恒瑞醫藥
Hengrui Pharmaceuticals

2025
INTERIM REPORT

江蘇恒瑞醫藥股份有限公司

Jiangsu Hengrui Pharmaceuticals Co., Ltd.

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

Stock Code:1276

CONTENTS

Corporate Information

BOARD OF DIRECTORS

Executive Directors

Mr. Sun Piaoyang *(Chairman of the Board)*
Mr. Dai Hongbin *(Deputy Chairman of the Board)*
Ms. Feng Ji (*General Manager (President) and Chief Operating Officer*)
Mr. Zhang Lianshan (*Executive Vice President*)
Mr. Jiang Frank Ningjun (*Executive Vice President and Chief Strategy Officer*)
Mr. Sun Jieping (*Senior Vice President*)

Non-executive Director

Ms. Guo Congzhao

Independent Non-executive Directors

Mr. Dong Jiahong
Mr. Zeng Qingsheng
Mr. Sun Jinyun
Mr. Chow Kyan Mervyn

AUDIT COMMITTEE

Mr. Zeng Qingsheng *(Chairperson)*
Mr. Dong Jiahong
Mr. Sun Jinyun

REMUNERATION AND EVALUATION COMMITTEE

Mr. Sun Jinyun *(Chairperson)*
Mr. Dai Hongbin
Mr. Zeng Qingsheng

NOMINATION COMMITTEE

Mr. Dong Jiahong *(Chairperson)*
Mr. Sun Piaoyang
Mr. Sun Jinyun

STRATEGY COMMITTEE

Mr. Sun Piaoyang *(Chairperson)*
Mr. Dai Hongbin
Mr. Zhang Lianshan
Mr. Jiang Frank Ningjun
Ms. Guo Congzhao
Mr. Dong Jiahong

JOINT COMPANY SECRETARIES

Ms. Liu Xiaohan
Ms. Leung Wing Han Sharon

AUTHORIZED REPRESENTATIVES

Ms. Feng Ji
Ms. Leung Wing Han Sharon

REGISTERED OFFICE

No. 38 Huanghe Road
Economic and Technological
Development Zone
Lianyungang City
Jiangsu Province
PRC

HEADQUARTERS

No. 7 Kunlunshan Road
Economic and Technological
Development Zone
Lianyungang City
Jiangsu Province
PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1920, 19/F
Lee Garden One
33 Hysan Avenue
Causeway Bay
Hong Kong

Corporate Information

H SHARE REGISTRAR

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

COMPLIANCE ADVISOR

Somerley Capital Limited
20/F China Building,
29 Queen's Road Central,
Hong Kong

AUDITOR

Ernst & Young
Certified Public Accountants
Registered Public Interest Entity Auditor
27/F, One Taikoo Place
979 King's Road
Quarry Bay, Hong Kong

HONG KONG LEGAL ADVISER

Cleary Gottlieb Steen & Hamilton (Hong Kong)
37/F, Hysan Place
500 Hennessy Road
Causeway Bay
Hong Kong

COMPANY WEBSITE

www.hengrui.com

STOCK OVERVIEW

A Share
Shanghai Stock Exchange
Stock Abbreviation: 恒瑞医药
Stock code: 600276

H Share
Hong Kong Stock Exchange
Stock Abbreviation: Hengrui Pharma
Stock code: 01276

LISTING DATE

Shanghai Stock Exchange
October 18, 2000

Hong Kong Stock Exchange
May 23, 2025

PRINCIPAL BANKS

Bank of China
Lianyungang Economic and Technological Development Zone Sub-Branch
No. 15 Kunlunshan Road
Economic & Technological
Development Zone
Lianyungang City
Jiangsu Province
PRC

Bank of Communications
Lianyungang Branch
No. 45 Huanghe Road
Economic & Technological
Development Zone
Lianyungang City
Jiangsu Province
PRC

Financial Highlights

During the Reporting Period, the Group recorded the following unaudited results:

	For the six months ended June 30,		
	2025 (Unaudited) (RMB'000)	2024 (Unaudited) (RMB'000)	Change
Financial results			
Revenue	**15,761,194**	13,600,734	15.9%
Of which:			
Revenue from sales of innovative drugs	**7,569,762**	6,149,839	23.1%
Licensing revenue	**1,991,095**	1,390,858	43.2%
Gross profit	**13,646,232**	11,727,430	16.4%
Profit for the period	**4,454,671**	3,428,130	29.9%
Profit for the period attributable to owners of the parent	**4,450,107**	3,431,746	29.7%
Net cash flows from operating activities	**4,300,453**	3,032,756	41.8%
Earnings per share (RMB Yuan)			
– Basic	**0.70**	0.54	29.6%
– Diluted	**0.70**	0.54	29.6%

	June 30, 2025 (Unaudited) (RMB'000)	December 31, 2024 (Audited) (RMB'000)	Change
Financial Position			
Total assets	**62,893,518**	50,135,644	25.4%
Net assets	**59,029,798**	46,090,251	28.1%
Equity attributable to owners of the parent	**58,464,831**	45,519,862	28.4%
Total liabilities	**3,863,720**	4,045,393	-4.5%
Cash and bank balances	**36,093,982**	24,802,475	45.5%
Financial ratios			
Gross margin	**86.6%**	86.2%	0.4%
Net profit margin	**28.3%**	25.2%	12.1%
Debt-to-asset ratio	**6.1%**	8.1%	-24.1%

The increase in revenue, profit and basic earnings per share during the Reporting Period was primarily due to the increase in the revenue from the sales of innovative drugs and licensing revenue.

