail pharmacy, the revenue was RMB16,558 million, representing a period-on-period decrease of 6.43%. In particular, specialised pharmacies of Sinopharm maintained a high growth rate of more than 20%, but the sales revenue of socialised pharmacies decreased on a period-on-period basis due to the reduction of scale of personal medical insurance accounts. As of the end of the Reporting Period, Sinopharm's total number of retail stores was 12,366, representing a net increase of 257 in total compared with the end of 2023.

III. Core Competence Analysis

During the Reporting Period, the core competitiveness of the Group as reflected in its open-source R&D ecology, forward-looking international layout, systematic commercialization team and other aspects:

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

2. Advantages in internationalization. The Group implemented its internationalization strategy in multiple dimensions including innovative R&D, out-licensing, production and operation as well as commercialization. The global BD team kept enhancing the out-licensing of products and IP, and deployed in frontier areas through R&D cooperation and licensed-in projects, while driving clinical and registration teams in the U.S., Africa, Europe, India, Japan, Middle East and South Asia continuously to strengthen overseas drug registration and application capabilities. The Group also accelerated the international quality system certification of domestic production lines, and further deepened its internationalized marketing capabilities so as to further expand the international market. In particular, in the field of medical devices, the Group's marketing network for medical cosmetology equipment covered over 100 countries and regions worldwide, and has established direct sales layouts in multiple countries.

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

IV. Major Operations in the Reporting Period

(I) A

1. Analysis of Changes in Relevant Items of Financial Statements

Unit: million Currency: RMB

Items	Amount for the period	Amount for the corresponding period of last year	Period-on-period change (%)
Revenue *(Note 1)*	20,383	21,316	4.38
Cost of sales *(Note 1)*	10,463	10,699	2.21
Selling and distribution expenses *(Note 2)*	4,266	5,071	15.87
Administrative expenses *(Note 3)*	2,149	2,103	2.19
Research and development expenses *(Note 4)*	1,862	2,134	12.75
Other gains *(Note 5)*	273	857	68.14
Other expenses *(Note 5)*	435	256	69.92
Share of profits and losses of Associates *(Note 6)*	947	1,118	15.30
Net cash flow generated from operating activities	1,907	1,810	5.36

Note 1: For the reasons for the period-on-period change in revenue and cost of sales, please refer to Segment Performance Overview in Management Discussion and Analysis– and Principal Operations by Segments, Products and Geographical Locations– below.

Note 2: During the Reporting Period, selling and distribution expenses ratio was 20.93%, representing a decrease of 2.86 percentage points as compared to the same period last year. The gross profit margin less selling and distribution expense ratio increased by 1.72 percentage points period-on-period.

Note 3: During the Reporting Period, administrative expenses ratio was 10.54%. Excluding the impact of newly acquired companies, the administrative expense decreased by approximately RMB200 million.

Note 4: Mainly due to the Group's focus on improving the efficiency of advantageous pipelines and R&D system integration during the Reporting Period.

Note 5: Mainly due to the gains from fair value changes of financial assets held such as investments in YSB and the gains from disposal of non-core assets such as Tianjin Pharma in the same period last year.

Note 6: Mainly due to the period-on-period decrease in share of investments income of Associates and Joint ventures.

2. R&D expenditure

(1) R&D expenditure

Unit: million Currency: RMB

R&D expenditure expensed for the period	1,862
R&D expenditure capitalized for the period	875
Total R&D expenditure	2,737
Total R&D expenditure as a percentage of revenue (%)	13.38
R&D expenditure in the pharmaceutical manufacturing segment as a percentage of the revenue from the pharmaceutical manufacturing segment (%)	16.39
Percentage of R&D expenditure capitalized (%)	31.97

(2) Descriptions

During the Reporting Period, the R&D expenditure in the pharmaceutical manufacturing segment amounted to RMB2,406 million, representing a period-on-period decrease of RMB113 million or 4.49%, accounting for 16.39% of the revenue from the pharmaceutical manufacturing segment. In particular, the R&D expenses amounted to RMB1,572 million, representing a period-on-period decrease of RMB220 million or 12.28%, accounting for 10.71% of the revenue from the pharmaceutical manufacturing segment. In addition to independent R&D, the Group fully implemented an open R&D model, and incubated and invested in R&D projects by initiating/managing industrial funds and other diversified ways, so as to ensure the sustainability of innovation and R&D.

(II) [illegible]

Unit: million Currency: RMB

Principal operations by segments

By segments	Revenue	Cost of sales	Gross profit margin (%)	Period-on-period change in revenue (%)	Period-on-period change in cost of sales (%)	Period-on-period change in gross profit margin
Pharmaceutical manufacturing	14,601	6,621	54.65	8.29	6.94	decrease of 0.66 percentage points
Medical devices and medical diagnosis	2,069	1,028	50.31	6.59	2.28	decrease of 2.20 percentage points
Healthcare services	3,657	2,772	24.20	16.95	11.59	increase of 3.64 percentage points

Principal operations by products

By products	Revenue	Cost of sales	Gross profit margin (%)	Period-on-period change in revenue (%)	Period-on-period change in cost of sales (%)	Period-on-period change in gross profit margin
Major products of anti-tumor and immune modulation	4,051	853	78.94	9.52	12.68	decrease of 0.60 percentage points
Major products of anti-infection *(Note)*	1,453	417	71.30	56.30	71.79	increase of 15.75 percentage points
Major products of metabolism and alimentary system	1,398	341	75.61	7.05	4.60	decrease of 2.71 percentage points
Major products of cardio-vascular system	1,026	645	37.13	22.29	27.22	decrease of 2.44 percentage points
Major products of central nervous system	492	53	89.23	10.71	6.00	decrease of 1.70 percentage points
Major products of APIs and intermediate products	560	417	25.54	14.37	10.90	decrease of 2.90 percentage points

Principal operations by geographical locations

By geographical locations	Revenue	Cost of sales	Gross profit margin (%)	Period-on-period change in revenue (%)	Period-on-period change in cost of sales (%)	Period-on-period change in gross profit margin
Chinese Mainland	14,873	6,998	52.95	10.02	12.40	increase of 1.28 percentage points
Regions outside Chinese Mainland and other countries	5,510	3,465	37.11	15.13	27.86	decrease of 6.27 percentage points

Note: The decrease in revenue and cost of sales of major anti-infection products as compared to the same period last year is mainly due to the significant decline in revenue from COVID-related products, such as Jie Bei An (azvudine tablets) during the Reporting Period.

(III) A

1. Operation and Results of Major Subsidiaries of the Group

(1) Operation and Results of Major Subsidiaries

Unit: million Currency: RMB

Name of subsidiary	Major business	Registered capital	Total assets	Net assets	Revenue	Operating profit	Net profit
Yao Pharma	Pharmaceutical R&D and manufacturing	197	8,227	6,282	2,813	544	461
Wanbang Pharma	Pharmaceutical R&D and manufacturing	480	7,005	4,151	4,012	400	351
Shanghai Henlius *(Note 1)*	Pharmaceutical R&D and manufacturing	543	9,980	2,578	2,746	397	386
Guilin Pharma	Pharmaceutical R&D and manufacturing	285	2,300	1,340	662	211	180
Gland Pharma *(Note 2)*	Pharmaceutical R&D and manufacturing	N/A	10,943	8,817	2,541	318	201

Note: The above data included appreciation of asset valuation and amortization of appreciation of asset valuation.

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

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

(2) Status of Other Major Subsidiaries

Unit: million Currency: RMB

Name of subsidiary	Major business	Registered capital	Total assets	Net assets	Revenue	Net profit
Foshan Fosun Chancheng Hospital *(Note 1)*	Healthcare services	50	3,901	2,036	1,210	73
Sisram Medical *(Note 2)*	Medical devices R&D and manufacturing	N/A	4,467	3,368	1,199	94

Note 1: The data for Foshan Fosun Chancheng Hospital included appreciation of asset valuation and amortization of appreciation of asset valuation.

Note 2: The data for Sisram Medical is prepared in accordance with International Financial Reporting Standards.

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

Unit: million Currency: RMB

V. Outlook for Operations in the Second Half of 2024

In the second half of 2024, the Group will continue to enhance its R&D efficiency, accelerate the achievement of its launched products, and further improve the quality and efficiency of internal operations. In terms of innovative R&D, the Group will apply to the domestic market and expand to international markets, roll out targeted planning around products and technologies in core therapeutic fields with large unmet needs, improve R&D efficiency, and optimize the structure of pipeline products. In terms of improving operation and management efficiency, the Group will proactively promote lean operations, cost reduction, efficiency improvement and assetization to optimize the financial structure and lay a solid foundation for the Group's long-term sustainable development.

In order to achieve the above operating objectives, specific strategies and actions include:

In the second half of 2024, the Group will continue to implement the "4IN" strategy, enhance capabilities in innovative R&D, strive to develop strategic products, expand global market opportunities, optimize asset allocation, and promote efficiency in R&D and operation.

In terms of the innovative drug business, the Group will continue to focus on its competitive resources to ensure the smooth advancement of key projects, comprehensively upgrade its BD capabilities to consolidate and its dominant position in hematological tumors, breast cancers, lung cancers and other tumors, expand the layout of opportunities of immune inflammation, chronic diseases (liver disease, metabolism, kidney disease, etc.) and central nervous system; build an expanding industry-university-research cooperation with world-class universities and scientific research institutes, the Group will capture the originally innovative products in the early stage; at the same time, the Group will actively promote the export of quality products and promote global simultaneous development. On the marketing side, the Group will promote the upgrading of the marketing organization and streamline product lifecycle management through a large access system and innovative all-area marketing, so as to maximize the commercial value of innovative products and strive to create a matrix of blockbuster products for billions of RMB.

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

In terms of the vaccines business, the Group will continue to enrich the product portfolio of bacterial vaccines, viral vaccines and emerging vaccine technology platforms. The Group will actively promote the phase III clinical trials of 13-valent pneumococcal conjugate vaccine (multi-valent combination), accelerate the marketing progress of quadrivalent influenza split vaccine, and orderly advance the R&D of strategic vaccine products in the pipeline. At the same time, the Group will strengthen independent R&D and open cooperation, reinforce the core competitiveness of the vaccine technology platform, and continue to promote the improvement of the production capacity and quality system of the vaccine industry.

In the second half of 2024, in terms of the medical devices business, the Group will continue to focus on medical cosmetology, respiratory health, professional medical products and other business areas, systematically improve its marketing, product competitiveness and innovation capabilities, and further promote the professional, international and branding-oriented development of the medical devices business. In particular, the Group will strengthen the distribution of the medical cosmetic business and the active creation of the global network coverage through both internal and external expansion. The Group will continue to deepen integrating the respiratory health business, expanding the business and enhancing the quality of profitability. The professional medical products business focuses on tumor, nerve and other fields, strengthening professional marketing and creating an advantageous brand in the field of specialties.

In the second half of 2024, in terms of the medical diagnosis segment, the Group will continue to deepen the product line portfolios in the construction of product matrix, accelerate the launch of laboratory equipment platform of the existing center, immunological reagent combinations, and molecular reagent combination products, and improve its ability to provide integrated medical diagnosis solutions. It will also actively promote the launch of the second-generation reagents such as high-speed chemiluminescence analyzer FCi-6200, hypersensitive troponin Hs-cTn (Chemiluminescence), CA199 test kits (Chemiluminescence), etc., as well as respiratory joint inspection (PCR method).

In the second half of 2024, based on the consolidation on existing advantageous areas, the healthcare services business with focus on comprehensive medical institutions, will continue to improve specialized service capability and adopt full life cycle management system based on patients' disease process, so as to further enhance the standard of its medical services. It will also continue to strengthen its core capabilities, promote the innovation and application of medical technologies, and enhance the integrated operation efficiency. It will continue to enhance the cooperation with commercial insurance in terms of depth and breadth, increase the coverage of commercial insurance in healthcare services business, and accelerate the expansion of one-stop health management services for the integration of medicine, healthcare and insurance. It will continue to deepen the integrated online and offline smart healthcare services based on the digital platform. Meanwhile, it will explore capabilities of international medical services, with a focus on the Greater Bay Area.

In the second half of 2024, the rehabilitation special business will continue to develop an innovative, chain-based rehabilitation healthcare model of multiple locations in one city – in core regions and key cities. Centering on specialty development and featuring disease-specific treatment products, rehabilitation medical institutions will enhance lean operations, the medical quality and the professional standards of healthcare management. It will optimize the construction of information system and digital platform, deepen strategic supply chain cooperation, and refine digital and intelligent support solutions, so as to lay a solid foundation for interconnected management of operations, patient management and specialized services, enhance the construction of clinical-rehabilitation integration–, and improve the healthcare experience for rehabilitation patients.

Management Discussion and Analysis

VI. Potential Risks

(I)

The medical healthcare industry is one of the industries most affected by national policies, in cluding various ministries and commissions and institutions such as national medical insurance, health, drug supervision and administration, industrialization and information, technology and intellectual property rights. With the intensified efforts in the reform of drug production and manufacturing, medical health and medical protection, the policies on medical healthcare marketenvironment are basically shaped, leading to the innovative transformation, industry consolidation and transformation in business models becoming a matter of great urgency. As the connection between the elements in "Three Medical Linkages– grass stronger, the promotion and implementation of new policies on national and regional centralized procurement in operation for drugs, price and payment methodadjustments for medical insurance payments, dynamic adjustments to National Medical Insurance Drug Catalogue, and biosafety and environmental protection affect the production costs and profitability of the entire pharmaceutical industry and have brought about a renovated competitive structure of the industry.

In the field of medical devices and medical diagnosis, the policies encourage the integration of the company's resources and add an advantage complementation, and product innovation as the development focus, which intensifies the support for the innovation of high-end medical devices, and helps the technology levels of clinical products are continuously improved. The centralized procurement in operation for high-value consumables and diagnostic reagents also brings about a drastic change to the industry.

In the field of healthcare services, it requires more strategic and diversified thinking on how socially-organized medical institutions can achieve closer cooperation, differentiated development and collaborative expansion with the mainstay of healthcare services to explore new areas of healthcare services.

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

(II)

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

In the field of innovative drugs, since the marketisation of generic drugs has been drastically shrunk, numerous generic drugs companies seek transformation. With China's entry in to the ICH (i.e. The International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use) and the domestic drug review and approval system being gradually brought in to line with international standards, more and more innovative drugs are being marketed at a faster pace. The international competition among local innovative pharmaceutical companies has been increasingly fierce, and at the same time, the are also facing competition from international pharmaceutical companies. In addition, the development and launch of innovative products by domestic pharmaceutical companies in overseas markets also face challenges such as hea in es men and lack of familiari with regulatory requirements. In the field of generic drugs, with the gradually tighter control policy on medical insurance payments, and the consistent implementation and advance of national and regional centralized procurement in operation for drugs, the generic drugs industry will be further concentrated. Meanwhile, with the progressing supply-side reforms and the rapid launch of more innovative drugs, the market shares and profit margins of generic pharmaceutical products will be subject to further pressure.

In addition, the competition for generic drugs in the overseas markets, mainly in the U.S., is fierce, and drug regulatory agencies implemented increasingly stringent requirements on production quality. These factors constitute inevitable risks during the deepening of internationalization. In emerging markets such as Africa, more and more generic drugs companies have joined the competition, resulting in intensified price pressure on government tenders, as well as increasing risks of competition.

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

(III) B

1. R&D risks of drugs

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

In this regard, the Group will continue to streng hen its projects and early research capabilities, establish a lean R&D process and concept, scientifically employ Go/No-go decisions, and improve R&D efficiency and optimize i h an effective reward and punishment mechanism. In addition, the Group will further strengthen the construction of BD and clinical registration capabilities, increase and develop product pipelines with high clinical value and strong innovative ribu es, and accelera e the approval for launch of innovative products; at the same time, actively explore the layout of innovative echnology platforms and new targets to create competitive product pipelines by means of various models such as industry-university-research cooperation and industrial investments.

2. Quality control risks of products and services

In his regard, he Group will continue to focus on quality and risk management throughout the life cycle of its products, implement quality and safety control mechanisms and pharmacovigilance mechanisms and keep making lean operations as a means. For healthcare services, the Group will strengthen the construction of disciplines and improve the quality of operations while pursuing business development.

3. Safety and environmental risks

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

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

(II)

1. Risks of internationalization

Geopolitical uncertainties pose risks to the international operation of the biopharmaceutical industry. The Chinese Biopharmaceutical companies' international cooperation may be affected by the new pattern and new policies.