Corporate Overview

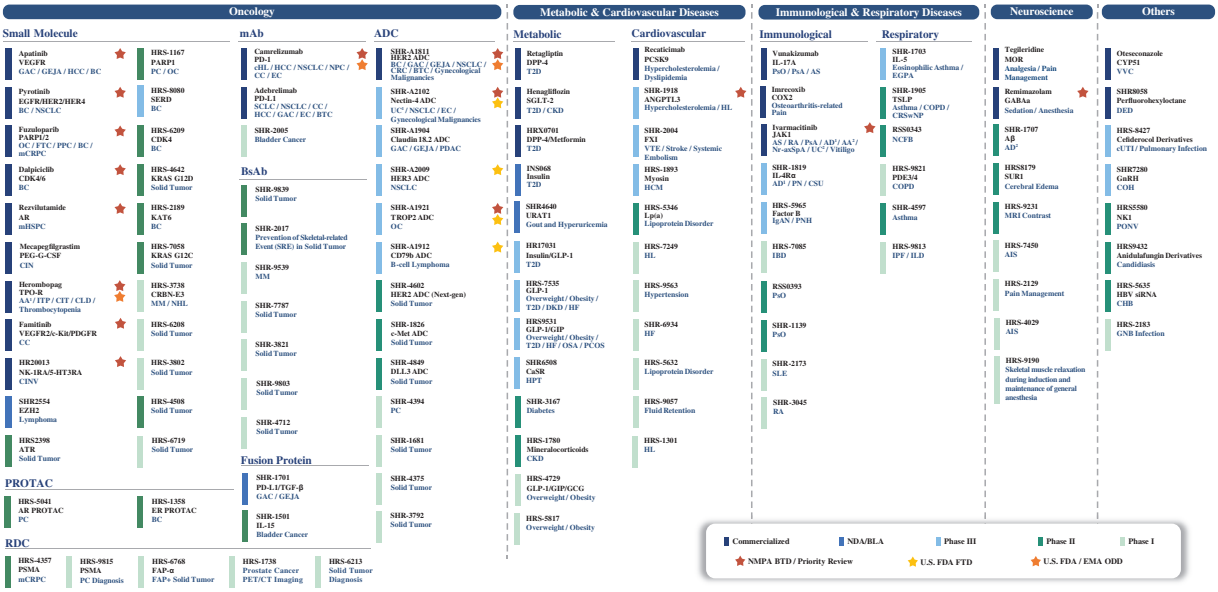
Hengrui Pharma is a leading innovative global pharmaceutical company rooted in China. The Company has been ranked among one of the global Top 50 pharmaceutical companies by Pharm Exec for seven consecutive years since 2019. According to the Pharma R&D Annual Review 2025 published by Citeline (an internationally renowned consulting firm) in 2025, the Company ranked second globally in terms of the number of self-developed drug pipelines. Furthermore, according to the "2024 Hurun China 500" list《2024 胡潤中國 500 強》, the Company ranked as the 23rd most valuable China-based non-state-owned enterprise. The Company has also ranked first among the "*top of R&D-driven Pharmaceutical Companies in China*" (中國醫藥研發產品線最佳工業企業) for 12 times by the China National Pharmaceutical Industry Information Center (中國醫藥工業信息中心). In recognition of its outstanding performance in technological innovation and achievements in the field of pharmaceutical R&D, the Company was named in Fortune China's inaugural "2024 Fortune Tech 50" (2024 年《財富》中國科技 50 強) list.

The Company is principally engaged in the R&D, manufacture and sale of pharmaceutical products. Adhering to a patient-oriented philosophy, the Company is dedicated to the R&D and promotion of innovative drugs, with the objective of addressing unmet clinical needs.

The Company possesses industry-leading and fully-integrated pharmaceutical platforms, which have been deployed by the Company proactively and extensively across multiple therapeutic areas, driving their in-depth advancement. Notably, the Company's robust oncology R&D pipeline covers a broad spectrum of research areas, including kinase inhibitors, ADCs, immuno-oncology, hormone receptor modulators and supportive care. By focusing on the development of combinatorial/sequential therapies designed for multiple targets, the Company aims to enhance response rates and prolonged therapeutic effect of its products. Additionally, the Company has established diversified strategic pillars in metabolic and cardiovascular diseases, immunology and respiratory diseases and neuroscience to support its long-term growth strategy.

Corporate Overview

OUR PIPELINE ACROSS THERAPEUTIC AREAS



Notes:

1. This is a non-exhaustive list, with data statistics as of the end of the Reporting Period;
2. The clinical stage of each product/product candidate represents the clinical stage of its most advanced indication(s);
3. The time period for obtaining regulatory pathway designations: 2018 to the end of the Reporting Period.

Management Discussion and Analysis

INDUSTRY REVIEW

In the first half of 2025, China's pharmaceutical industry entered a new phase of high-quality development, propelled by deepening healthcare reforms and technological innovation. The comprehensive policy framework supporting innovative drugs has been progressively implemented, accompanied by continued optimization of NRDL negotiation rules and accelerated drug evaluation and approval processes. These have collectively fostered a favorable external environment for industry transformation. Domestically, R&D activities in innovative drugs have significantly intensified, whilst out-licensing collaborations with international institutions have gained momentum, substantially elevating the global recognition of China's innovative drug assets. The Company maintains its dual-pillar strategy of technological innovation and globalization, which has yielded sustained innovation outcomes and stable financial performance.

BUSINESS HIGHLIGHTS

For the first half of 2025, we recorded revenue of RMB15,761.2 million, representing a year-over-year increase of 15.9%. Our profit for the period attributable to Shareholders of the Company amounted to RMB4,450.1 million, representing a year-over-year increase of 29.7%. The Company continues to intensify innovation efforts with sustained high-level R&D investments. During the Reporting Period, our aggregate R&D investments reached RMB3,871.2 million, including R&D expenses amounting to RMB3,227.9 million.

1. Rapid innovation-to-value conversion, innovative drug sales driving business growth

In the first half of 2025, we generated RMB9,560.9 million in revenue from sales of our innovative drugs and licensing revenue, representing 60.7% of our revenue, of which revenue from sales of innovative drugs reached RMB7,569.8 million. Innovative drugs included in the NRDL, such as rezvilutamide, dalpiciclib and henagliflozin, have precisely addressed unmet clinical needs. The remarkable clinical data of these drugs has been extensively verified in real-world settings, with their clinical value gaining increasing recognition amongst medical practitioners and patients, driving robust revenue growth. The early commercialized innovative drugs of the Company, including imrecoxib, remimazolam, pyrotinib and fuzuloparib, have contributed to the Company's sustained revenue growth in drug sales, thanks to the gradual accumulation of evidence-based medical research and the continuous approval for new indications post-drug commercialization, as substantiated by broader application domains. Innovative products, such as apatinib, mecapegfilgrastim and herombopag also delivered growth during the Reporting Period. Certain innovative products of the Company have yet to reach their full commercial potential, due to factors including the short track record since market launch, or current non-inclusion in the NRDL. Powered by medicine and guided by market demand, the Company will continue to focus on enhancing market penetration and commercialization of excellent innovative products, with the aim to generate stronger future growth momentum.

Management Discussion and Analysis

2. Globalization of innovative drugs yielded remarkable results, out-licensing emerged as a new driver for performance growth

Out-licensing of our innovative drugs has become an established component of the Company's business operations, forming a material portion of our operating revenue. During the Reporting Period, the Company recorded upfront payments received from out-licensing agreements as revenue, including US$200.0 million from Merck Sharp & Dohme and US$75.0 million from IDEAYA Biosciences. These payments contributed significantly to the enhancement of the Company's operational performance metrics.

3. Centralized procurement of generic drugs faces challenges, high-quality generic products have filled the gap to achieve moderate performance gain

Whilst revenue from generic drugs sales subject to Centralized procurement programs continued to show a slight decline, the Company's high-quality generic products, such as bupivacaine liposome injectable suspension, and its first U.S.-approved generic product, paclitaxel for injection (albumin bound), demonstrated relatively strong growth during the Reporting Period. These have contributed to an overall modest revenue increase in the Company's generic drug business segment during the Reporting Period.

MAJOR ACHIEVEMENTS DURING THE REPORTING PERIOD

Our Operational Progress

During the Reporting Period, the Company has all along adhered to its original philosophy of "Accelerating Innovative Product Growth and Propelling Global Market Penetration" (加速創新產品增長, 推進全球化商業布局) amidst evolving internal and external landscapes and challenges. The Company has maintained relentless momentum in accelerating R&D and market-entry for innovative therapies, and actively pursued licensing partnerships for its innovative products worldwide. It has implemented comprehensive high-quality compliance frameworks and perfected scientific management systems to support sustainable growth.