In addition, the Group may face various problems during the implementation of its internationalization strategies, including unfamiliarity with the overseas regulatory environment and markets, differences in the demands between overseas and domestic customers, and implementation of trade protection policies in certain countries. At the same time, with the further expansion of the global sales network, the scale of sales and the scope of business there will be higher requirements on the operating and management capabilities of the Group. If the Group's capabilities such as production and operation, marketing, quality control, risk management, compliance with integrity, data protection and talent training does not align with the development pace of the internationalization and the requirements for the expansion of the Group, the Group will be exposed to operating and management risks.

2. Risks arising from mergers, acquisitions and restructuring

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

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

(V) E

Wi h he implemen a ion of in erna ionali a ion s ra egies, he Grou p con inued o e pand i s opera ion areas, and he propor ion of purchases, sales, and mergers and acquisi ions denomina ed in foreign currencies has con inued o increase. Changes in e change ra es ill affec he alue of asse s and liabili ies denomina ed in foreign currencies and he alue of in es ed o erseas en i ies, hereb indirec l ca sing changes in he Grou p's income or cash flo o er a period of ime. Wi h he con inued deepening of he reform of e change ra e marke i a ion, he e change ra e be een RMB and o her con er ible currencies fluc ua es in a grea er range during he e change ra e se lemen process and herefore brings he risk of e change ra e fluc ua ions.

In his regard, he Grou p ill keep pa ing a en ion o fluc ua ions of he foreign e change ra e, op imi ing he s ructure of domes ic and o erseas asse s and reasonabl con rolling foreign e change e posure so as o impro e he abili o deal i h e change ra e fluc ua ion risks.

(VI) F

Se ere na ural disas ers and abnormal public heal h inciden s ma harm he proper ies and personnel of he Grou p, and ma affec he normal produc ion and opera ion of he Grou p.

In his regard, he Grou p ill s reng hen he anal sis and predic ion of force majeure risks, es ablish and impro e he emergenc managemen s s em so as o r o reduce he ad erse impac ha force majeure inciden s ma bring o opera ions.

VII. Other Events

I

On 13 Sep ember 2023, 22 Sep ember 2023 and 24 No ember 2023, he Compan recei ed ri en no ifica ions b Fosun High Tech, a con rolling shareholder, ha Fosun High Tech planned o fur her increase i s shareholding in he Compan (including A Shares and/or H Shares) b a of, including bu no limi ed o, cen ralised price bidding or block rade a he s ock e changes and ransfer b agreemen (and/or hrough par ies ac ing in concer i h i) i hin he 12-mon h period commencing from 13 Sep ember 2023 (inclusi e), if and here appropria e, and he cumula i e o al considera ion hereof shall no be less han RMB100 million[Note] (including he o al considera ion for an increase in shareholding of A Shares of no less han RMB100 million) and he addi ional shareholding in eres o be acquired in aggrega e shall no e ceed 2% of he o al issued shares of he Compan as a 13 Sep ember 2023 (i.e. 2,672,156,611 Shares, he same belo) (and he aggrega ed number of shares in he Compan o be acquired in he 12-mon h period on a rolling basis shall no e ceed 2% of he o al issued shares of he Compan) (he **Shareholding Increase Plan**–). Fosun High Tech and/or par ies ac ing in concer i h i shall no reduce i s/ heir shareholding in he Compan during he implemen a ion of he Shareholding Increase Plan and i hin he s a or res ric ed period.

As a he end of he Repor ing Period, pursuan o he Shareholding Increase Plan, Fosun High Tech acquired a o al of 720,000 Shares of he Compan (all being A Shares), represen ing appro ima el 0.03% of he o al number of Shares of he Compan in issue as a 13 Sep ember 2023, i h a o al purchase price of appro ima el RMB20.08 million.

I D F I

The ini ial issuance amoun of he firs ranche of medium- erm no es of Shanghai Fosun Pharmaceu ical (Grou p) Co., L d. in 2022 is RMB500 million. Pursuan o he issuer's op ion o adjus he coupon ra e and he in es or's sellback op ion as se ou in he Prospec us for he Firs Tranche of Medium-Term No es of Shanghai Fosun Pharmaceu ical (Grou p) Co., L d. in 2022, he Compan decided o increase he coupon in eres ra e of he medium- erm no es from 3.50% o 4.20% from he hird in eres -bearing ear. A he same ime, some holders e ercised he sellback op ion, and he sellback amoun o aled RMB260 million. The balance of he medium- erm no es as reduced o RMB240 million, and he par sold back as no resold. In March 2024, he pa men of he curren in eres and he soldback amoun as comple ed regarding he medium- erm no es, and he par sold back as cancelled.

Note: The e change ra e of HKD agains RMB is con er ed based on he cen ral pari ra e of HKD agains RMB announced b he People's Bank of China on he da of he rele an shareholding increase.

Management Discussion and Analysis

A H <

On 24 June 2024, Fosun Medicine (as the offeror and acquirer), a subsidiary announced that it proposed to acquire and cancel all shares of Shanghai Henlius (including H shares and unlisted shares) held by the existing shareholders of Shanghai Henlius through the cash and/or the share alternative (the **Merger**) and to privatize Shanghai Henlius, and on 23 August 2024, revised the relevant plan.

Upon the completion of the Merger, Fosun Medicine (as existing entity after the Merger) will inherit and assume all assets, liabilities, interests, businesses, personnel, contracts and all rights and obligations of Shanghai Henlius, and the legal entity of Shanghai Henlius will be entirely deregistered.

As of the date of this report, the Merger is still subject to the approval, filing or registration of the NDRC, the MoF, the SAFE or the local authorities of such agencies, the securities regulator or authorities and/or stock exchanges in the relevant jurisdictions and other relevant government authorities (if applicable), as well as the approval of the general meeting of shareholders and the H shareholders class meeting of Shanghai Henlius. The ordinary delisting application of Shanghai Henlius is also subject to the approval of the Hong Kong Stock Exchange. There is still significant uncertainty regarding the Merger and the ordinary delisting of Shanghai Henlius.

RESULTS AND DIVIDENDS

The Group's profit for the Reporting Period and the financial position of the Group as at 30 June 2024 are set out in the interim condensed consolidated financial statements and the accompanying notes on pages 70 to 99.

The Board does not recommend the distribution of an interim dividend for the Reporting Period.

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

Repurchase of A Shares

On 26 March 2024, the Board considered and approved the A Share repurchase plan (the "**A Share Repurchase Plan**"), approving that the Company could repurchase its A Shares through centralized bidding trading on the SSE trading system with its own funds. The total repurchase funds shall be no less than RMB100 million and no more than RMB200 million (both inclusive). The repurchase period shall be 6 months from the date of approval of the A Share Repurchase Plan by the Board (i.e. from 26 March 2024 to 25 September 2024 (both dates inclusive)).

During the Reporting Period, pursuant to the A Share Repurchase Plan, the Company repurchased a total of 1,457,800 A Shares, representing approximately 0.0546% of the total number of Shares of the Company as of the end of the Reporting Period (i.e. 2,672,398,711 Shares). The total repurchase amount was approximately RMB32.3238 million (excluding transaction costs). As at the end of the Reporting Period, the Company held 1,457,800 A Shares as treasury shares through repurchase, which were intended to be used for the implementation of the equity incentive scheme and/or the employee share ownership scheme.

Save as disclosed above, neither the Company nor any of its subsidiaries repurchased, sold or redeemed any of the Company's listed securities during the period from 1 January 2024 to the end of the Reporting Period.

DIRECTORS

As at the end of the Reporting Period, the Board consists of eleven Directors. The Directors are as follows:

Executive Directors

Mr. Wu Yifang (吳以芳) *(Chairman)*
Mr. Wang Kexin (王可心) *(Co-Chairman)*
Ms. Guan Xiaohui (關曉暉) *(Vice-Chairman)*
Mr. Wen Dexiong (文德鏞) *(Chief Executive Officer)*

Non-executive Directors

Mr. Chen Qiyu (陳啟宇)
Mr. Xu Xiaoliang (徐曉亮)
Mr. Pan Donghui (潘東輝)

Independent Non-executive Directors

Ms. Li Ling (李玲)
Mr. Tang Guliang (湯谷良)
Mr. Wang Quandi (王全弟)
Mr. Yu Te Shan Hailson (余梓山)

Mr. Yao Fang resigned as a non-executive Director of the Company on 30 June 2024. On 1 July 2024, the Board nominated Mr. Chen Yuqing as the candidate for the non-executive Director of the Company, the election of which is proposed to be submitted to the extraordinary general meeting of the Company.

SUPERVISORS

As at the end of the Reporting Period, the Supervisory Committee consists of three Supervisors. The Supervisors are as follows:

Mr. Chen Bing (陳冰) *(Chairman)*
Mr. Guan Yimin (管一民)
Ms. Wang Lina (王麗娜)

Ms. Ren Qian resigned as the employee Supervisor and the chairman of the Supervisory Committee of the Company on 19 June 2024. At the employee representative meeting held on 19 June 2024, Ms. Wang Lina was elected as the employee Supervisor of the Company with effect from 19 June 2024 until the expiration of the current session of the Supervisory Committee. At the Supervisory Committee meeting held on 19 June 2024, Mr. Chen Bing was elected as the chairman of the Supervisory Committee of the Company with effect from 19 June 2024 until the expiration of the current session of the Supervisory Committee.

CHANGE OF INFORMATION OF DIRECTORS AND SUPERVISORS

Mr. Guan Yimin, a Supervisor, ceased to serve as the independent director of Yihai Kerry Arawana Holdings Co., Ltd.* (益海嘉里金龍魚糧油食品股份有限公司) (stock code: 300999), a company listed on the Shenzhen Stock Exchange with effect from 15 April 2024. He also ceased to serve as the independent director of Shanghai Hua Ji (Group) Company * (上海華誼集團股份有限公司) (stock code: 600623), a company listed on the Shanghai Stock Exchange with effect from 29 June 2024.

Mr. Chen Qi, a non-executive Director, ceased to serve as the non-executive director of Gland Pharma (stock code: GLAND), a company listed on BSE and NSE with effect from 30 August 2024.

Save as disclosed above, during the period from 1 January 2024 to the date of this report, there was no change to information which is required to be disclosed by Directors and Supervisors pursuant to paragraphs (a) to (e) and (g) of Rule 13.51(2) of the Hong Kong Listing Rules.

SHARE INCENTIVE SCHEMES

2022 Restricted A Share Incentive Scheme

On 29 November 2022, the Shareholders of the Company approved the adoption of the 2022 Restricted A Share Incentive Scheme at the extraordinary general meeting, the A Shareholders class meeting and the H Shareholders class meeting. The Restricted A Share Incentive Scheme aims to further improve the corporate governance structure, promote the establishment and improvement of the incentive mechanism of the Group, fully mobilize the enthusiasm of the executive Directors and senior management personnel of the Company and employees of the Group, effectively align the interests of the Shareholders, corporate(s) and operators to focus on and work collectively for the long-term development of the Group.

The maximum number of Shares under the Restricted A Share Incentive Scheme is 3,434,300 restricted A Shares, representing approximately 0.13% of the total Shares of the Company (i.e. 2,672,398,711 Shares, the same below) as at the date of this report. Specifically, the maximum number of Shares under the first grant is 2,747,500 Shares, representing approximately 0.10% of the total Shares of the Company as at the date of this report; and the maximum number of Shares reserved for further grant is 686,800 Shares, representing approximately 0.03% of the total Shares of the Company as at the date of this report. The reserved grant portion represents up to 20% of the total restricted A Shares to be granted under the Restricted A Share Incentive Scheme. The total number of shares of the Company granted to any of the participants under all share incentive schemes current in force does not in the aggregate exceed 0.1% of the total number of shares of the Company as at 29 August 2022 (i.e. 2,669,655,211 Shares), the date when the scheme was announced for the first time.

On 9 January 2024, the Board and the Supervisory Committee considered and approved, among other things, that under the first grant of the Restricted A Share Incentive Scheme, apart from (1) restricted A Shares granted to 10 participants but not unlocked had been repurchased and cancelled due to the retirement and resignation of those 10 participants, and (2) the conditions to unlocking of restricted A Shares granted to 3 participants had not been fulfilled due to their resignations before and on the expiry date of the first restriction period (i.e. 12 December 2023) and such restricted A Shares will be repurchased and cancelled separately, the unlocking conditions of the first unlocking period under the Restricted A Share Incentive Scheme (including the Group level performance appraisal for 2022 being achieved and individual level performance appraisal of participants for 2022 being achieved) for a total of 774,114 restricted A Shares held by the remaining 113 participants had been fulfilled, and agreed to unlock such restricted A Shares. The relevant Shares have been traded on 16 January 2024 (i.e. the first unlocking date). The weighted average closing price of the A Shares of the Company on the trading day prior to the first unlocking date was RMB23.72 per share.

On 1 January 2024 and 30 June 2024, the maximum numbers of restricted A Shares to be granted under the Restricted A Share Incentive Scheme were both 0 share. During the Reporting Period, the number of restricted A Shares has the Company may grant under the Restricted A Share Incentive Scheme was 0 share. During the Reporting Period, no restricted A Shares have been granted under the Restricted A Share Incentive Scheme.

During the Reporting Period, details of changes in the relevant restricted A Shares under the Restricted A Share Incentive Scheme are set out as follows:

Participant(s)	Grant date	Grant price (RMB/share)	Lock-up period	Number of restricted A Shares granted and issued (shares)	Number of restricted A Shares not yet unlocked as at 1 January 2024 (shares)	Change during the Reporting Period: Granted during the Reporting Period (shares)	Change during the Reporting Period: Unlocked during the Reporting Period (shares)	Change during the Reporting Period: Lapsed/ cancelled during the Reporting Period (shares)	Number of restricted A Shares not yet unlocked as at 30 June 2024 (shares)
Wu Yifang	1 December 2022	21.29	From 13 December 2022 to 12 December 2025[1]	257,200	257,200	0	84,876	0	172,324
Wang Kexin	1 December 2022	21.29	From 13 December 2022 to 12 December 2025[1]	215,200	215,200	0	71,016	0	144,184
Guan Xiaohui	1 December 2022	21.29	From 13 December 2022 to 12 December 2025[1]	187,100	187,100	0	61,743	0	125,357
Wen Dexiong	1 December 2022	21.29	From 13 December 2022 to 12 December 2025[1]	187,100	187,100	0	61,743	0	125,357
Subtotal				846,600	846,600	0	279,378	0	567,222
Other participants	1 December 2022	21.29	From 13 December 2022 to 12 December 2025[1]	1,654,800	1,525,300	0	494,736	0	1,030,564
Other participants	1 September 2023	21.29	From 21 September 2023 to 20 September 2025[2]	371,600	371,600	0	0	0	371,600
Total				2,873,000	2,743,500	0	774,114	0	1,969,386

Notes:

(1) Upon fulfilment of certain unlocking conditions of the Restricted A Share Incentive Scheme (including Group level performance appraisal and individual level performance appraisal of participants, please refer to the Company's circular dated 31 October 2022 for details), the arrangement for the unlocking of restricted A Shares granted on 1 December 2022 is as follows:

Lock-up period	Unlocking period	Maximum proportion of the unlocked restricted Shares in the total restricted A Shares granted
From 13 December 2022 to 12 December 2023	From 13 December 2023 to 12 December 2024	33%
From 13 December 2022 to 12 December 2024	From 13 December 2024 to 12 December 2025	33%
From 13 December 2022 to 12 December 2025	From 13 December 2025 to 12 December 2026	34%

(2) Upon fulfilment of certain unlocking conditions of the Restricted A Share Incentive Scheme (including Group level performance appraisal and individual level performance appraisal of participants, please refer to the Company's circular dated 31 October 2022 for details), the arrangement for the unlocking of restricted A Shares granted on 1 September 2023 is as follows:

Lock-up period	Unlocking period	Maximum proportion of the unlocked restricted Shares in the total restricted A Shares granted
From 21 September 2023 to 20 September 2024	From 21 September 2024 to 20 September 2025	50%
From 21 September 2023 to 20 September 2025	From 21 September 2025 to 20 September 2026	50%

The impact of the implementation of the Restricted A Share Incentive Scheme on the Company's accounting costs for each period would be calculated and amortized in accordance with the requirements of the HKFRS.

Subsequent to the Reporting Period, on 7 August 2024, the Board and the Supervisory Committee considered and approved, among other things, the proposed repurchase and cancellation of a total of 1,072,246 Restricted A Shares at a total repurchase amount of RMB22,830,809.73. The actual repurchase date of those Restricted A Shares is subject to determination.

2022 H Share Employee Share Ownership Scheme

On 29 November 2022, the Shareholders of the Company approved the adoption of the 2022 H Share Employee Share Ownership Scheme at the extraordinary general meeting. The H Share Employee Share Ownership Scheme aims to further improve the corporate governance structure, promote the establishment and improvement of the incentive mechanism of the Group, fully mobilize the enthusiasm of the executive Directors and senior management personnel of the Company and employees of the Group, and effectively align the interests of the Shareholders, corporate(s) and operators to focus on and work collectively for the long-term development of the Group.