Management Discussion and Analysis

Research and Development Progress of Our Products During the Reporting Period

Oncology Non-oncology

Progress during the Reporting Period	Drug name/Code	Target(s)	Mono/Combo	Indication(s)	Phase I	Phase II	Phase III	NDA/BLA
NDA accepted (5 items)	Insulin sudelidec	Insulin	Mono	Type 2 diabetes	China			
	Ruzinurad	URAT1	Mono	Primary gout with hyperuricemia	China			
	SHR0302	JAK1	Mono (alkaline ointment)	Mild-to-moderate atopic dermatitis	China			
	Atropine eye drops	M-receptor blocker	Mono	Delaying myopia in children	China			
	Dalpiciclib	CDK4/6i	Combo	Adjuvant therapy for hormone receptor-positive and HER2-negative breast cancer	China			
Entry into Phase III (10 items)	HRS-7535	GLP-1 (oral)	Mono	Overweight or obesity	China			
	HRS9531	GLP-1/GIP (injectable)	Mono	Obstructive sleep apnea with obesity	China			
			Mono	Type 2 diabetes (poor basal insulin control)	China			
	HRS-1893	Myosin inhibitor	Mono	Obstructive hypertrophic cardiomyopathy	China			
	HRS-5965	Factor B	Mono	IgA nephropathy	China			
	Vunakizumab	IL-17A	Mono	Non-radiographic axial spondyloarthritis	China			
	SHR-2004	FXI	Mono	Prevention of venous thromboembolism after total knee arthroplasty	China			
	Trastuzumab rezetecan	HER2 ADC	Mono	HER2-expressing platinum-resistant ovarian cancer	China			
	SHR-A1912	CD79b ADC	Combo	Relapsed and refractory diffuse large B-cell lymphoma	China			
	HRS-8080	SERD	Mono	Locally advanced or metastatic breast cancer after endocrine therapy	China			

Progress during the Reporting Period	Drug Name/Code	Target(s)	Mono/Combo	Indication(s)	Phase I	Phase II	Phase III	NDA/BLA
Entry into Phase II (22 items)	HRS-7535	GLP-1 (oral)	Mono	Obesity with heart failure with preserved ejection fraction (HFpEF)	China			
	HRS9531	GLP-1/GIP (oral)	Mono	Obesity	China			
	HRS-5346	Lp(a) inhibitor	Mono	Lipoprotein disorders	China			
	SHR-1819	IL-4R α	Mono	Atopic dermatitis (AD) in children and adolescents	China			
	SHR0302	JAK1	Mono (alkaline gel)	Non-segmental vitiligo	China			
	SHR-1139	-	Mono	Plaque psoriasis	China			
	RSS0393	-	Mono	Plaque psoriasis	China			
	RSS0343	-	Mono	Non Cystic-Fibrosis Bronchiectasis	China			
	SHR-4597	-	Mono	Asthma	China			
	SHR-1905	TSLP	Mono	Asthma in adolescents	China			
	Remimazolam	GABAα	Mono	Sedation for general anesthesia in surgery on children and adolescents	China			
	HRS-8427	Cefiderocol derivatives	Mono	Hospital-acquired bacterial pneumonia and ventilator-associated bacterial pneumonia	China			
	HRS-1893	Myosin inhibitors	Mono	Non-obstructive hypertrophic cardiomyopathy (HCM)	China			
	SHR-A2102	Nectin-4 ADC	Combo (adebrelimab)	Perioperative non-muscle invasive bladder cancer	China			
	SHR-A2102	Nectin-4 ADC	Combo (almonertinib + adebrelimab)	EGFR-mutant NSCLC	China			
	SHR-1826	c-Met ADC	Combo (adebrelimab/SHR-8068/bevacizumab)	Advanced NSCLC	China			
	SHR-4849	DLL3 ADC	Combo	Advanced malignant solid tumors	China			
	SHR-2017	-	Mono	Bone metastases from solid tumors (alleviation of pain at bone metastatic sites, delay or prevention of Skeletal-related Event (SREs))	China			
	HRS-7058	KRAS G12C	Combo	Advanced solid tumors	China			
	HRS-7058	KRAS G12C	Combo	Colon cancer	China			
	HRS-4508	-	Mono	Advanced malignant solid tumors	China			
	Trastuzumab rezetecan	HER2 ADC	Combo	HER2+ locally advanced or metastatic Biliary Tract Cancer (BTC)	China			

Management Discussion and Analysis

Progress during the Reporting Period	Drug Name/Code	Target(s)	Mono/Combo	Indication(s)	Phase I	Phase II	Phase III	NDA/BLA
Entry into Phase I for the first time (15 items)	HRS-5817	-	Mono	Overweight/obesity	China			
	HRS-1301	-	Mono	Hyperlipidemia	China			
	SHR-3045	-	Mono	Rheumatoid arthritis	China			
	HRS-4029	-	Mono	Acute ischemic stroke	China			
	HRS-9190	-	Mono	Skeletal muscle relaxation during induction and maintenance of general anesthesia	China			
	SHR-3792	-	Mono	Advanced malignant solid tumors	China			
	SHR-9803	-	Mono	Advanced malignant solid tumors	China			
	SHR-4712	-	Mono	Advanced malignant tumors	China			
	HRS-1738	-	Mono	Prostate cancer PET/CT imaging	China			
	HRS-6213	-	Mono	Solid tumor diagnosis	China			
	HRS-6719	-	Mono	Advanced malignant solid tumors	China			
	SHR-4394	-	Mono	Prostate cancer	China			
	HRS-3802	-	Mono	Advanced malignant solid tumors	China			
	SHR-4375	-	Mono	Advanced malignant solid tumors	China			
	HRS-6768	-	Mono	Advanced malignant solid tumors	China			