The source of funds of the H Share Employee Share Ownership Scheme is the Company's funds designated for incentive purposes with a size of RMB73,462,500, and the holders are not required to pay any consideration. The H Share Employee Share Ownership Scheme is denominated in shares, each being RMB1 in value, i.e. the maximum number of shares under the H Share Employee Ownership Scheme is 73,462,500. Amongst which, there are up to 58,770,000 shares under the first grant, and the remainder of up to 14,692,500 shares are reserved shares. The total number of H Shares to be held under the H Share Employee Share Ownership Scheme shall not in the aggregate exceed 0.5% of the total Shares of the Company, and the total number of H Shares corresponding to shares to be held by a holder under the H Share Employee Ownership Scheme shall not in the aggregate exceed 0.5% of the total Shares of the Company.

On 9 January 2024, the Board considered and approved, among other things, to designate 9 January 2024 as the first vesting date, and under the first grant of the H Share Employee Share Ownership Scheme, apart from (1) the H Share Employee Share Ownership Scheme unit s granted to 10 holders but not e ercised had been forfeited due to the re irement and resignation of those 10 participants, and (2) the H Share Employee Share Ownership Scheme unit s held by 3 holders failed to be e ercised due to their resignations before the beginning date of the first vesting period (i.e. 29 December 2023) and such unit s will be forfeited separately, the vesting conditions of the first vesting period under the H Share Employee Share Ownership Scheme (including Group le el performance appraisal for 2022 being achieved and individual le el performance appraisal of participants for 2022 being achieved) for a total of 16,556,200 H Share Employee Share Ownership Scheme unit s held by the remaining 113 holders had been fulfilled, and agreed on the vesting of such unit s. The weighted average closing price of the H Shares of the Company for the trading day prior to the first vesting date was HK$16.02 per share.

On 1 January 2024 and 30 June 2024, the unit s to be granted under the H Share Employee Share Ownership Scheme were both 0. During the Reporting Period, no H Share Employee Share Ownership Scheme unit s have been granted under the H Share Employee Share Ownership Scheme.

During the Reporting Period, the details of the changes in the H Share Employee Share Ownership Scheme unit s are set out as follows:

					Change during the Reporting Period			
Participant(s)	Grant date	Lock-up period	Number of units granted (unit s)	Not yet vested as at 1 January 2024 (unit s)	Granted during the Reporting Period (unit s)	Vested during the Reporting Period (unit s)	Lapsed/ cancelled during the Reporting Period (unit s)	Not yet vested as at 30 June 2024 (unit s)
Wu Yifang	29 November 2022[1]	From 29 December 2022 to 28 December 2025[2]	5,500,000	5,500,000	0	1,815,000	0	3,685,000
Wang Ke in	29 November 2022[1]	From 29 December 2022 to 28 December 2025[2]	4,600,000	4,600,000	0	1,518,000	0	3,082,000
Gu an Xiaohui	29 November 2022[1]	From 29 December 2022 to 28 December 2025[2]	4,000,000	4,000,000	0	1,320,000	0	2,680,000
Wen De ong	29 November 2022[1]	From 29 December 2022 to 28 December 2025[2]	4,000,000	4,000,000	0	1,320,000	0	2,680,000
Subtotal			18,100,000	18,100,000	0	5,973,000	0	12,127,000
Other participants	29 November 2022[1]	From 29 December 2022 to 28 December 2025[2]	35,400,000	32,630,000	0	10,583,200	0	22,046,800
Other participants	1 September 2023	From 1 September 2023 to 31 August 2025[3]	7,994,000	7,994,000	0	0	0	7,994,000
Total			61,494,000	58,724,000	0	16,556,200	0	42,167,800

Notes:

(1) The H Share Employee Share Option Scheme (including the first grant under the H Share Employee Share Option Scheme) was approved to be implemented by the Shareholders of the Company on 29 November 2022. Therefore, the grant date of the first grant under the H Share Employee Share Option Scheme was 29 November 2022.

(2) The units under the first granted granted to holders under the H Share Employee Share Option Scheme shall be vested as follows upon fulfilment of certain vesting conditions of the H Share Employee Share Option Scheme (including Group level performance appraisal and individual level performance appraisal of the participants, please refer to the Company's circular dated 31 October 2022 for details):

Lock-up period	Vesting period	Maximum proportion of the units that can be vested in the total number of units granted
From 29 December 2022 to 28 December 2023	From 29 December 2023 to 28 December 2024	33%
From 29 December 2022 to 28 December 2024	From 29 December 2024 to 28 December 2025	33%
From 29 December 2022 to 28 December 2025	From 29 December 2025 to 28 December 2026	34%

(3) The units under the reserved granted granted to holders under the H Share Employee Share Option Scheme shall be vested as follows upon fulfilment of certain vesting conditions of the H Share Employee Share Option Scheme (including Group level performance appraisal and individual level performance appraisal of the participants, please refer to the Company's circular dated 31 October 2022 for details):

Lock-up period	Vesting period	Maximum proportion of the units that can be vested in the total number of units granted
From 1 September 2023 to 31 August 2024	From 1 September 2024 to 31 August 2025	50%
From 1 September 2023 to 31 August 2025	From 1 September 2025 to 31 August 2026	50%

The impact of the implementation of the H Share Employee Share Option Scheme on the Company's accounting costs should be calculated and amortized in accordance with the requirements of the HKFRS.

Subsequent to the Reporting Period, on 7 August 2024, the Board considered and approved, among other things, the forfeiture of a total of 22,963,400 H Share Employee Share Option Scheme units.

DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2024, the interests or short positions of the Directors, Supervisors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which should be recorded in the register required to be kept pursuant to Section 352 of the SFO, or as otherwise should be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code as set out in Appendix C3 to the Hong Kong Listing Rules were as follows:

(1) Interests in the Shares, underlying Shares and debentures of the Company

Name	Capacity	Class of Shares	Number of Shares[1]	Approximate percentage of Shares in relevant class of Shares
Mr. Wang Yifang	Beneficial owner	H Share	373,000 (L)	0.07%
	Beneficial owner	A Share	1,007,100 (L)	0.05%
Mr. Wang Kexin	Beneficial owner	H Share	20,000 (L)	0.004%
	Beneficial owner	A Share	447,700 (L)	0.02%
Ms. Gan Xiaohai	Beneficial owner	H Share	25,000 (L)	0.005%
	Beneficial owner	A Share	393,100 (L)	0.02%
Mr. Wen Dexiong	Beneficial owner	H Share	20,000 (L)	0.004%
	Beneficial owner	A Share	207,100 (L)	0.01%
Mr. Chen Qi	Beneficial owner	A Share	114,075 (L)	0.01%
Ms. Wang Lina	Beneficial owner	A Share	1,900 (L)	0.0003%

Note:

(1) (L) Long position

(2) Interests in the shares and underlying shares of the Company's associated corporations (within the meaning of Part XV of the SFO)

Name	Name of associated corporation	Class of Shares	Capacity	Number of Shares[1]	Approximate percentage of Shares in relevant class of Shares
Mr. Wu Yifang	Fosun International	Ordinary share	Beneficial owner	760,000 (L)	0.01%
Mr. Wang Kexin	Fosun International	Ordinary share	Beneficial owner	1,460,000 (L)	0.02%
Ms. Guan Xiaohui	Fosun International	Ordinary share	Beneficial owner	1,400,000 (L)	0.02%
Mr. Chen Qiyu	Fosun International	Ordinary share	Beneficial owner	36,380,400 (L)	0.44%
	Fosun Tourism	Ordinary share	Beneficial owner	501,478 (L)	0.04%
Mr. Xu Xiaoliang	Fosun International	Ordinary share	Beneficial owner	32,776,000 (L)	0.40%
	Fosun Tourism	Ordinary share	Beneficial owner	4,302,328 (L)	0.35%
	Yuyuan Inc.	Ordinary share	Beneficial owner	612,800 (L)	0.02%
Mr. Pan Donghui	Fosun International	Ordinary share	Beneficial owner	17,314,484 (L)	0.21%
	Fosun Tourism	Ordinary share	Beneficial owner	865,000 (L)	0.07%
Mr. Chen Bing	Fosun International	Ordinary share	Beneficial owner	3,323,453 (L)	0.04%
	Fosun Tourism	Ordinary share	Beneficial owner	66,663 (L)	0.01%

Note:

(1) (L) Long position

(3) Interests in debentures of the Company's associated corporations (within the meaning of Part XV of the SFO)

Name	Name of associated corporations	Capacity	Amount of debentures
Mr. Wu Yifang	Fortune Star (BVI) Limited[1]	Beneficial owner	USD36,440
	Fortune Star (BVI) Limited[2]	Beneficial owner	USD36,440
Mr. Xu Xiaoliang	Fortune Star (BVI) Limited[1]	Beneficial owner	USD251,933
	Fortune Star (BVI) Limited[2]	Beneficial owner	USD251,933

Notes:

(1) Details of debentures: due on 29 October 2025.

(2) Details of debentures: due on 18 May 2026.

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS IN SHARES AND UNDERLYING SHARES

As at 30 June 2024, so far as is known to the Directors and Supervisors, the persons or entities, other than the Directors, Supervisors or chief executive of the Company, who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who were deemed to be directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company were as follows:

Name of Shareholders	Nature of interest	Class of Shares	Number of Shares[1]	Approximate percentage of Shares in relevant class of Shares
Fosun High Tech	Beneficial owner	H Share	71,533,500 (L)	12.96%
	Beneficial owner	A Share	886,315,955 (L)[2]	41.80%
Fosun International	Beneficial owner	H Share	6,000,000 (L)	1.09%
	Interest of a controlled corporation	H Share	71,533,500 (L)[3]	12.96%
	Interest of a controlled corporation	A Share	886,315,955 (L)[5]	41.80%
Fosun Holdings	Interest of a controlled corporation	H Share	77,533,500 (L)[4]	14.05%
	Interest of a controlled corporation	A Share	886,315,955 (L)[5]	41.80%
Fosun International Holdings	Interest of a controlled corporation	H Share	77,533,500 (L)[4]	14.05%
	Interest of a controlled corporation	A Share	886,315,955 (L)[5]	41.80%
Mr. Guo Guangchang	Interest of a controlled corporation	H Share	77,533,500 (L)[4]	14.05%
	Interest of a controlled corporation	A Share	886,315,955 (L)[5]	41.80%
	Beneficial owner	A Share	114,075 (L)	0.01%

Notes:

(1) (L) Long position

(2) As at the end of the Reporting Period, Fosun High Tech had pledged 707,900,000 A Shares, the proceeds from the loan(s) of which the share pledge relates are to be applied towards repayments of its own debt(s).

(3) The Shares are held by Fosun High Tech. Fosun High Tech is holly owned by Fosun International and therefore Fosun International is deemed to be interested in these Shares.

(4) These Shares, of which 71,533,500 Shares are held by Fosun High Tech and of which 6,000,000 shares are held by Fosun International. Fosun High Tech is holly owned by Fosun International, which in turn is owned as to 73.35% by Fosun Holdings, and Fosun Holdings is holly-owned by Fosun International Holdings. As Fosun International Holdings is owned as to 85.29% by Mr. Guo Guangchang, Fosun Holdings, Fosun International Holdings and Mr. Guo Guangchang are deemed to be interested in these Shares.

(5) These Shares are held by Fosun High Tech. Fosun High Tech is holly owned by Fosun International, which in turn is owned as to 73.35% by Fosun Holdings, and Fosun Holdings is holly-owned by Fosun International Holdings. As Fosun International Holdings is owned as to 85.29% by Mr. Guo Guangchang, Fosun International, Fosun Holdings, Fosun International Holdings and Mr. Guo Guangchang are deemed to be interested in these Shares.

DIRECTORS' AND SUPERVISORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed above, during the Reporting Period, none of the Company, its subsidiaries, the Company's controlling shareholders and their subsidiaries is a party to any arrangement that would enable the Directors or Supervisors to acquire benefits by means of acquisition of any shares or debentures in the Company or any other body corporate, and none of the Directors, Supervisors or their spouses or children under the age of 18, had any right to subscribe for securities of the Company, or had exercised any such right for the year.

USE OF PROCEEDS

Pursuant to the Approval in relation to the Non-public Issuance of Shares by Shanghai Fosun Pharmaceutical (Group) Co., Ltd. by the CSRC (Zheng Jian Xu Ke [2021] No. 2501), the Company completed the issuance of 106,756,666 new A Shares (with a nominal value of RMB1.00 per share) in July 2022. The issuance price of the 2022 Non-public Issuance of A Shares was RMB42.00 per share, and the total amount of proceeds raised was RMB4,483.78 million. The net amount of the aforementioned total proceeds after deducting the issuance expenses was RMB4,456.20 million.

In order to speed up the progress of R&D of innovative drugs and improve the efficiency of the use of proceeds, taking into account the progress of the innovative R&D projects of the Group, as approved by the 2023 first extraordinary general meeting of the Company convened on 13 October 2023, the Company made adjustments to the use of proceeds from the 2022 Non-Public Issuance of A Shares, including (1) the proposed application of the proceeds originally planned for use in the ensuing comprehensive base for APIs and preparations– project amounting to RMB193.14 million (being the portion that has not been invested) to the innovative drug clinical, license in and relevant marketing preparation– project; and (2) the proposed optimization of the investment allocation among the sub-projects under the innovative drug clinical, license in and relevant marketing preparation– project, i.e. (a) reducing the investment amount from proceeds of RMB257.73 million and RMB72.32 million (being the portion that has not been invested) in sub-projects Baliforide– and No. 1 coronavirus mRNA vaccines–, respectively, (b) adding the investment amount from proceeds of RMB194.07 million for sub-project FS-1502–, and (c) adding sub-projects FCN-338– and SAF-189– thereunder with investment amount from proceeds of RMB186.21 million and RMB142.90 million, respectively. For details, please refer to the announcement dated 18 August 2023 and the circular dated 14 September 2023 of the Company.

According to the aforementioned adjusted usage of proceeds, regarding the net proceeds raised from the 2022 Non-public Issuance of A Shares, RMB333.27 million had been utilized during the Reporting Period, and an aggregate of RMB4,004.65 million had been utilized as at the end of the Reporting Period. The aggregated utilization details as at the end of the Reporting Period are as follows:

Unit: million Currency: RMB

Project name	Proposed investment amount from the proceeds	Accumulated amount of the proceeds invested as at 30 June 2024
Innovative drug clinical, license in and relevant marketing preparation	2,067.62	1,700.11
Intensive comprehensive base for APIs and preparations	1,156.16	1,072.13
Replenishment of working capital	1,232.42	1,232.42
Total	4,456.20	4,004.65

Note: Any discrepancies between totals and sums of figures listed in the above table are due to rounding.

As a 30 June 2024, the remaining net proceeds raised from the Non-public Issuance as RMB451.55 million, which will be invested to the proposed projects in the second half of 2024.

MODEL CODE AND WRITTEN GUIDANCE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code regarding securities transactions by Directors as set out in Appendix C3 to the Hong Kong Listing Rules and formulated the Written Guidance as its codes of conduct regarding securities transactions. Having made specific enquiries of the Directors, all the Directors have confirmed that they have complied with the standards for securities transactions by directors as set out in the Model Code and the Written Guidance throughout the Reporting Period.

COMPLIANCE WITH THE CG CODE

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

The corporate governance practices adopted by the Company are based on the principles and Code Provisions under the CG Code contained in Appendix C1 to the Hong Kong Listing Rules.

The Board believes that high corporate governance standards are essential in providing a framework for the Group to safeguard the interests of Shareholders and to enhance corporate value and accountability.

The Board is of the view that throughout the Reporting Period, the Company has complied with all the applicable Code Provisions as set out in the CG Code.

REVIEW OF INTERIM RESULTS AND INTERIM REPORT BY THE AUDIT COMMITTEE

As at the end of the Reporting Period, the audit committee of the Company comprised three independent non-executive Directors, namely Mr. Tang Guiliang (chairman), Mr. Wang Qingandi and Ms. Li Ling.

The main duties of the audit committee of the Company are to review and monitor the financial reporting procedures, risk management and internal control system of the Company, and to provide recommendations and advice to the Board.

The audit committee of the Company has reviewed the unaudited interim results and the interim report of the Group for the six months ended 30 June 2024.