Research and Development

Technology Platforms

During the Reporting Period, the Company continued to enhance its sophisticated technology platforms, including PROTACs, peptides, monoclonal antibodies, bispecific antibodies, multi-specific antibodies, ADC, DAC, APC, AOC, and radioligand therapies platforms. The Company has also achieved preliminary progress in building a platform for new molecular modalities and is actively expanding into the realm of AI-driven drug R&D platforms. Furthermore, the Company has established the "Hengrui-LingShu" platform and bioinformatics platform to streamline various aspects of its R&D process, including drug discovery, molecular design, drug property prediction and optimization.

R&D Progress

During the Reporting Period, 15 self-developed innovative molecules from the Company first reached clinical stage, comprising small-molecule chemical drugs, antibodies and ADCs spanning multiple therapeutic areas including oncology, metabolic and cardiovascular diseases, and immunological and respiratory diseases. While maintaining its strong focus on oncology, the Company's R&D system has strategically diversified its pipeline to include chronic disease treatments. Concurrently, the Company continues to optimize, upgrade, and innovate its existing product portfolio to strengthen its foundation for sustainable growth. To date, the Company's ADC platform has successfully advanced over 10 novel and differentiated ADC molecules into clinical trials, amongst which, the Company's trastuzumab rezetecan (SHR-A1811) was included in the list of breakthrough therapeutic drugs (突破性治療品種名單) by the CDE for nine indications.

Management Discussion and Analysis

The Company accelerated clinical trials of its innovative drug candidates, with 12 innovative outcomes approved for marketing and advancements across multiple R&D pipelines. During the Reporting Period, the Company (including subsidiaries accounted for in the financial statements) obtained marketing approvals for six Class 1 innovative drugs, including: recaticimab for injection, ivarmacitinib sulfate tablets, retagliptin phosphate and metformin hydrochloride tablets (I)/(II), trastuzumab rezetecan for injection, famitinib malate capsules, and fosrolapitant and palonosetron hydrochloride for injection. In addition, six new indications were approved for marketing, including: ivarmacitinib sulfate tablets for three additional indications (rheumatoid arthritis, atopic dermatitis, and alopecia areata), camrelizumab for injections for one additional indication (in combination with famitinib for second-line cervical cancer treatment), Vunakizumab Injection for one additional indication (ankylosing spondylitis), and tegileridine fumarate injection for one additional indication (moderate-to-severe pain after orthopedic surgery). During the Reporting Period, the Company's R&D pipeline demonstrated progress: five marketing applications were accepted by the NMPA, 10 clinical studies advanced to Phase III clinical trials, 22 clinical studies progressed to Phase II clinical trials, and 15 innovative products first advanced to Phase I clinical trials. For details of our product pipeline, please refer to the section headed "Management Discussion and Analysis – Our Products" of this report.

During the Reporting Period, the Company made steady progress in its marketing authorization applications (MAA) for multiple products in the European Union, and is actively engaging with the U.S. FDA regarding submission of the Company's biologics license application (BLA) for the re-commercialization of its camrelizumab. The Company also made an application to the U.S. FDA for the orphan drug designation of trastuzumab rezetecan (SHR-A1811) in combination with adebrelimab (SHR-1316) for the treatment of gastric cancer or gastroesophageal junction adenocarcinoma, and has recently received approval from the U.S. FDA. In the future, the Company will continue to expand its global R&D footprint and enrich its innovative product pipeline through multiple approaches, including in-house R&D programs, strategic collaborations and targeted in-licensing arrangements.

The Company has made orderly progress in product registration and regulatory filings. During the Reporting Period, the Company obtained 12 manufacturing authorizations for innovative drug formulations and four manufacturing authorizations for generic drug formulations. In addition, the Company secured 62 clinical trial approvals for innovative drugs, including two clinical trials added to the list of breakthrough therapeutic drugs.

The Company has maintained an uninterrupted 15-year record of presenting major clinical research studies at the annual meeting of the American Society of Clinical Oncology (ASCO). At the 2025 ASCO annual meeting, the Company achieved notable recognition with a total of 72 selected studies. These selected studies comprised four oral reports, five presentations at the rapid oral abstract session, 27 poster presentations, and 36 online publications. The research presentations covered more than 10 oncology treatment fields, including gastrointestinal tumors, breast cancer, lung cancer, gynecological malignancies, urological tumors, melanoma, head and neck cancer, sarcoma, nasopharyngeal carcinoma, hematologic tumors, and desmoid tumors.