Interim Condensed Consolidated
S a emen of Profi or Loss

For he si mon hs ended 30 j&ne 2024

	Notes	For the six months ended 30 June 2024 RMB'000 (Unaudited)	2023 RMB'000 (Una j&di ed)
REVENUE	5	**20,383,158**	21,315,899
Cos of sales		**(10,463,386)**	(10,698,520)
Gross profi		**9,919,772**	10,617,379
O her income	6	**167,638**	220,140
Selling and dis rib& ion e penses		**(4,266,271)**	(5,071,296)
Adminis ra i e e penses		**(2,149,000)**	(2,103,288)
Impairmen losses on financial asse s		**(38,038)**	(57,976)
Research and de elopmen e penses		**(1,861,736)**	(2,134,279)
O her gains	7	**272,781**	857,069
O her e penses		**(434,689)**	(256,491)
In eres income		**188,969**	171,494
Finance cos s	8	**(709,545)**	(603,375)
Share of profi s and losses of:			
Join en j&res		**(105,878)**	(95,841)
Associa es		**947,198**	1,118,104
PROFIT BEFORE TAX	9	**1,931,201**	2,661,640
Income a e pense	10	**(381,469)**	(610,245)
PROFIT FOR THE PERIOD		**1,549,732**	2,051,395
A rib& able o:			
O ners of he paren		**1,224,799**	1,783,642
Non-con rolling in eres s		**324,933**	267,753
		1,549,732	2,051,395
Earnings per share attributable to ordinary equity holders of the parent:	12		
Basic and Dil& ed			
For profi for he period		**RMB0.46**	RMB0.67

Interim Condensed Consolidated
S a emen of Comprehensi e Income

For the six months ended 30 June 2024

	For the six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Una di ed)
PROFIT FOR THE PERIOD	**1,549,732**	2,051,395
OTHER COMPREHENSIVE INCOME		
O her comprehensi e income ha ma be reclassified o profi or loss in sbseen periods:		
E change differences on ransla ion of foreign opera ions	**125,725**	549,556
Share of o her comprehensi e income of join en res	**3,287**	
Share of o her comprehensi e loss of associa es	**(10,075)**	(74,012)
Ne o her comprehensi e income ha ma be reclassified o profi or loss in sbseen periods	**118,937**	475,544
O her comprehensi e (loss)/income ha ill no be reclassified o profi or loss in sbseen periods:		
Eqi in es men s designa ed a fair ale hrogh o her comprehensi e income:		
Changes in fair ale	**(6,768)**	73
Income a effec	**251**	(11)
Ne o her comprehensi e (loss)/income ha ill no be reclassified o profi or loss in sbseen periods	**(6,517)**	62
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	**112,420**	475,606
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**1,662,152**	2,527,001
A rib able o:		
O ners of he paren	**1,321,337**	2,042,466
Non-con rolling in eres s	**340,815**	484,535
	1,662,152	2,527,001

Interim Condensed Consolidated
S a emen of Financial Posi ion

30 J ne 2024

	Notes	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (A di ed)
NON-CURRENT ASSETS			
Proper plan and eq ipmen	13	**20,446,847**	20,846,458
Righ -of- se asse s		**4,130,816**	4,248,080
Good ill		**10,880,283**	10,851,999
O her in angible asse s		**15,716,170**	15,301,788
In es men s in join en res		**20,227**	78,910
In es men s in associa es		**25,046,121**	23,802,113
Eq i in es men s designa ed a fair al e hro gh o her comprehensi e income		**13,514**	52,774
Financial asse s a fair al e hro gh profi or loss		**1,029,426**	1,040,114
Deferred a asse s		**660,090**	624,471
Trade recei ables non-c rren		**85,574**	85,323
O her non-c rren asse s		**2,672,455**	2,706,628
To al non-c rren asse s		**80,701,523**	79,638,658
CURRENT ASSETS			
In en ories		**7,511,699**	7,537,768
Trade and bills recei ables	14	**8,246,247**	7,668,229
Con rac asse s		**129,766**	145,887
Prepa men s, o her recei ables and o her asse s		**2,265,827**	2,216,029
Financial asse s a fair al e hro gh profi or loss		**2,020,552**	1,888,496
Deb in es men s a fair al e hro gh o her comprehensi e income		**471,389**	642,569
Cash and bank balances		**14,080,459**	13,693,591
		34,725,939	33,792,569
Asse s of a disposal gro p classified as held for sale		**71,976**	
To al c rren asse s		**34,797,915**	33,792,569
CURRENT LIABILITIES			
Trade and bills pa ables	15	**6,525,945**	6,159,619
O her pa ables and accr als		**6,709,101**	6,748,494
In eres -bearing bank and o her borro ings	16	**22,534,879**	19,068,818
Lease liabili ies		**299,694**	329,525
Con rac liabili ies		**1,082,437**	1,200,496
Ta pa able		**249,805**	250,629
To al c rren liabili ies		**37,401,861**	33,757,581
NET CURRENT (LIABILITIES)/ASSETS		**(2,603,946)**	34,988
TOTAL ASSETS LESS CURRENT LIABILITIES		**78,097,577**	79,673,646

Interim Condensed Consolidated
S a emen of Financial Posi ion

30 June 2024

	Notes	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (A di ed)
NON-CURRENT LIABILITIES			
In eres -bearing bank and o her borro ings	16	**9,799,301**	13,504,923
Lease liabili ies		**1,957,876**	2,049,589
Deferred a liabili ies		**3,406,680**	3,445,191
Con rac liabili ies		**374,707**	319,785
Deferred income		**613,686**	639,399
O her long- erm liabili ies		**3,121,761**	3,136,874
To al non-c rren liabili ies		**19,274,011**	23,095,761
Net assets		**58,823,566**	56,577,885
EQUITY			
Equity attributable to owners of the parent			
Share capi al		**2,672,399**	2,672,399
Treas r shares		**(74,256)**	(41,928)
Reser es		**44,330,681**	43,015,915
		46,928,824	45,646,386
Non-controlling interests		**11,894,742**	10,931,499
Total equity		**58,823,566**	56,577,885

Interim Condensed Consolidated
Statement of Changes In Equity

For the six months ended 30 June 2024

	Attributable to owners of the parent										
	Share capital RMB'000	Treasury shares RMB'000	Share premium RMB'000	Fair value reserve RMB'000	Statutory surplus reserve RMB'000	Other reserve RMB'000	Exchange fluctuation reserve RMB'000	Retained profits RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
As at 1 January 2024 (Audited)	2,672,399	(41,928)	15,786,270*	(147,067)*	2,958,415*	1,208,049*	(1,141,453)*	24,351,701*	45,646,386	10,931,499	56,577,885
Profit for the Period	—	—	—	—	—	—	—	1,224,799	1,224,799	324,933	1,549,732
Other comprehensive income for the Period:											
Change in fair value of equity investments at fair value through other comprehensive income, net of tax	—	—	—	(6,651)	—	—	—	—	(6,651)	134	(6,517)
Share of other comprehensive loss of joint ventures and associates	—	—	—	(6,788)	—	—	—	—	(6,788)	—	(6,788)
Exchange differences on translation of foreign operations	—	—	—	—	—	—	109,977	—	109,977	15,748	125,725
Total comprehensive income for the period	—	—	—	(13,439)	—	—	109,977	1,224,799	1,321,337	340,815	1,662,152
Acquisition of non-controlling interests	—	—	—	—	—	(5,688)	—	—	(5,688)	(8,942)	(14,630)
Acquisitions of subsidiaries	—	—	—	—	—	—	—	—	—	1,751	1,751
Repurchase of restricted A shares	—	(32,328)	—	—	—	—	—	—	(32,328)	—	(32,328)
Deemed disposal of partial interests in subsidiaries without losing control	—	—	—	—	—	526,926	—	—	526,926	846,147	1,373,073
Disposal of associates	—	—	—	—	—	(5,741)	—	—	(5,741)	—	(5,741)
Capital injections from non-controlling shareholders of subsidiaries	—	—	—	—	—	14,915	—	—	14,915	108,200	123,115
Dividends declared to non-controlling shareholders of subsidiaries	—	—	—	—	—	—	—	—	—	(191,083)	(191,083)
Disposal of subsidiaries	—	—	—	—	(1)	—	—	1	—	(169,431)	(169,431)
Equity-settled share-based payments	—	—	—	—	—	—	—	—	—	16,683	16,683
Fair value adjustments on the share redemption option granted to non-controlling shareholders of subsidiaries	—	—	—	—	—	177,243	—	—	177,243	19,052	196,295
Share of changes in equity other than comprehensive income and distributions received of associates	—	—	—	—	—	7,123	—	—	7,123	51	7,174
Fair value reserve retained profits	—	—	—	3,875	—	—	—	(3,875)	—	—	—
Final 2023 cash dividend declared *(note 11)*	—	—	—	—	—	—	—	(721,349)	(721,349)	—	(721,349)
As at 30 June 2024 (Unaudited)	2,672,399	(74,256)	15,786,270*	(156,631)*	2,958,414*	1,922,827*	(1,031,476)*	24,851,277*	46,928,824	11,894,742	58,823,566

* The reserve accounts comprise the consolidated reserves of RMB44,330,681,000 (31 December 2023: RMB43,015,915,000) in the consolidated statement of financial position.

Interim Condensed Consolidated
S a emen of Changes In Eq&i

For the six months ended 30 June 2024

	A rib& able o o ners of he paren										
	Share capi al RMB'000	Treas&r shares RMB'000	Share prem&m RMB'000	Fair a&e reser e RMB'000	S a& or s&rp&s reser e RMB'000	O her reser e RMB'000	E change fl&c&a ion reser e RMB'000	Re ained profi s RMB'000	To al RMB'000	Non-con rolling in eres s RMB'000	To al eq&i RMB'000
A 1 Jan&ar 2023 (A&di ed)	2,672,157	(53,255)	15,781,357*	71,007*	2,952,929*	1,351,646*	(1,257,801)*	23,013,701*	44,531,741	9,526,452	54,058,193
Profi for he Period								1,783,642	1,783,642	267,753	2,051,395
O her comprehensi e income for he Period:											
Change in fair a&e of eq&i in es men s a fair a&e hro&gh o her comprehensi e income, ne of a				(130)					(130)	192	62
Share of o her comprehensi e loss of join en&res and associa es				(74,012)					(74,012)		(74,012)
E change differences on ransla ion of foreign opera ions							332,966		332,966	216,590	549,556
To al comprehensi e income for he period				(74,142)			332,966	1,783,642	2,042,466	484,535	2,527,001
Ac&isi ion of non-con rolling in eres s						(13,632)			(13,632)	(2,051)	(15,683)
Ac&isi ions of s&bsidiaries										106,630	106,630
Es ablishmen of ne s&bsidiaries										1,870	1,870
Deemed disposal of par ial in eres in s&bsidiaries i ho& losing con rol						131			131	329	460
Disposal of associa es						(15,521)			(15,521)		(15,521)
Capi al injec ions from non-con rolling shareholders of s&bsidiaries										29,987	29,987
Di idends declared o non-con rolling shareholders of s&bsidiaries										(187,103)	(187,103)
Cancella ion of s&bsidiaries										(677)	(677)
Eq&i -se led share-based pa men s						10,310			10,310	21,868	32,178
Fair a&e adj&s men on he share redemp ion op ion gran ed o non-con rolling shareholders of s&bsidiaries						(30,940)			(30,940)	7,060	(23,880)
Share of changes in eq&i o her han comprehensi e income and dis rib& ions recei ed of associa es						13,219			13,219		13,219
Transfer of fair a&e reser e&pon he disposal of in es men s in associa es				(33,142)				33,142			
Final 2022 cash di idend declared *(note 11)*								(1,122,306)	(1,122,306)		(1,122,306)
A 30 J&ne 2023 (Una&di ed)	2,672,157	(53,255)	15,781,357*	(36,277)*	2,952,929*	1,315,213*	(924,835)*	23,708,179*	45,415,468	9,988,900	55,404,368

* The reser e acco&n s comprise he consolida ed reser es of RMB42,796,566,000 (31 December 2022: RMB41,912,839,000) in he consolida ed s a emen of financial posi ion.

Interim Condensed Consolidated
S a emen of Cash Flo s

For he si mon hs ended 30 j&ne 2024

	For the six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Una di ed)
Cash genera ed from opera ions	**2,371,507**	2,333,113
Income a paid	**(464,503)**	(523,105)
Ne cash flo s from opera ing ac i i ies	**1,907,004**	1,810,008
CASH FLOWS FROM INVESTING ACTIVITIES		
P rchases of i ems of proper , plan and eq ipmen , prepaid land lease pa men s, o her in angible asse s and o her non-c rren asse s	**(2,093,357)**	(2,942,564)
Ac isi ions of s bsidiaries, ne of cash paid	**(41,980)**	(1,104,282)
Ac isi ions of in eres s in associa es	**(551,633)**	(270,571)
P rchases of financial asse s a fair al e hro gh profi or loss	**(86,405)**	(168,174)
P rchases of eq i in es men s designa ed a fair al e hro gh o her comprehensi e income	**—**	(37,395)
Disposal and par ial disposal of associa es and join en res	**100**	93,438
Disposal of financial asse s a fair al e hro gh profi or loss	**15,151**	573,399
Disposal of eq i in es men s designa ed a fair al e hro gh o her comprehensi e income	**23,895**	
Disposal of s bsidiaries	**134,053**	
Di idends from associa es	**140,458**	68,464
Di idends recei ed from financial asse s a fair al e hro gh profi or loss	**13,581**	12,757
Proceeds from disposal of i ems of proper , plan and eq ipmen , prepaid land lease pa men s, o her in angible asse s and o her non-c rren asse s	**8,706**	2,969
Change of he deposi for cons n c ion projec s	**9,168**	17,264
(Increase)/decrease in non-pledged ime deposi s i h original ma ri of hree mon hs or more hen ac ired and res ric ed cash, ne	**(305,544)**	1,371,635
In eres recei ed from ime deposi s	**81,682**	125,847
Pa men of loans o associa es and join en res, ne	**—**	(60,464)
O her receip s/(pa men s) rela ing o in es ing ac i i ies	**2,177**	(44,349)
Ne cash flo s sed in in es ing ac i i ies	**(2,649,948)**	(2,362,026)

Interim Condensed Consolidated
S a emen of Cash Flo s

For the six months ended 30 June 2024

	For the six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Una di ed)
CASH FLOWS FROM FINANCING ACTIVITIES		
Ne bank and o her borro ings	**15,874,396**	13,661,290
Repa men of bank and o her borro ings	**(15,728,585)**	(11,511,955)
Principal por ion of lease pa men s	**(200,497)**	(115,309)
In eres paid	**(664,298)**	(625,160)
Capi al injec ions from non-con rolling shareholders of s bsidiaries	**106,070**	34,316
Receip of capi al con rib ion from limi ed par ners of consolida ed S ruc red en i ies	**106,000**	231,000
Di idends paid o o ners of he paren	**(325)**	
Di idends paid o non-con rolling shareholders of s bsidiaries	**(182,018)**	(156,733)
Aco isi ions of non-con rolling in eres s	**(6,721)**	(29,559)
Par ial disposal of s bsidiaries i ho losing con rol	**1,381,724**	
O her receip s/(pa men s) rela ing o financing ac i i ies	**404,818**	(87,981)
Ne cash flo s from financing ac i i ies	**1,090,564**	1,399,909
NET INCREASE IN CASH AND CASH EQUIVALENTS	**347,620**	847,891
Cash and cash eq i alen s a beginning of period	**9,502,389**	11,170,067
Effec of foreign e change ra e changes, ne	**17,131**	41,415
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**9,867,140**	12,059,373
Analysis of balances of cash and cash equivalents:		
Cash and bank balances a end of he Period	**14,080,459**	14,885,382
Less: Pledged bank balances and ime deposi s i h original ma ri of more han hree mon hs	**(4,213,319)**	(2,826,009)
Cash and cash eq i alen s a end of he Period	**9,867,140**	12,059,373

Notes to Interim Condensed Consolidated Financial S a emen s

30 J ne 2024

1. CORPORATE AND GROUP INFORMATION

Shanghai Fos n Pharmace ical (Gro p) Co., L d. (he Compan –) as es ablished as a join s ock compan i h limi ed liabili on 31 Ma 1995 in he People's Rep blic of China (PRC–). The Compan 's A Shares ha e been lis ed on he Shanghai S ock E change since 7 A g s 1998. The Compan 's H shares ha e been lis ed on he Main Board of The S ock E change of Hong Kong Limi ed (he Hong Kong S ock E change–) since 30 Oc ober 2012. The opera ing erm is from 31 December 1998 o an indefini e period.

The holding compan of he Compan is Shanghai Fos n High Technolog (Gro p) Co., L d. (Fos n High Tech–). The l ima e holding compan of he Compan is Fos n In erna ional Holdings Limi ed. The l ima e con rolling shareholder of he Compan is Mr. G o G angchang.

D ring he si mon hs ended 30 J ne 2024 (he Period–), he Compan and i s s bsidiaries (collec i el referred o as he Gro p–) ere principall engaged in he de elopmen , manf ac re and sale of pharmace ical prod c s and medical eq ipmen , impor and e por of medical eq ipmen and he pro ision of rela ed and o her cons l ing ser ices and in es men managemen .

2 BASIS OF PREPARATION

The in erim condensed consolida ed financial informa ion for he si mon hs ended 30 J ne 2024 has been prepared in accordance i h HKAS 34 *Interim Financial Reporting*. The in erim condensed consolida ed financial informa ion does no incl de all he informa ion and disclos res req ired in he ann al financial s a emen s, and sho ld be read in conj nc ion i h he Gro p's ann al consolida ed financial s a emen s for he ear ended 31 December 2023.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The acco n ing policies adop ed in he prepara ion of he in erim condensed consolida ed financial informa ion are consis en i h hose applied in he prepara ion of he Gro p's ann al consolida ed financial s a emen s for he ear ended 31 December 2023, e cep for he adop ion of he follo ing re ised Hong Kong Financial Repor ing S andards (HKFRSs–) for he firs ime for he c rren period's financial informa ion.

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

None of hese amendmen s had a ma erial impac on he financial posi ion or performance of he Gro p. The Gro p has no applied an ne in erpre a ion ha is no e effec i e for he c rren acco n ing period.

4. OPERATING SEGMENT INFORMATION

For managemen pj&rposes, he Groj&p is organised in o bj&siness j&ni s based on heir prodj&c s and ser ices and has fi e repor able opera ing segmen s as follo s:

(a) he pharmacaj& ical manj&fac j&ring segmen mainl engages in he R&D, prodj&c ion and sale of medicine;

(b) he medical de ices and medical diagnosis segmen mainl engages in he prodj&c ion and sale of medical de ices and diagnos ic prodj&c s;

(c) he heal hcare ser ice segmen mainl engages in he pro ision of heal hcare ser ice and hospi al managemen ;

(d) he pharmacaj& ical dis ribj& ion and re ail segmen mainl engages in he re ail and holesale of medicine; and

(e) he o her bj&siness opera ions segmen comprises bj&sinesses o her han hose men ioned abo e.

Managemen moni ors he resj&l s of he Groj&p's opera ing segmen s separa el for he pj&rpose of making decisions abj& resj&rce alloca ion and performance assessmen . Segmen performance is e alj&a ed based on repor able segmen profi or loss, hich is a measj&re of adjj&s ed profi or loss af er a . The adjj&s ed profi or loss af er a is measj&red consis en l i h he Groj&p's profi or loss af er a e cep ha fair alj&e gain or loss on financial asse s a fair alj&e hroj&gh profi or loss, as ell as head office and in es men managemen en i ies income and e penses are e clj&ded from sj&ch measj&remen .

In ersegmen re enj&es are elimina ed on consolida ion. In ersegmen sales and ransfers are ransac ed i h reference o he selling prices j&sed for sales made o hird par ies a he hen pre ailing marke prices.

Segmen asse s e clj&de financial asse s a fair alj&e hroj&gh profi or loss, eqj&i in es men s designa ed a fair alj&e hroj&gh o her comprehensi e income, en j&s ed loan recorded in crren asse s and j&nalloca ed head office and in es men managemen en i ies asse s as hese asse s are managed on a groj&p basis.

Segmen liabili ies e clj&de in eres -bearing bank and o her borro ings, in eres pa able and j&nalloca ed head office and in es men managemen en i ies liabili ies as hese liabili ies are managed on a groj&p basis.

4. OPERATING SEGMENT INFORMATION (Continued)

For the six months ended 30 June 2024 (unaudited)

	Pharmaceutical manufacturing RMB'000	Medical devices and medical diagnosis RMB'000	Healthcare Service RMB'000	Pharmaceutical distribution and retail RMB'000	Other business operations RMB'000	Eliminations RMB'000	Total RMB'000
Segment revenue:							
Sales o e ernal g&s omers	14,600,938	2,068,583	3,657,174	—	56,463	—	20,383,158
In ersegmen sales	120,272	15,226	11,437	—	13,475	(160,410)	—
To al segmen re en&e	14,721,210	2,083,809	3,668,611	—	69,938	(160,410)	20,383,158
Segment results*	1,691,714	(57,490)	74,328	—	(45,362)	(30,659)	1,632,531
O her income	118,182	21,931	13,230	—	1,598	—	154,941
O her gains	263,725	2,871	3,066	—	9	—	269,671
In eres income	125,495	11,625	13,790	—	412	(4,485)	146,837
Finance cos s	(131,361)	(21,573)	(137,947)	—	(21,983)	56,753	(256,111)
O her e penses	(43,728)	(45,869)	(81,770)	—	2,903	—	(168,464)
Share of pro s and losses of:							
Join en&res	(97,730)	—	(1,094)	—	(7,054)	—	(105,878)
Associa es	5,400	40,269	496	943,372	(42,339)	—	947,198
Unalloca ed o her income, in eres income, o her gains, finance cos , and e penses							(689,524)
Profi /(loss) before a	1,931,697	(48,236)	(115,901)	943,372	(111,816)	21,609	1,931,201
Ta	(360,233)	(6,040)	(23,826)	—	(2,448)	—	(392,547)
Unalloca ed a							11,078
Profi /(loss) for he period	1,571,464	(54,276)	(139,727)	943,372	(114,264)	21,609	1,549,732
Segment assets	61,412,897	10,392,791	14,907,398	19,913,442	5,407,210	(3,043,657)	108,990,081
Inc&ding:							
Investments in joint ventures	5,401	—	6,877	—	7,949	—	20,227
Investments in associates	399,551	1,467,557	680,547	19,913,442	2,585,024	—	25,046,121
Unalloca ed asse s							6,509,357
To al asse s							115,499,438
Segment liabilities:	22,472,857	3,014,088	5,939,532	—	1,690,483	(14,378,936)	18,738,024
Unalloca ed liabili ies							37,937,848
To al liabili ies							56,675,872
Other segment information:							
Deprecia ion and amor isa ion	982,611	157,786	327,189	—	79,404	—	1,546,990
Impairmen losses recognised in he s a emen of profi or loss, ne	4,669	22,581	30,961	—	(2,952)	—	55,259
Impairmen losses recognised in he s a emen of profi or loss, ne &nalloca ed)							2,953
Capi al e pendi&re**	1,958,527	256,596	517,557	—	19,358	—	2,752,038

* Segmen res&l s are ob ained as segmen re en&e less cos of sales, selling and dis rib&ion e penses, adminis ra i e e penses and research and de elopmen e penses.

** Capi al e pendi&re consis s of addi ions o proper , plan and eq&ipmen , o her in angible asse s and prepaid land lease pa men s incl&ded in righ - of&se asse s (e cl&ding he addi ion from acq&isi ions of s&bsidiaries).

4. OPERATING SEGMENT INFORMATION (Continued)

For the six months ended 30 June 2023 (unaudited)

	Pharmaceu ical manufac uring RMB'000	Medical de ices and medical diagnosis RMB'000	Heal hcare Ser ice RMB'000	Pharmaceu ical dis rib ion and re ail RMB'000	O her b siness opera ions RMB'000	Elimina ions RMB'000	To al RMB'000
Segment revenue:							
Sales o e ernal c s omers	15,921,190	2,215,367	3,127,263		52,079		21,315,899
In ersegmen sales	253,786	36,867	14,485		18,355	(323,493)	
To al segmen re en e	16,174,976	2,252,234	3,141,748		70,434	(323,493)	21,315,899
Segment results*	1,660,146	55,696	(150,752)		(58,747)	26,194	1,532,537
O her income	150,863	29,391	21,492		7,915		209,661
O her gains	320,123	3,720	7,045		103,260		434,148
In eres income	107,917	16,180	11,607		1,546	(11,895)	125,355
Finance cos s	(168,389)	(15,398)	(105,556)		(22,052)	66,375	(245,020)
O her e penses	(173,829)	(41,184)	(23,321)		(215)	841	(237,708)
Share of pro i s and losses of:							
Join en res	(104,457)				8,616		(95,841)
Associa es	9,828	69,560	(1,341)	1,023,301	16,756		1,118,104
Unalloca ed o her income, in eres income, o her gains, finance cos , and e penses							(179,596)
Profi /(loss) before a	1,802,202	117,965	(240,826)	1,023,301	57,079	81,515	2,661,640
Ta	(373,730)	(3,514)	(27,413)		(2,674)		(407,331)
Unalloca ed a							(202,914)
Profi /(loss) for he period	1,428,472	114,451	(268,239)	1,023,301	54,405	81,515	2,051,395
Segment assets	60,706,554	10,816,045	11,563,857	18,386,423	5,983,591	(3,627,016)	103,829,454
Inc ding:							
Investments in joint ventures	122,920				13,140		136,060
Investments in associates	479,667	1,396,309	683,887	18,386,423	2,779,680		23,725,966
Unalloca ed asse s							8,268,690
To al asse s							112,098,144
Segment liabilities	24,141,427	3,316,942	5,720,428		2,184,070	(16,401,114)	18,961,753
Unalloca ed liabili ies							37,732,023
To al liabili ies							56,693,776
Other segment information:							
Deprecia ion and amor isa ion	1,089,966	161,154	238,330		75,556		1,565,006
Impairmen losses recognised in he s a emen of profi or loss, ne	75,389	18,423	18,437				112,249
Impairmen losses recognised in he s a emen of profi or loss, ne (unalloca ed)							37,385
Capi al e pendi re**	2,011,412	333,465	268,328		110,180		2,723,385

* Segmen resul s are ob ained as segmen re en e less cos of sales, selling and dis rib ion e penses, adminis ra i e e penses and research and de elopmen e penses.

** Capi al e pendi re consis s of addi ions o proper , plan and equipmen , o her in angible asse s and prepaid land lease pa men s inc ded in righ - of se asse s (e c ding he addi ion from acq isi ions of s bsidiaries).

5. REVENUE

An anal sis of he Gro p's re en e is as follo s:

	For the six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Una di ed)
Re en e from con rac s i h g s omers	**20,345,730**	21,287,424
Re en e from o her so rces		
Gross ren al income	**37,428**	28,475
To al	**20,383,158**	21,315,899

Revenue from contracts with customers

F 30 J 2024 ( )

Segments	Pharmaceutical manufacturing RMB'000	Medical devices and medical diagnosis RMB'000	Healthcare Service RMB'000	Other business operations RMB'000	Total RMB'000
Types of goods or services					
Sale of medical prod c s	13,890,835	1,989,281	154,294	22,102	16,056,512
Rendering of ser ices and o hers	698,543	76,777	3,499,200	12,535	4,287,055
Sale of ma erials	1,587	366	210	—	2,163
To al	14,590,965	2,066,424	3,653,704	34,637	20,345,730
Geographical markets					
Chinese Mainland	10,494,845	655,704	3,653,135	33,492	14,837,176
Regions o side Chinese Mainland and o her co n ries	4,096,120	1,410,720	569	1,145	5,508,554
To al	14,590,965	2,066,424	3,653,704	34,637	20,345,730
Timing of revenue recognition					
Goods and ma erials ransferred a a poin in ime	13,892,422	1,989,647	154,504	22,102	16,058,675
Ser ices ransferred a a poin in ime	432,950	6,183	3,499,200	12,535	3,950,868
Ser ices ransferred o er ime	265,593	70,594	—	—	336,187
To al	14,590,965	2,066,424	3,653,704	34,637	20,345,730

5. REVENUE (Continued)

Revenue from contracts with customers (Continued)

F , , 30 J 2023 (,)

Segmen s	Pharmace& ical man&fac &ring RMB'000	Medical de ices and medical diagnosis RMB'000	Heal hcare Ser ice RMB'000	O her b&siness opera ions RMB'000	To al RMB'000
Types of goods or services					
Sale of medical prod&c s	15,116,386	2,077,953	442,048	16,956	17,653,343
Rendering of ser ices and o hers	798,421	130,033	2,683,374	12,410	3,624,238
Sale of ma erials	3,100	6,743			9,843
To al	15,917,907	2,214,729	3,125,422	29,366	21,287,424
Geographical markets					
Chinese Mainland	12,556,992	792,113	3,125,422	28,639	16,503,166
Regions o&side Chinese Mainland and o her co&n ries	3,360,915	1,422,616		727	4,784,258
To al	15,917,907	2,214,729	3,125,422	29,366	21,287,424
Timing of revenue recognition					
Goods and ma erials ransferred a a poin in ime	15,119,486	2,084,696	442,048	16,956	17,663,186
Ser ices ransferred a a poin in ime	639,595	6,345	2,683,374	12,410	3,341,724
Ser ices ransferred o er ime	158,826	123,688			282,514
To al	15,917,907	2,214,729	3,125,422	29,366	21,287,424

6. OTHER INCOME

	For the six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Una di ed)
Di idend income from financial asse s a fair a e hro gh profi or loss	**14,158**	12,604
Go ernmen gran s	**153,480**	207,536
To al	**167,638**	220,140

7. OTHER GAINS

	For the six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Una di ed)
Gain on disposal of in es men s in associa es	**238,963**	244,560
Gain on disposal of financial asse s a fair a e hro gh profi or loss	**4,244**	200,124
Fair a e gain on financial asse s a fair a e hro gh profi or loss, ne	**—**	387,374
O hers	**29,574**	25,011
To al	**272,781**	857,069

8. FINANCE COSTS

	For the six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Una di ed)
In eres on bank loans and o her borro ings (e cl ding lease liabili ies)	**679,305**	603,996
In eres on lease liabili ies	**49,128**	21,367
S b o al	**728,433**	625,363
Less: In eres capi alised	**(18,888)**	(21,988)
To al	**709,545**	603,375

10. INCOME TAX

The pro ision for Mainland China c rren income a is based on a s a or ra e of 25% of he assessable profi s of he Gro p as de ermined in accordance i h he PRC Corpora e Income Ta La hich as appro ed and became effec i e on 1 Jan ar 2008, e cep for cer ain s bsidiaries of he Gro p in Mainland China, hich are a ed a preferen ial ra es of 0% o 20%.

Ta es on profi s assessable else here ha e been calc la ed a he a ra es pre ailing in he j risdic ions in hich he Gro p opera es. Hong Kong profi s a has been pro ided a he ra e of 16.5% on he es ima ed assessable profi s arising in Hong Kong d ring he period, he firs HKD2,000,000 of assessable profi s are a ed a 8.25% and he remaining assessable profi s are a ed a 16.5%. The pro ision of c rren income a of Alma Lasers L d., a s bsidiar of he Compan incorpora ed in Israel, enjo ed a preferen ial effec i e a ra e of 6% for being a Special Preferred Technological En erprise (SPTE–). The pro ision of c rren a of Gland Pharma Limi ed, a s bsidiar of he Compan incorpora ed in India, as based on a s a or ra e of 25.17%. The pro ision of c rren a of Breas Medical Holdings AB, a s bsidiar of he Compan incorpora ed in S eden, is based on a s a or ra e of 20.60%. The pro ision of c rren a of Tridem Pharma S.A.S, a s bsidiar of he Compan incorpora ed in France, is based on a s a or ra e of 25.83%. The pro ision of c rren income a of Phi en S.A.S, a s bsidiar of he Compan incorpora ed in France, is based on a s a or ra e of 25.83%.

	For the six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Una di ed)
C rren	**463,700**	427,510
Deferred	**(82,231)**	182,735
To al	**381,469**	610,245

11. DIVIDENDS

The Board of Direc ors did no recommend he pa men of an in erim di idend in respec of he si mon hs period ended 30 J ne 2024 (for he si mon hs period ended 30 J ne 2023: Nil).

The proposed final di idend of RMB0.27 (inc si e of a) per ordinar share for he ear ended 31 December 2023 as appro ed b he Shareholders a he ann al general mee ing of he Compan on 26 J ne 2024.

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

The calc&la ion of he basic earnings per share amo&n s is based on he profi for he period a rib& able o ordinar eq&i holders of he paren , adj&s ed o reflec he cash di idends dis rib& ed o he Res ric ed A Share Incen i e Scheme, and he eigh ed a erage n&mber of ordinar shares of 2,672,398,711 (for he si mon hs period ended 30 J&ne 2023: 2,669,655,211) in iss&e d&ring he period.

The calc&la ion of he dil& ed earnings per share amo&n s is based on he profi for he period a rib& able o ordinar eq&i holders of he paren . The eigh ed a erage n&mber of ordinar shares &sed in he calc&la ion is he n&mber of ordinar shares in iss&e d&ring he period, as &sed in he basic earnings per share calc&la ion, and he eigh ed a erage n&mber of ordinar shares ass&med o ha e been iss&ed a no considera ion on he deemed con ersion of all dil& i e po en ial ordinar shares in o ordinar shares.