At the 2025 American Diabetes Association (ADA) Annual Meeting, the Company presented nine major research studies, including one oral report and eight poster presentations.

Management Discussion and Analysis

Intellectual Property

The Company has continued to maintain and streamline its patent applications. During the Reporting Period, the Company filed 255 new patent applications in the Greater China region and 33 new PCT applications internationally, whilst obtaining 41 issued patents in the Greater China region and 44 issued patents in other jurisdictions. As of the end of the Reporting Period, the Company had cumulatively filed a total of 2,864 invention patents in the Greater China region and 737 PCT patent applications, and owned 1,125 issued invention patents granted in the Greater China region and 797 issued patents across overseas markets such as Europe, the U.S. and Japan. These patents provide comprehensive, long-lifecycle intellectual property protection for our products, covering novel drug compounds, protein molecular structures, preparation methods, therapeutic applications and formulation technologies.

R&D Publications

The Company remains committed to exploring innovative therapeutic solutions, demonstrating the clinical value of "China-originated drugs" to the world. During the Reporting Period, 173 major research studies related to the Company's products gained international recognition. These research studies were successively published in world-leading scientific journals, including the Journal of the American Medical Association (JAMA), Annals of Oncology, Cancer Cell, Journal of Clinical Oncology, The Lancet Oncology, etc., with a cumulative impact factor of 1,351 points, including 17 high-impact research papers (impact factor ≥20 points). This has reflected the Company's expanding global academic influence, as the Company's compelling clinical data from innovative drugs increasingly meet the rigorous standards of authoritative international scientific journals.

Collaboration and Licensing Arrangements

During the Reporting Period, in March 2025, the Company entered into an agreement with Merck Sharp & Dohme, granting an exclusive worldwide license of the Company's lipoprotein(a) (Lp(a)) oral small molecule project, HRS-5346, to the counterparty worldwide outside of the Greater China region to develop, manufacture and commercialize HRS-5346. Merck Sharp & Dohme is required to pay to the Company an upfront payment of US$200.0 million, development, regulatory and commercialization-related milestone payments of up to US$1,770.0 million, and corresponding sales royalties. In April 2025, the Company entered into an agreement with Merck KGaA, Darmstadt, Germany, out-licensing the exclusive rights to commercialize the Company's oral GnRH receptor antagonist project, SHR7280, to the counterparty in the mainland China region (excluding Hong Kong, Macau and Taiwan), and a right of first negotiation in territories outside the licensed region. Merck KGaA, Darmstadt, Germany shall pay to the Company an upfront payment of EUR15.0 million, certain milestone payments upon NMPA's regulatory approval and double-digit royalties based on actual annual net sales.

Sales and Distribution

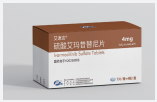
The Company continues to strengthen its commercialization infrastructure and expand sales channels for its innovative drugs. As of the end of the Reporting Period, the Company's sales network covered over 25,000 hospitals and over 200,000 offline retail pharmacies spanning over 30 provincial-level administrative regions in China. In addition to offline retail pharmacies, the Company's professional prescription drug sales team also covered all mainstream online pharmacy platforms. Furthermore, the Company has established a primary care market structure and implemented reasonable expansion strategies for market penetration according to market potential and product strengths. As of today, the Company's network expanded to over 1,500 community healthcare access points, and involved nearly 20,000 medical practitioners in our medical education activities, strengthening the Company's brand influence in primary care markets.

Management Discussion and Analysis

OUR PRODUCTS

The Company continues to execute its "technology and innovation-driven" development strategy, with a portfolio of 23 new molecular entity drugs (Class 1 innovative drugs) and four other innovative drugs (Class 2 innovative drugs) approved for marketing in China as of the end of the Reporting Period. Amongst the Company's commercialized innovative drugs portfolio, six Class 1 Innovative drugs were commercialized during the Reporting Period (see table below for details), securing the Company's industry-leading position in innovation drugs output. The Company has established a self-reinforcing innovative drug R&D ecosystem where the commercialization, clinical trial, and development of innovative drugs proceed smoothly in successive virtuous cycles, exemplifying the Company's formidable R&D capabilities.

Introduction of the Company's Six Class 1 Innovative Drugs Commercialized During the Reporting Period