The calc&la ions of basic and dil& ed earnings per share are based on:

	For the six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Una&di ed)
Earnings		
Profi a rib& able o ordinar eq&i holders of he paren	**1,224,799**	1,783,642
Less: Cash di idends dis rib& ed o he Res ric ed A Share Incen i e Scheme	**—**	(1,050)
Adj&s ed profi a rib& able o ordinar eq&i holders of he paren , &sed in he basic earnings per share calc&la ion	**1,224,799**	1,782,592
Cash di idends dis rib& ed o he Res ric ed A Share Incen i e Scheme	**—**	1,050
To al	**1,224,799**	1,783,642

	Number of shares For the six months ended 30 June	
	2024	2023
	(Unaudited)	(Una&di ed)
Shares		
Weigh ed a erage n&mber of ordinar shares in iss&e d&ring he period &sed in he basic earnings per share calc&la ion	**2,672,398,711**	2,669,655,211
Effec of dil& ion eigh ed a erage n&mber of ordinar shares: he Res ric ed A Share Incen i e Scheme	**—**	133,916
To al	**2,672,398,711**	2,669,789,127

13. PROPERTY, PLANT AND EQUIPMENT

	For the six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Una di ed)
Carr ing al e a 1 Jan ar	**20,846,458**	15,718,789
Addi ions	**1,463,530**	1,820,621
Aco isi ions of a sj bsidiar	**—**	1,367,672
Disposals	**(68,808)**	(26,425)
Disposal of sj bsidiaries	**(915,969)**	
Classified as asse s held for sale	**(20,262)**	
Deprecia ion charge for he Period	**(838,069)**	(722,336)
Impairmen loss	**(1,106)**	
E change realignmen	**(18,927)**	128,062
Carr ing al e a 30 J ne	**20,446,847**	18,286,383

As a 30 J ne 2024, cer ain of he Gro p's proper , plan and eq ipmen i h a ne carr ing amo n of appro ima el RMB2,455,000,000 (31 December 2023: RMB2,117,025,000) ere pledged o sec re cer ain of he Gro p's bank and o her borro ings (no e 16).

14. TRADE AND BILLS RECEIVABLES

	30 June	31 December
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(A di ed)
Trade recei ables	**8,162,575**	7,643,737
Bills recei able	**83,672**	24,492
To al	**8,246,247**	7,668,229

The credi period for rade recei ables is generall hree mon hs, hich ma be e ended p o si mon hs for major c s omers. Trade and bills recei ables are non-in eres -bearing.

14. TRADE AND BILLS RECEIVABLES (Continued)

An ageing anal sis of rade recei ables, based on he in oice da e and ne of loss allo ance, as a he respec i e repor ing da es is as follo s:

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
Wi hin 1 ear	**7,939,372**	7,436,979
1 o 2 ears	**304,348**	333,408
2 o 3 ears	**99,496**	77,594
O er 3 ears	**83,312**	64,952
	8,426,528	7,912,933
Less: Loss allo ance for impairmen	**(263,953)**	(269,196)
Ne Carr ing Amoun	**8,162,575**	7,643,737

15. TRADE AND BILLS PAYABLES

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
Trade pa ables	**5,806,793**	5,507,366
Bills pa able	**719,152**	652,253
To al	**6,525,945**	6,159,619

Trade and bills pa ables are non-in eres -bearing. Trade pa ables are normall se led on a o-mon h erm, and bills pa able are normall se led on 90 o 180-da erms.

15. TRADE AND BILLS PAYABLES (Continued)

An ageing anal sis of he rade and bills pa ables as a he end of he repor ing period, based on he in oice da e, is as follo s:

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (A&di ed)
Wi hin 1 ear	**6,273,262**	5,844,073
1 o 2 ears	**103,997**	223,314
2 o 3 ears	**90,472**	57,124
O er 3 ears	**58,214**	35,108
To al	**6,525,945**	6,159,619

16. INTEREST-BEARING BANK AND OTHER BORROWINGS

	Notes	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (A&di ed)
Bank loans:	(1)		
Sec&red		**2,256,188**	2,115,700
Unsec&red		**29,773,992**	29,958,133
		32,030,180	32,073,833
O her loans:			
Unsec&red		**64,000**	
Corpora e bonds	(2)	**240,000**	499,908
To al		**32,334,180**	32,573,741
Por ion classified as c&rren liabili ies		**(22,534,879)**	(19,068,818)
Non-c&rren por ion		**9,799,301**	13,504,923

16. INTEREST-BEARING BANK AND OTHER BORROWINGS (Continued)

A repa able anal sis of in eres -bearing bank and o her borro ings is as follo s:

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (A di ed)
Repa able:		
Wi hin 1 ear	**22,534,879**	19,068,818
1 o 2 ears	**2,957,745**	6,264,630
2 o 5 ears	**6,545,365**	6,193,279
O er 5 ears	**296,191**	1,047,014
	32,334,180	32,573,741
Por ion classified as g rren liabili ies	**(22,534,879)**	(19,068,818)
Non-g rren por ion	**9,799,301**	13,504,923

Notes:

(1) Bank loans

The bank loans bear in eres a ra es ranging from 0.1000% o 7.0410% (31 December 2023: 0.1000% o 7.0410%) per ann m.

As a 30 ne 2024, cer ain of he Gro p's bank loans are sec red b he mor gage of cer ain of he Gro p's proper , plan and eq ipmen (no e 13) amo n ing o RMB1,619,411,000 (31 December 2023: RMB1,487,653,000), cons c ion in progress amo n ing o RMB835,589,000 (31 December 2023: RMB629,372,000), prepaid land lease pa men s incl ded in righ -of- se asse s amo n ing o RMB622,391,000 (31 December 2023: RMB614,613,000), pa en incl ded in o her in angible asse s amo n ing o RMB255,000 (31 December 2023: RMB355,000).

As a 30 ne 2024, he Gro p pledged 58.67% eq i of i s s bsidiar S hon Baidao Medical Technolog Co., L d. o ob ain bank loans (31 December 2023: 58.67% eq i of S hon Baidao) and 6.00% eq i of i s s bsidiar Jianjia Medical In es men Managemen Co., L d. (31 December 2023: nil)

(2) Medium-term notes

In March 2022, he Compan iss ed medi m- erm no es in an aggrega e amo n of RMB500,000,000, hich bear in eres a 3.50% per ann m. The in eres is pa able ann all in arrears and he ma ri da e is 9 March 2026. As a 30 ne 2024, he book al e of he medi m- erm no es is RMB240,000,000 a an in eres ra e of 4.20%.

17. COMMITMENTS

The Gro p had he follo ing con rac al commi men s a he end of he repor ing period:

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (A di ed)
Prepared land lease pa men s, plan and machiner	**2,482,167**	2,805,800
In es men s	**2,189,932**	1,476,998
To al	**4,672,099**	4,282,798

18. RELATED PARTY TRANSACTIONS

The Gro p had he follo ing ransac ions i h rela ed par ies d ring he period:

(a) Sales of products and rendering of services

	For the six months ended 30 June 2024 RMB'000 (Unaudited)	2023 RMB'000 (Una di ed)
Sinopharm Gro p Co., L d. and i s s bsidiaries *(notes 4 & 7 & 9)*	**2,856,097**	3,919,643
C.O.pharmace ical Holding Co.,L d. and i s s bsidiaries *(notes 3 & 7 & 11)*	**436,400**	575,001
Fos n In erna ional Limi ed and i s s bsidiaries *(notes 6 & 7 & 11 & 12)*	**32,468**	8,646
Fos n Uni ed Heal h Ins rance Compan L d. *(notes 3 & 7)*	**14,531**	
S ho F jian Xing i Ven re In es men Par nership (Limi ed Par nership) *(notes 1 & 7 & 20)*	**8,302**	7,439
Tianjin Fos n Haihe Heal hcare Ind s r F nd Par nership (Limi ed Par nership) *(notes 1 & 7 & 20)*	**3,089**	3,031
Shanghai Fos n P blic Welfare Fo nda ion *(notes 3 & 7)*	**3,034**	12,413
Fos n Ki e Biological Technolog Co., L d. *(notes 2 & 7)*	**2,173**	1,762
H aihai Hospi al Managemen Co., L d. *(notes 1 & 7)*	**2,052**	1,646
Shanghai Lingjian Informa ion Technolog Co., L d. *(notes 1 & 7)*	**473**	2,927
Tongde Fo i In es men and Managemen (Shanghai) Co., L d. *(notes 5 & 7)*	**34**	27
In i i e S rgical-Fos n Medical Technolog (Shanghai) Co., L d. *(notes 1 & 7)*	**26**	6
SINNOWA Medical Science & Technolog Co., L d. *(notes 1 & 7)*	**3**	13
Beijing Jin iang Fos n Pharmace ical Join S ock Co., L d. *(notes 1 & 7)*	**—**	2,858
Shanghai Yaokang Pharmace ical Technolog Co., L d. *(notes 2 & 7 & 18)*	**—**	1,306
Pramerica Fos n Life Ins rance Co., L d. *(notes 3 & 7)*	**—**	36
To al	**3,358,682**	4,536,754

18. RELATED PARTY TRANSACTIONS (Continued)

(b) Purchases of products and services

	For the six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Sinopharm Group Co., L d. and i s subsidiaries *(notes 4 & 7 & 9)*	**191,707**	188,028
Fosun In ernational Limi ed and i s subsidiaries *(notes 6 & 7 & 11 & 13)*	**14,815**	18,508
Tongde Eq i In es men and Managemen (Shanghai) Co., L d. *(notes 5 & 7)*	**4,936**	4,910
C.O.pharmaceu ical Holding Co.,L d. and i s Subsidiaries *(notes 3 & 7 & 11)*	**4,139**	107,911
In i i e Surgical-Fosun Medical Technolog (Shanghai) Co., L d. *(notes 1 & 7)*	**1,700**	857
Anhui Sunhere Pharmaceu icals E cipien s Co., L d. *(notes 1 & 7&19)*	**921**	311
Salada Biomedical, Inc. *(notes 1 & 7)*	**298**	6,625
SINNOWA Medical Science & Technolog Co., L d. *(notes 1 & 7)*	**118**	345
Fosun Uni ed Heal h Insurance Compan L d. *(notes 3 & 7)*	**61**	2,025
Shanghai Lingjian Informa ion Technolog Co., L d. *(notes 1 & 7)*	**31**	31
Beijing Jin iang Fosun Pharmaceu ical Join S ock Co., L d. *(notes 1 & 7)*	**7**	30
Haihai Hospi al Managemen Co., L d. *(notes 1 & 7)*	**2**	154
Fosun Ki e Biological Technolog Co., L d. *(notes 2 & 7)*	**—**	1,390
To al	**218,735**	331,125

30 June 2024

18. RELATED PARTY TRANSACTIONS (Continued)

(d) Loans from/to related parties

(F F ,)

The Compan en ered in o a financial ser ice agreemen i h Fos n Finance, p rs an o hich Fos n Finance shall pro ide financial ser ices o he Compan and i s s bsidiaries, incl ding deposi ser ice, credi ser ice, se lemen ser ice and o her financial ser ices as appro ed b he China Banking Reg la or Commission for he period from 1 Jan ar 2023 o 31 December 2025. The ma im m dail o s anding balance of deposi s placed b he Gro p i h Fos n Finance is RMB2,000,000,000. The ma im m dail o s anding balance of he loans gran ed b Fos n Finance o he Gro p is RMB2,000,000,000.

Deposits in Fosun Finance	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
Fos n Finance *(notes 6 & 10 & 11)*	**1,794,103**	1,890,321

Loans from Fosun Finance	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
Fos n Finance *(notes 6 & 10 & 11)*	**150,992**	140,847

Others from/to Fosun Finance	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
O her rece i ables		
Fos n Finance *(notes 6 & 10 & 11)*	**8,808**	19,248
Acc ed in eres e penses		
Fos n Finance *(notes 6 & 10 & 11)*	**173**	181

18. RELATED PARTY TRANSACTIONS (Continued)

(d) Loans from/to related parties (Continued)

Shanghai Fos n Pharmaceu ical Indus rial De elopmen Co., L d. pro ided a loan i h a principal amo n of RMB196,743,000 o Fos n Ki e Bio echnolog Co., L d. The ann al in eres ra e is 4.73%. As a 30 J ne 2024, he loan in eres recei able is RMB258,000. (31 December 2023: RMB284,000).

18. RELATED PARTY TRANSACTIONS (Continued)

(e) Interest income from/interest expense to related parties (Continued)

D&ring he si mon hs ended 30 J&ne 2024, he in eres ra e for deposi s, loans, and disco&n in Fos&n Finance ill be calc&la ed according o he agreemen erms, reference benchmark in eres ra es, and marke in eres ra e le els. The in eres ra e of demand deposi s is 0.35% (For he ear of 2023: 0.35%), he in eres ra e of se en-da call deposi s is 1.485% 1.755% (For he ear of 2023: 1.485% 1.755%), he in eres ra e of agreed deposi s is 1.15% 1.35% (For he ear of 2023: 1.15% 1.35%), and he in eres ra e of ime deposi s is 1.55% 2.25% (For he ear of 2023: 1.55% 2.1%). There ere no disco&n ing ransac ions d&ring he si mon hs ended 30 J&ne 2024. A he end of 30 J&ne 2024, Fos&n Finance pro ided shor - erm loans of RMB149,833,000 o he compan a an in eres ra e of 2.50% 4.50% (For he ear of 2023: 3.80% 4.50%), and Fos&n Finance pro ide o- ear loans of RMB1,160,000 o he compan a an in eres ra e of 4.5%.

	For the six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
Interest expense	**(Unaudited)**	(Una&di ed)
Fos&n Finance *(notes 6 & 10 & 11)*	**3,341**	3,507
Shanghai Fos&n High Tech (Gro&p) Co., L d. *(note 6)*	**976**	666
To al	**4,317**	4,173

Notes:

(1) The are associa es of he Gro&p.

(2) The are join en&res of he Gro&p.

(3) The are o her rela ed companies of he Gro&p.

(4) The are he s&bsidiaries of he Gro&p's associa es.

(5) The are he s&bsidiaries of he Gro&p's join en&res.

(6) The are he s&bsidiaries of Fos&n In erna ional Limi ed, he holding compan of he Compan .

(7) The sales and p&rchases ere &nder aken on commercial erms similar o hose offered o/b &nrela ed d&s omers/s&ppliers in he ordinar co&rse of b&siness of he rele an companies.

(8) The fees for he leasing and proper managemen ser ices recei ed from or paid o hese rela ed companies ere de ermined based on prices a ailable o hird par d&s omers of hese rela ed companies.

(9) Sinopharm Gro&p Co., L d. is a major s&bsidiar of Sinopharm In es men , an associa e of he Gro&p.

(10) Fos&n Finance is a s&bsidiar of Fos&n High Tech, he holding compan of he Compan .

(11) The rela ed par ransac ions also cons i&e con in&ing connec ed ransac ions as defined in Chap er 14A of he Lis ing R&les. The Gro&p confirmed ha i has complied i h he disclos&re req&iremen s in accordance i h Chap er 14A of he Lis ing R&les in respec of hese ransac ions.

18. RELATED PARTY TRANSACTIONS (Continued)

Notes: (Continued)

(12) D&ring he si mon hs ended 30 J&ne 2024, he Gro&p offered Fos&n In erna ional Limi ed and i s s&bsidiaries i h prod&c s and o her ser ices a marke prices. Fos&n In erna ional Limi ed and i s s&bsidiaries incl&de Shanghai Fos&n High Technolog (Gro&p) Co., L d., Hainan Fos&n In erna ional B&siness Tra el Co., L d., Hainan Fos&n Trading Co., L d., Shanghai Gol e Proper Managemen Co., L d., Beijing Gol e Proper Managemen Co., L d., Shanghai Y&nji Informa ion Technolog Co., L d., Shanghai Xingchong B&siness Cons&l ing Co., L d., Shanghai Yilian En erprise Managemen Co., L d., Shanghai Fos&n Ven&re Capi al Managemen Co., L d., Shanghai Fos&n Ind&s r and Technolog De elopmen Co., L d., Shanghai Fos&n To&rism Managemen Co., L d., K& i In erna ional Tra el Agenc (Shanghai) Co., L d, Shanghai Fos&n Ind&s rial In es men Co., L d., Shanghai Fos&n Ven&re Capi al Managemen Co., L d., Shanghai Mei&o G&l&re De elopmen Co., L d., Shanghai Xingpian Managemen Cons&l ing Co., L d., Shanghai Fos&n H&an & In erna ional Trade Co., L d., Shanghai Zhiqia Informa ion Technolog Ser ice Co., L d., Xin ai clo&d chain (W& i) informa ion Technolog De elopmen Co., L d., Xin ai Yiliankang (Shanghai) Informa ion Technolog De elopmen Co., L d., Shanghai Zh&o&n Informa ion Technolog Co., L d., Shanghai S ar ser ice En erprise Managemen Cons&l ing Co., L d., Hainan Fos&n In erna ional Logis ics Co., L d., Shanghai Fos&n Xingh&i B&siness Cons&l ing Co., L d., Shanghai Xing i H&man Reso&rces Managemen Co., L d., Xin ai clo&d chain (Hang ho&) informa ion Technolog De elopmen Co., L d., Xin ai clo&d chain (Shanghai) informa ion Technolog De elopmen Co., L d., Xingheng Ins&rance Agenc Co., L d., Shanghai Zilamai Trading Co., L d., Grea China Finance Leasing Co.,L d., Shanghai F&heng Ins&rance Brokerage Co.,L d., Shanghai Y& &an Je elr &Fashion Gro&p Limi ed, Shanghai S arcas le Senior Li ing Ser ices Limi ed, Shanghai For e Ind&s r De elopmen Gro&p Co.,L d., and Xi ang Fos&n In es men Managemen Co.,L d..