Product Time of First Approval	Target (Modality)	Approved Indication(s)	Pictures of Product
Therapeutic Area: Oncology			
Trastuzumab rezetecan (AiWeiDa®) **May 2025**	HER2 (ADC)	• Unresectable, locally advanced or metastatic non-small cell lung cancer (NSCLC) in adult patients with HER2 (ERBB2) activating mutations who have previously received at least one systemic therapy	
Famitinib (AiBiTe®) **May 2025**	VEGFR2/ c-kit/PDGFR (small molecule)	• Combo with camrelizumab injection for relapsed or metastatic cervical cancer patients who have previously failed platinum-containing chemotherapy without receiving bevacizumab treatment	
Fosrolapitant and Palonosetron Hydrochloride (RuiTanNing®) **May 2025**	NK-1RA/5 HT3RA (small molecule)	• Prevention of acute and delayed nausea and vomiting induced by highly emetogenic chemotherapy (HEC) in adults	
Therapeutic Area: Metabolic and Cardiovascular Diseases			
Retagliptin Phosphate and Metformin Hydrochloride Tablets (RuiLinTang®) **May 2025**	DPP-4/ Metformin (small molecule)	• To improve glycemic control in adult patients with type 2 diabetes who are suitable for treatment with retagliptin phosphate and metformin hydrochloride, in combination with diet control and exercise	
Recaticimab (AiXinAn®) **January 2025**	PCSK9 (mAb)	• Combo (with statin, or with statin and other lipid-lowering therapies) for treatment of primary hypercholesterolemia (including heterozygous familial and non-familial hypercholesterolemia) and mixed dyslipidemia; and • Monotherapy for non-familial hypercholesterolemia and mixed dyslipidemia	
Therapeutic Area: Immunological & Respiratory Diseases			
Ivarmacitinib (AiSuDa®) **March 2025**	JAK1 (small molecule)	• Treatment for adult patients with active ankylosing spondylitis who have shown inadequate efficacy or intolerance to one or more tumor necrosis factor (TNF) inhibitors • Treatment for adult patients with moderate-to-severe active rheumatoid arthritis who have shown inadequate efficacy or intolerance to one or more TNF inhibitors • Treatment for adult patients with moderate-to-severe atopic dermatitis who showed inadequate response or intolerance to topical treatment or other systemic therapies • Treatment for adult patients with severe alopecia areata	

Management Discussion and Analysis

FINANCIAL REVIEW

RESULTS OF OPERATIONS

Revenue

Our revenue increased by 15.9% from RMB13,600.7 million for the six months ended June 30, 2024 to RMB15,761.2 million for the six months ended June 30, 2025. The increase in our revenue was primarily attributable to (i) the growth of innovative drugs sales; and (ii) the increase of licensing revenue, of which US$200.0 million was received from Merck Sharp & Dohme and US$75.0 million was received from IDEAYA Biosciences during the Reporting Period.

During the Reporting Period, we generated revenue primarily from drug sales and licensing of our products, which accounted for 99.5% of our total revenue, as compared with 99.4% for the six months ended June 30, 2024. Revenue generated by our innovative drugs sales and licensing amounted to RMB9,560.9 million and accounted for 60.7% of our total revenue, of which revenue from sales of innovative drugs amounted to RMB7,569.8 million, accounting for 48.0% of our total revenue and 55.3% of our drug sales revenue, respectively, during the Reporting Period.

Gross Profit

Our gross profit increased by 16.4% from RMB11,727.4 million for the six months ended June 30, 2024 to RMB13,646.2 million for the six months ended June 30, 2025. Our gross profit margin, which represents our gross profit as a percentage of total revenue, increased slightly from 86.2% for the six months ended June 30, 2024 to 86.6% for the six months ended June 30, 2025. This was primarily attributable to the increasing proportion of innovative drug sales and licensing revenue, as described above.

Administrative, Selling And Distribution Expenses

Our administrative, selling and distribution expenses increased by 10.9% from RMB5,227.7 million for the six months ended June 30, 2024 to RMB5,799.3 million for the six months ended June 30, 2025, which was consistent with the increase in revenue of drug sales. Administrative, selling and distribution expenses as a percentage of our revenue decreased from 38.4% for the six months ended June 30, 2024 to 36.8% for the six months ended June 30, 2025.

Research and Development Expenses

Our research and development expenses increased by 6.3% from RMB3,037.8 million for the six months ended June 30, 2024 to RMB3,227.9 million for the six months ended June 30, 2025, primarily due to an increase in expenses spent on the design and clinical trial activities in connection with the clinical trials of innovative products under development. Research and development expenses as a percentage of our revenue decreased from 22.3% for the six months ended June 30, 2024 to 20.5% for the six months ended June 30, 2025.

Management Discussion and Analysis

Profit for the Period

As a result of the foregoing, our profit for the period increased by 29.9% from RMB3,428.1 million for the six months ended June 30, 2024 to RMB4,454.7 million for the six months ended June 30, 2025. Our net profit margin, which represents profit for the period as a percentage of total revenue, increased from 25.2% for the six months ended June 30, 2024 to 28.3% for the six months ended June 30, 2025. Our profit for the period attributable to owners of the parent amounted to RMB4,450.1 million during the Reporting Period, representing a period-on-period increase of 29.7%.

Total Assets

Our total assets increased by 25.4% from RMB50,135.6 million as of December 31, 2024 to RMB62,893.5 million as of June 30, 2025, among which cash and bank balances increased by 45.5% from RMB24,802.5 million as of December 31, 2024 to RMB36,094.0 million as of June 30, 2025, and our net assets increased by 28.1% from RMB46,090.3 million as of December 31, 2024 to RMB59,029.8 million as of June 30, 2025, primarily attributable to the proceeds raised from the Global Offering of the Company's H Shares.