(13) D&ring he si mon hs ended 30 J&ne 2024, he Gro&p recei ed ser ices and p&rchased prod&c s from Fos&n In erna ional Limi ed and he s&bsidiaries of Fos&n In erna ional Limi ed a marke prices. The s&bsidiaries of Fos&n In erna ional Limi ed incl&de Hainan Fos&n Trading Co., L d., Hainan Fos&n In erna ional B&siness Tra el Co., L d., Shanghai Y&nji Informa ion Technolog Co., L d., K& i In erna ional Tra el Agenc (Shanghai) Co., L d, Shanghai Zh&o&n Informa ion Technolog Co., L d., Shanghai Fos&n H&an & In erna ional Trade Co., L d., Shanghai Xing i H&man Reso&rces Managemen Co., L d., Shanghai Zhiqia Informa ion Technolog Ser ice Co., L d., Shanghai Yilian En erprise Managemen Co., L d., Shanghai S ar ser ice En erprise Managemen Cons&l ing Co., L d., Fos&n Life Science and Technolog (Jiangs&) Co., L d., Shanghai Zilamai Trading Co., L d., Beijing F& &n Xing ong Technolog Co., L d., Xin ai Clo&d Chain (Hang ho&) Informa ion Technolog De elopmen Co.,L d., Shanghai Gol e Proper Managemen Co.,L d., Shanghai Fos&n Xingh&i B&siness Cons&l ing Co.,L d., Shanghai Fos&n Ven&re Capi al Managemen s Ser ice Co.,L d., Shanghai Xingk&ang Commercial Managemen Co.,L d., Shanghai Xingji Informa ion Technolog Co.,L d. and Hainan Fos&n In erna ional Logis ics Co., L d..

(14) D&ring he si mon hs ended 30 J&ne 2024, he Gro&p leased o& he office b&ildings o Fos&n In erna ional Limi ed and i s s&bsidiaries. Fos&n In erna ional Limi ed and i s s&bsidiaries incl&de Shanghai Fos&n High Tech (Gro&p) Co., L d. and Shanghai Fos&n Ind&s r and Technolog De elopmen Co.,L d..

(15) D&ring he si mon hs ended 30 J&ne 2024, he Gro&p leased from he office b&ildings o Fos&n In erna ional Limi ed and i s s&bsidiaries. Fos&n In erna ional Limi ed and i s s&bsidiaries incl&de Shanghai Ne Shih&a In es men Managemen Co., L d., Shanghai Fos&n High Tech (Gro&p) Co., L d., Shanghai Fos&n B&nd Proper Co., L d. and Chengd& For e Proper Co., L d..

(16) D&ring his period, he Gro&p recei ed managemen ser ices from s&bsidiaries of Fos&n In erna ional Limi ed. The s&bsidiaries of Fos&n In erna ional Limi ed incl&de Shanghai Gol e Proper Managemen Co., L d., Beijing Gol e Proper Managemen Co., L d. and Shanghai Xingk&ang Commercial Managemen Co.,L d..

(17) Fos&n In erna ional Limi ed is he holding compan of he Gro&p.

(18) Shanghai Yaokang Pharmace&ical Technolog Co., L d. as a join en&re of he Gro&p before Oc ober 2023 and as incl&ded in he scope of consolida ion from Oc ober 2023.

(19) Anh&i S&nhere Pharmace&icals E cipien s Co., L d. had ceased o be a rela ed par of he Gro&p since Ma 2024 and as an associa e compan of he Gro&p p&n il Ma 2024.

(20) The ransac ion i h S& hai F&jian Xing i Ven&re In es men Par nership (Limi ed Par nership), Tianjin Fos&n Haihe Heal hcare Ind&s r F&nd Par nership (Limi ed Par nership) cons i&e con in&ing connec ed ransac ions as defined in Chap er 14A of he Lis ing R&les before December 2023, and no longer cons i&e con in&ing connec ed ransac ions from December 2023.

18. RELATED PARTY TRANSACTIONS (Continued)

(f) Compensation of key management personnel of the Group

	For the six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Salaries, allo ances and benefi s in kind	**19,845**	18,792
Performance-rela ed bonuses	**29,098**	43,653
Pension scheme con ributions	**699**	667
To al	**49,642**	63,112

(g) Donations

	For the six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Shanghai Fosun Foundation	**24,978**	39,812
GX Foundation Company Limited	**—**	5,000
To al	**24,978**	44,812

For he si mon hs ended 30 June 2024, he Group dona ed RMB24,978,000 o social elfare projec s hrough Shanghai Fosun Foundation (For he si mon hs ended 30 June 2023, he Group dona ed RMB44,812,000 o social elfare projec s hrough Shanghai Fosun Foundation and GX Foundation Company Limited).

18. RELATED PARTY TRANSACTIONS (Continued)

(h) Outstanding balances with related parties:

(i) As a 30 J&ne 2024, he Gro&p had a balance d&e from he in ermedia e holding compan and i s s&bsidiaries of RMB24,611,000 (31 December 2023: RMB9,701,000). The balances ere &nseq&red, in eres -free and had no fi ed erms of collec ion, e cep for deposi in Fos&n Finance.

(ii) As a 30 J&ne 2024, he Gro&p had a balance d&e from i s associa e companies and heir s&bsidiaries of RMB1,102,253,000 (31 December 2023: RMB1,037,217,000). The balances ere &nseq&red, in eres -free and had no fi ed erms of collec ion.

(iii) As a 30 J&ne 2024, he balances d&e from i s join en&res and heir s&bsidiaries of RMB583,000 (31 December 2023: RMB4,000) ere &nseq&red, in eres -free and had no fi ed erms of collec ion, e cep for loan offered o Fos&n Ki e.

(i) As a 30 J&ne 2024, he balances d&e from o her rela ed companies of RMB158,573,000 (31 December 2023: RMB182,023,000) ere &nseq&red, in eres -free and repa able on demand.

( ) As a 30 J&ne 2024, he Gro&p had a balance d&e o in ermedia e holding compan and i s s&bsidiaries of RMB54,419,000 (31 December 2023: RMB51,230,000). The balances ere &nseq&red, in eres -free and had no fi ed erms of repa men , e cep for borro ings from Fos&n Finance and Shanghai Fos&n High Tech (Gro&p) Compan limi ed.

(i) As a 30 J&ne 2024, he balances d&e o i s associa e companies and heir s&bsidiaries incl&de an amo&n of RMB126,550,000 (31 December 2023: RMB70,949,000) hich as &nseq&red, in eres -free and had no fi ed erms of repa men .

(ii) As a 30 J&ne 2024 and 31 December 2023, here as no balance d&e o he Gro&p's join en&res and heir s&bsidiaries.

(iii) As a 30 J&ne 2024, he balances d&e o o her rela ed companies incl&de an amo&n of RMB9,913,000 (31 December 2023: RMB27,867,000) hich as &nseq&red, in eres -free and had no fi ed erms of repa men .

19. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carr ing amo n s and fair al es of he Gro p's financial ins men s, o her han hose i h carr ing amo n s ha reasonabl appro ima e o fair al es, are as follo s:

	Carrying amounts		Fair values	
	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (A di ed)	**30 June 2024 RMB'000 (Unaudited)**	31 December 2023 RMB'000 (A di ed)
Financial assets:				
Eq i in es men s designa ed a fair al e hro gh o her comprehensi e income	**13,514**	52,774	**13,514**	52,774
Deb in es men s a fair al e hro gh o her comprehensi e income	**471,389**	642,569	**471,389**	642,569
Financial asse s a fair al e hro gh profi or loss	**3,049,978**	2,928,610	**3,049,978**	2,928,610
Trade recei ables non-c rren	**85,574**	85,323	**86,595**	86,341
To al	**3,620,455**	3,709,276	**3,621,476**	3,710,294
Financial liabilities:				
Non-c rren por ion of in eres -bearing bank borro ings	**9,559,301**	13,504,923	**8,522,329**	13,806,197
In eres -bearing o her borro ings	**240,000**	499,908	**245,010**	497,804
Financial liabili ies inc ded in o her long- erm liabili ies	**2,890,576**	2,964,353	**2,890,576**	2,964,353
To al	**12,689,877**	16,969,184	**11,657,915**	17,268,354

The Gro p's finance depar men headed b he finance manager is responsible for de ermining he policies and proced res for he fair al e meas remen of financial ins men s. The finance manager repor s direc l o he chief financial officer and he a di commi ee. A each repor ing da e, he finance depar men anal ses he mo emen s in he al es of financial ins men s and de ermines he major inp s applied in he al a ion. The al a ion is re ie ed and appro ed b he chief financial officer.

The fair al es of he financial asse s and liabili ies are inc ded a he amo n a hich he ins men co ld be e changed in a c rren ransac ion be een illing par ies, o her han in a forced or liq ida ion sale. The follo ing me hods and ass mp ions ere emp sed o es ima e he fair al es:

The fair al es of he non-c rren por ion of in eres -bearing bank and o her borro ings ha e been calc la ed b disco n ing he e pec ed f t re cash flo s sing ra es c rren l a ailable for ins men s i h similar erms, credi risk and remaining ma ri ies. The changes in fair al e as a res l of he Gro p's o n non-performance risk for he non-c rren por ion of in eres -bearing bank and o her borro ings as a 30 J ne 2024 as assessed o be insignifican .

19. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

The fair al es of lis ed corpora e bond iss ed b he Compan and eq i in es men s i ho a lock p period are based on o o ed marke prices. The fair al es of lis ed eq i in es men s i h a lock p period ha e been es ima ed based on ass mp ions ha are s ppor ed b obser able marke prices and disco n for lack of marke abili . The direc ors belie e ha he es ima ed fair al es res l ing from he al a ion echnio e, hich are recorded in he consolida ed s a emen of financial posi ion, and he rela ed changes in fair al es, hich are recorded in o her comprehensi e income or profi or loss, are reasonable, and ha he ere he mos appropria e al es a he end of he repor ing period.

Belo is a s mmar of significan nobser able inp s o he al a ion of financial ins men s as a 30 J ne 2024:

Unobservable inputs for Level 3 assets

The financial asse s meas red a fair al e held b he Gro p hich ere classified in Le el 3 primaril correspond o nlis ed eq i in es men s no o o ed in an ac i e marke .

For he fair al e of he nlis ed eq i in es men s is based on al a ion echnio es for hich he inp ha is significan o he fair al e meas remen is nobser able. For cer ain nlis ed eq i in es men s, he Gro p ado s o o a ion from co n erpar ies' o o a ions or al a ion echnio es o de ermine he fair al e. Val a ion echnio es incl de a disco n ed cash flo anal sis, he marke comparison approach, e c. The fair al e meas remen of hese financial ins men s ma in ol e nobser able inp s s ch as liq idi disco n . Fair al e change res l ing from changes in he nobser able inp s as no significan . The Finance Depar men periodicall re ie s all significan nobser able inp s and al a ion adj s men s sed o meas re he fair al es of financial ins men s in Le el 3.

Unobservable inputs for Level 3 liabilities

Significan nobser able al a ion inp for he share redemp ion op ion gran ed o non-con rolling shareholders of s bsidiaries incl ded in o her long- erm liabili ies of RMB1,405,074,000 (31 December 2023: RMB1,601,368,000 incl ded in o her long- erm liabili ies) is he progress of research and de elopmen ac i i ies or ne profi of he s bsidiaries.

Significan nobser able al a ion inp for o her financial liabili ies incl ded in o her long- erm liabili ies is al e of ne asse s of s bsidiaries.

19. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

Fair value hierarchy

The follo ing ables illus ra e he fair alue meas remen hierarch of he Gro p's financial ins men s:

A :

As at 30 June 2024 (Unaudited)

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	Total RMB'000
Financial asse s a fair alue hrough profi or loss	1,064,239	307,012	1,678,727	3,049,978
Equi in es men s designa ed a fair alue hrough o her comprehensi e income	13,514	—	—	13,514
Deb in es men s a fair alue hrough o her comprehensi e income	—	471,389	—	471,389
To al	1,077,753	778,401	1,678,727	3,534,881

As at 31 December 2023 (Audited)

	Fair alue measuremen using			
	Quo ed prices in ac i e marke s (Le el 1) RMB'000	Significan obser able inp s (Le el 2) RMB'000	Significan nobser able inp s (Le el 3) RMB'000	To al RMB'000
Financial asse s a fair alue hrough profi or loss	1,192,643	98,723	1,637,244	2,928,610
Equi in es men s designa ed a fair alue hrough o her comprehensi e income	52,774			52,774
Deb in es men s a fair alue hrough o her comprehensi e income		642,569		642,569
To al	1,245,417	741,292	1,637,244	3,623,953

19. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

Fair value hierarchy (Continued)

A . . . < : (G)
The mo emen s in fair a&e meas&remen s i hin Le el 3 d&ring he period are as follo s:

	For the six months ended 30 June	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Una&di ed)
As a 1 Jan&ar	**1,637,244**	2,053,017
Transferred o&	**—**	(880,419)
To al (loss)/gain recognised in he s a emen of profi or loss incl&ded in o her e penses	**(55,983)**	369,926
To al gains recognised in o her comprehensi e income	**5,471**	36,290
Addi ion	**97,799**	155,420
Se lemen	**(5,804)**	(147,966)
As a 30 J&ne	**1,678,727**	1,586,268

D&ring he period, here ere no financial asse s a fair a&e hro&gh profi or loss held b he Gro&p ransferred from Le el 3 o Le el 2 (for he si mon hs ended 30 J&ne 2023: RMB880,419,000, d&e o he fac ha he in es ee companies ere lis ed b& s ill in he res ric ed sale period). And here ere no ransfers of fair a&e meas&remen s be een Le el 1 and Le el 2 and no ransfers in o Le el 3 for financial asse s (si mon hs ended 30 J&ne 2023: Nil).

Y . . . . < :
As at 30 June 2024 (Unaudited)

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000	**Significant observable inputs (Level 2) RMB'000**	**Significant unobservable inputs (Level 3) RMB'000**	**Total RMB'000**
Amo&n s incl&ded in o her long- erm liabili ies	**—**	**—**	**2,348,254**	**2,348,254**

As at 31 December 2023 (Audited)

	Fair a&e meas&remen &sing			
	Q&o ed prices in ac i e marke s (Le el 1) RMB'000	Significan obser able inp& s (Le el 2) RMB'000	Significan &nobser able inp& s (Le el 3) RMB'000	To al RMB'000
Amo&n s incl&ded in o her long- erm liabili ies			2,479,775	2,479,775

D&ring he period, here ere no ransfers of fair a&e meas&remen s be een Le el 1 and Le el 2 and no ransfers in o or o& of le el 3 for financial liabili ies (31 December 2023: Nil).

19. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

Fair value hierarchy (Continued)

The mo emen s in fair al e meas remen s in Le el 3 d ring he period are as follo s:

	2024 RMB'000 (Unaudited)	2023 RMB'000 (Una di ed)
Amo n s incl ded in o her long- erm liabili ies:		
A 1 Jan ar	**2,479,775**	2,182,394
To al gains recognised in o her e penses	**(41,227)**	(31,020)
To al (gains)/losses recognised in o her reser e	**(196,294)**	23,880
Addi ion	**106,000**	230,757
A 30 J ne	**2,348,254**	2,406,011

A :

As at 30 June 2024 (Unaudited)

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	Total RMB'000
Trade recei ables non-c rren	—	**86,595**	—	**86,595**

As at 31 December 2023 (Audited)

	Fair al e meas remen sing			
	Q o ed prices in ac i e marke s (Le el 1) RMB'000	Significan obser able inp s (Le el 2) RMB'000	Significan nobser able inp s (Le el 3) RMB'000	To al RMB'000
Trade recei ables non-c rren		86,341		86,341

19. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

Fair value hierarchy (Continued)

As at 30 June 2024 (Unaudited)

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	Total RMB'000
Non-c&rren por ion of in eres -bearing bank borro ings	—	8,522,329	—	8,522,329
In eres -bearing o her borro ings	—	241,902	—	241,902
Amo&n s incl&ded in o her long- erm liabili ies	—	2,890,576	—	2,890,576
To al	—	11,654,807	—	11,654,807

As at 31 December 2023 (Audited)

	Fair a&e meas&remen j&sing			
	Q&o ed prices in ac i e marke s (Le el 1) RMB'000	Significan obser able inp& s (Le el 2) RMB'000	Significan j&nobser able inp& s (Le el 3) RMB'000	To al RMB'000
Non-c&rren por ion of in eres -bearing bank borro ings		13,806,197		13,806,197
In eres -bearing o her borro ings		497,804		497,804
Amo&n s incl&ded in o her long- erm liabili ies		484,578		484,578
To al		14,788,579		14,788,579

20. CONTINGENT LIABILITIES

As a 30 J&ne 2024 and 31 December 2023, he Gro&p did no ha e an con ingen liabili ies.

21. EVENTS AFTER THE REPORTING PERIOD

(a) Land repurchase of Jisikai

On 15 J&l 2024, Jisikai (Sj& ho&) Pharmaceu& ical Co., L d. (Jisikai Pharma–), a sj&bsidiar of he Compan , signed he Repj&rchase Con rac – i h he Sj& ho& Indj&s rial Park Jinji Lake Bj&siness Dis ric Repj&rchase Office (Jinji Lake Repj&rchase Office–). Jinji Lake Repj&rchase Office in ends o acqj&ire Jisikai Pharma's s a e-o ned cons j&c ion land j&se righ s, bj&ildings, some facili ies and eqj&ipmen , and seedlings loca ed a No. 40 Sj&hong Wes Road, Sj& ho& Indj&s rial Park, a a o al price of RMB440,319 ho&sand. According o he con rac , he pa men ill be made in hree miles ones.

(b) Merger by Absorption and Privatization of Shanghai Henlius

On 24 J&ne 2024, Shanghai Fosj&n Ne Medicine Research Co., L d. (Fosj&n Ne Medicine–, a sj&bsidiar of he Compan ,) (as he offeror and acqj&irer), annoj&nced ha i proposed o acqj&ire and cancel all shares of Shanghai Henlij&s Bio ech, Inc. (Shanghai Henlij&s–, a sj&bsidiar of he Compan) (incl&ding H shares and j&nlis ed shares) held b o her e is ing shareholders of Shanghai Henlij&s hroj&gh he cash and/or he share al erna i e (he Merger–) and o pri a i e Shanghai Henlij&s, and on 23 Aj&gj&s 2024, re ised he rele an plan. Upon he comple ion of he Merger, Fosj&n Ne Medicine (as e is ing en i af er he Merger) ill inheri and assj&me all asse s, liabili ies, in eres s, bj&sinesses, personnel, con rac s and all righ s and obliga ions of Shanghai Henlij&s, and he legal en i of Shanghai Henlij&s ill be e en j&all deregis ered. As of he da e of his in erim repor , he Merger is s ill sj&bjec o he appro al, filing or regis ra ion of he Na ional De elopmen and Reform Commission, he Minis r of Commerce, he S a e Adminis ra ion of Foreign E change or he local aj& hori ies of sj&ch agencies, he secj&ri ies regj&la or aj& hori ies and/or s ock e changes in he rele an jj&risdic ions and o her rele an go ernmen aj& hori ies (if applicable), as ell as he appro al of he general mee ing of shareholders and he H shareholders class mee ing of Shanghai Henlij&s. The oj&n ar delis ing applica ion of Shanghai Henlij&s is also sj&bjec o he appro al of he Hong Kong S ock E change. There is s ill significan j&ncer ain regarding he Merger and he oj&n ar delis ing of Shanghai Henlij&s.

22. APPROVAL OF THE FINANCIAL STATEMENTS

The in erim condensed consolida ed financial s a emen s ere appro ed and aj& horised for issj&e b he board of Direc ors on 27 Aj&gj&s 2024.

Definitions

In his in erim repor , unless he con e o her ise req ires, he follo ing erms shall ha e he meanings se o& belo .

2022 H Share Emplo ee Share O nership Scheme– or H Share Emplo ee Share O nership Scheme–	he 2022 H Share Emplo ee Share O nership Scheme of he Compan , he adop ion of hich as appro ed b he Shareholders a he e raordinar general mee ing of he Compan held on 29 No ember 2022
2022 Non-p&blic Iss&ance of A Shares–	he non-p&blic iss&ance of an aggrega e of 106,756,666 ne A shares of he Compan o s&bscribers a he iss&e price of RMB42.00 per share in J&l 2022
2022 Res ric ed A Share Incen i e Scheme– or Res ric ed A Share Incen i e Scheme–	he 2022 Res ric ed A Share Incen i e Scheme of he Compan , he adop ion of hich as appro ed b he Shareholders a he e raordinar general mee ing, A Shareholders class mee ing and H Shareholders class mee ing of he Compan held on 29 No ember 2022, respec i el
A Share(s)–	domes ic share(s) of he Compan i h a nominal a&e of RMB1.00 each, hich are lis ed on he Shanghai S ock E change and raded in RMB
ADC–	An ibod -d&g Con&ga e
ANDA–	Abbre ia ed Ne D&g Applica ion
API–	Ac i e Pharmace&ical Ingredien
Ar icles of Associa ion–	he ar icles of associa ion of he Compan
Board–	he board of Direc ors
Breas–	Breas Medical Holdings AB, a compan incorpora ed in S eden and a s&bsidiar of he Compan
BSE–	BSE Limi ed
CDMO–	Con rac De elopmen and Man&fac&ring Organi a ion
Cene i–	Phi en, soci e, par ac ions simplifi e, a compan incorpora ed in France and a s&bsidiar of he Compan
CG Code–	he Corpora e Go ernance Code con ained in Appendi C1 o he Hong Kong Lis ing R&les
CMC–	Chemical Man&fac&ring and Con rol
Code Pro isions–	code pro isions&nder he CG Code

Compan –	Shanghai Fosun Pharmaceu ical (Grou p) Co., L d.* (上海復星醫藥(集團)股份有限公司), a join s ock compan incorpora ed in he PRC i h limi ed liabili , hose H Shares and A Shares are lis ed and raded on he main board of he Hong Kong S ock E change and he Shanghai S ock E change, respec i el
con rolling shareholder(s)–	has he meaning gi en o i nder he Hong Kong Lis ing Rules
CSRC–	China Secu ri ies Regula or Commission (中國證券監督管理委員會)
Direc or(s)–	direc or(s) of he Compan
EMA–	Eu ropean Medicine Agenc
EU–	Eu ropean Union
Foshan Chan i Ci In es men –	Foshan Chancheng Dis ric Chan i Ne Ci In es men and Cons uc ion Co., L d.* (佛山市禪城區禪西新城投資建設有限公司)
Foshan Fosun Chancheng Hospi al–	Foshan Fosun Chancheng Hospi al Limi ed* (佛山復星禪誠醫院有限公司), a subsidiar of he Compan
Fosun Heal h–	Shanghai Fosun Heal h Technolog (Grou p) Co., L d.* (上海復星健康科技(集團)有限公司), a subsidiar of he Compan
Fosun High Tech–	Shanghai Fosun High Technolog (Grou p) Compan Limi ed* (上海復星高科技(集團)有限公司), a direc holl -o ned subsidiar of Fosun In erna ional and a con rolling Shareholder of he Compan
Fosun Holdings–	Fosun Holdings Limi ed, a compan incorpora ed in Hong Kong, a direc holl -o ned subsidiar of Fosun In erna ional Holdings and a con rolling shareholder of he Compan
Fosun In erna ional–	Fosun In erna ional Limi ed, a compan incorpora ed in Hong Kong and lis ed on he Hong Kong S ock E change (s ock code: 00656), an indirec subsidiar of Fosun In erna ional Holdings and a con rolling Shareholder of he Compan
Fosun In erna ional Holdings–	Fosun In erna ional Holdings Limi ed, a compan incorpora ed in he Bri ish Virgin Islands, hich as held as o 85.29% and 14.71% b Mr. Guo Guangchang and Mr. Wang Qunbin, respec i el , as a he end of he Repor ing Period, and a con rolling Shareholder of he Compan
Fosun Ki e–	Fosun Ki e Biological Technolog Co., L d.* (復星凱特生物科技有限公司), a join en re of he Compan
Fosun Insigh ec–	Fosun Insigh ec Medical Technolog (Jiangsu Xu hou) Co., L d.* (復星醫視特醫療科技(江蘇徐州)有限公司), a subsidiar of he Compan
Fosun Ne Medicine–	Shanghai Fosun Ne Medicine Research Compan Limi ed* (上海復星新藥研究股份有限公司) (formerl kno n as Shanghai Fosun Ne Medicine Research Compan Limi ed* (上海復星新藥研究有限公司), con er ed in o a join s ock compan and renamed in Ju l 2024), a subsidiar of he Compan

Definitions

Fj&jo Zhida–	Shanghai Fj&jo Zhida Heal hcare Technolog Co., L d.* (上海復拓知達醫療科技有限公司), a sj&bsidiar of he Compan
Gland Pharma–	Gland Pharma Limi ed, a compan incorpora ed in India and lis ed on he BSE and NSE (s ock code: Gland), and a sj&bsidiar of he Compan
GMP–	Good Manj&fac j&re Prac ices
Groj&p–	he Compan and i s sj&bsidiaries (or he Compan and an one or more of i s sj&bsidiaries, as he con e ma reqj&ire)
G&ang ho& Xinshi Hospi al–	G&ang ho& Xinshi Hospi al Co., L d.* (廣州新市醫院有限公司), a sj&bsidiar of he Compan
G&ilin Pharma–	G&ilin Pharmacaj& ical Co., L d.* (桂林南藥股份有限公司), a sj&bsidiar of he Compan
H Share(s)–	o erseas lis ed foreign share(s) in he ordinar share capi al of he Compan , i h a nominal alj&e of RMB1.00 each, hich are lis ed on he Hong Kong S ock E change and raded in Hong Kong dollars
HKFRS–	he Hong Kong Financial Repor ing S andards
Hong Kong–	he Hong Kong Special Adminis ra i e Region of he PRC
Hong Kong dollar– or HK dollar–	Hong Kong dollar, he la f&l c&rrenc of Hong Kong
Hong Kong Lis ing R&les–	he R&les Go erning he Lis ing of Secj&ri ies on The S ock E change of Hong Kong Limi ed
Hong Kong S ock E change–	The S ock E change of Hong Kong Limi ed
H&nan Dong ing–	H&nan Dong ing Pharmacaj& ical Co., L d.* (湖南洞庭藥業股份有限公司), a sj&bsidiar of he Compan
IND–	in es iga ional ne dj&g
Insigh ec–	Insigh ec L d., a compan incorpora ed in Israel
In&i i e Fosj&n–	In&i i e Sj&rgical-Fosj&n Medical Technolog (Shanghai) Co., L d.* (直觀復星醫療器械技術(上海)有限公司), an associa ed compan of he Compan
Jianjia Heal hcare–	Jianjia Heal hcare In es men Managemen Co., L d.* (健嘉醫療投資管理有限公司), a sj&bsidiar of he Compan
Macaj&–	he Macaj& Special Adminis ra i e Region of he PRC
Meiji Seika Pharma–	Meiji Seika Pharma Co., L d., a compan incorpora ed in Japan

MoF–	he Minis r of Commerce of he PRC
Model Code–	he Model Code for Sec ri ies Transac ions b Direc ors of Lis ed Iss ers se o in Appendi C3 o he Hong Kong Lis ing R les
NDRC–	he Na ional De elopmen and Reform Commission of he PRC
Na ional Medical Ins rance Dr gs Ca alog e–	Na ional Basic Medical Ins rance, Work-Rela ed Inj r Ins rance and Ma erni Ins rance Dr gs Ca alog e (《國家基本醫療保險、工傷保險和生育保險藥品目錄》)
NDA–	ne dr g applica ion
NMPA–	Na ional Medical Prod c s Adminis ra ion (中國國家藥品監督管理局)
NSE–	The Na ional S ock E change of India Limi ed
PCT–	Pa en Coopera ion Trea
PRC– or China–	The People's Rep blic of China
R&D–	research and de elopmen
Repor ing Period–	he 6-mon h period from 1 Jan ar 2024 o 30 J ne 2024
res ric ed A Share(s)–	he A Share(s) gran ed b he Compan o a par icipan according o he condi ions and price s ip la ed nder he 2022 Res ric ed A Share Incen i e Scheme hich are s bjec o he res ric ion period and can onl be nlocked and ransferred af er he nlocking condi ions are sa isfied
RMB–	Renminbi, he la fi l c rrenc of he PRC
SAFE–	he S a e Adminis ra ion of Foreign E change of he PRC
SFO–	he Sec ri ies and F res Ordinance (Chap er 571 of he La s of Hong Kong)
Shanghai Henli s–	Shanghai Henli s Bio ech, Inc.* (上海復宏漢霖生物技術股份有限公司), a compan incorpora ed in he PRC and lis ed on he Hong Kong S ock E change (s ock code: 02696) and a s bsidiar of he Compan
Shanghai Lis ing R les–	he S ock Lis ing R les of he Shanghai S ock E change (《上海證券交易所股票上市規則》)
Shanghai S ock E change–	he Shanghai S ock E change (上海證券交易所)
Shareholder(s)–	holder(s) of Shares
Shares–	ordinar shares in he share capi al of he Compan i h a nominal al e of RMB1.00 each, comprising A Shares and H Shares

Definitions

Shen hen Biopharma Indus rial Fund–	Shen hen Pengfu Biopharmaceu ical Indus rial Pri a e Equi In es men Fund Par nership En erprise (Limi ed Par nership)* (深圳市鵬復生物醫藥產業私募股權投資基金合夥企業(有限合夥)), an associa e of he Compan as a he end of he Repor ing period
Sinopharm–	Sinopharm Grou p Co. L d.* (國藥控股股份有限公司), a compan incorpora ed in he PRC and lis ed on he Hong Kong S ock E change (s ock code: 01099), a subsidiar of Sinopharm Indus rial
Sinopharm Indus rial–	Sinopharm Indus rial In es men Co., L d.* (國藥產業投資有限公司), an associa e of he Compan
Sisram Medical–	Sisram Medical L d, a compan incorpora ed in Israel and lis ed on he Hong Kong S ock E change (s ock code: 01696), a subsidiar of he Compan
Supervisor(s)–	he member(s) of he Supervisor Commi ee
Supervisor Commi ee–	he supervisor commi ee of he Compan
Suzhou Abcar a–	Suzhou Abcar a Medical Technolog Co., L d.* (蘇州百道醫療科技有限公司), a subsidiar of he Compan
Tianjin Pharma–	Tianjin Pharma Grou p Co., L d* (天津藥業集團有限公司)
U.S.– or Uni ed S a es–	Uni ed S a es of America, i s erri ories and possessions, an s a e of he Uni ed S a es and he Dis ric of Colum bia
U.S. FDA–	U.S. Food and Drug Adminis ra ion
US$– or US dollars–	Uni ed S a es dollars, he la ful currenc of he Uni ed S a es
Wanbang Pharma–	Jiangsu Wanbang Biopharmaceu ical Compan Limi ed* (江蘇萬邦生化醫藥集團有限責任公司), a subsidiar of he Compan
WHO PQ–	World Heal h Organi a ion-Prequalifica ion
Wri en Guidance–	Wri en Guidance for Secu ri ies Transac ions b Direc ors/Rele an Emplo ees of Shanghai Fosun Pharmaceu ical (Grou p) Co., L d. (《上海復星醫藥(集團)股份有限公司董事／有關僱員進行證券交易的書面指引》)
Xingnuo Pharma–	Jiangsu Xingnuo Pharmaceu ical Technolog Compan Limi ed* (江蘇星諾醫藥科技有限公司), a subsidiar of he Compan
Yao Pharma–	Chongqing Yao Pharmaceu ical Compan Limi ed* (重慶藥友製藥有限責任公司), a subsidiar of he Compan
YSB–	YSB Inc., a compan incorpora ed in he Ca man Islands and lis ed on he Hong Kong S ock E change (s ock code: 09885)
%–	per cen

In his repor , if here is an inconsis enc be een he Chinese names of he en i ies, au hori ies, organi a ions, ins i u ions or en erprises es ablished in China or he a ards or cer ifica es gi en in China and heir English ransla ions, he Chinese ersion shall pre ail.

* For iden ifica ion pu rposes onl