Net Cash Flows From Operating Activities

Our net cash flows from operating activities for the six months ended June 30, 2025 were RMB4,300.5 million, representing an increase of RMB1,267.7 million, as compared with the corresponding period of the previous year, primarily contributed by the increasing revenue from sales of innovative drugs and the licensing revenue received during the Reporting Period.

Net Cash Flows Used In Investing Activities

Our net cash flows used in investing activities for the six months ended June 30, 2025 were RMB1,084.7 million, representing a decrease of RMB438.9 million, as compared with the corresponding period of the previous year, primarily contributed by a decrease in cash payments for structured deposits investments during the Reporting Period.

Net Cash Flows From Financing Activities

Our net cash flows from financing activities for the six months ended June 30, 2025 were RMB8,039.5 million, primarily attributable to the proceeds received from the Global Offering of the Company's H Shares during the Reporting Period.

LIQUIDITY AND FINANCIAL RESOURCES

The Company's liquidity policy is to ensure sufficient cash to meet maturing debt obligations. Liquidity risk is centrally managed by the Company's finance department. The finance department monitors cash balances, readily liquid securities, and rolling 12-month cash flow forecasts to ensure sufficient funds to meet debt obligations under all reasonable projections.

Our objective is to maintain a balance between continuity of funding and flexibility through the use of interest-bearing borrowings and lease liabilities. The Group has sufficient liquidity to meet its daily liquidity management, repay its debts as and when they become due and satisfy its capital expenditure needs.

Management Discussion and Analysis

The following table summarizes the maturity analysis of our financial liabilities based on undiscounted contractual cash flows:

	Less than 12 months or on demand *RMB'000* (Unaudited)	1 to 5 years *RMB'000* (Unaudited)	Over 5 years *RMB'000* (Unaudited)	Total *RMB'000* (Unaudited)
Financial liabilities included in trade and other payables	2,822,057	–	–	2,822,057
Lease liabilities	47,494	47,820	2,497	97,811
Total	**2,869,551**	**47,820**	**2,497**	**2,919,868**

As of June 30, 2025, our cash and cash equivalents amounted to RMB35,542.6 million (December 31, 2024: RMB21,636.2 million). Our cash and cash equivalents primarily comprise of cash on hand and cash at banks, as well as short-term deposits.

During the Reporting Period, we primarily funded our cash requirements from cash flows from operating activities. For the six months ended June 30, 2025, our net cash flows from operating activities amounted to RMB4,300.5 million (June 30, 2024: RMB3,032.8 million).

CAPITAL STRUCTURE

The primary objective of our capital management is to ensure that our operations continue as a going concern, maintain healthy capital ratios to support business development, and maximize shareholder value.

We manage our capital structure and make adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, we may adjust profit distributions to shareholders, capital return to shareholders, or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the Reporting Period. As of June 30, 2025, our gearing ratio (calculated as our total liabilities divided by our total assets) was 6.1% (December 31, 2024: 8.1%).

Management Discussion and Analysis

EXCHANGE RATE RISKS

Exchange rate risk refers to the possibility of us incurring losses due to exchange rate fluctuations in activities involving holding or using foreign currencies. To mitigate the exchange rate risks we face in our operations, we primarily use U.S. dollars as the settlement currency for our export businesses. The Group manages its foreign exchange risk by closely monitoring its net foreign exchange exposure to reduce the impact of foreign exchange fluctuations.

SIGNIFICANT INVESTMENTS HELD

During the six months ended June 30, 2025, we did not have any significant investments.

MATERIAL ACQUISITIONS AND DISPOSALS

During the six months ended June 30, 2025, we did not have any material acquisitions or disposals of subsidiaries, associates or joint ventures.

PLEDGE OF GROUP ASSETS

As of June 30, 2025, the Group had pledged deposits of RMB27.9 million (December 31, 2024: RMB13.4 million), representing amounts required to be deposited in banks for securing letters of credit and letters of guarantee granted to the Group. The bank balances and pledged deposits are deposited with creditworthy banks with no recent history of default. Save for the aforementioned, the Group did not have any charges on its assets.

Management Discussion and Analysis

CONTINGENT LIABILITIES

As of June 30, 2025, the Group had no material contingent liabilities.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

As of June 30, 2025, save as disclosed in the section headed "Future Plans and Use of Proceeds" in the Prospectus and further explained in the section headed "Issuance of Securities and Use of Proceeds from the Global Offering" below, the Group did not have any plans for material investments and capital assets.

EMPLOYEES AND REMUNERATION POLICIES

As of June 30, 2025, the Group had a total of 20,560 employees. During the Reporting Period, total employee benefits expenses amounted to RMB3,686.0 million, accounting for approximately 23.4% of the Group's revenue. Our ability to attract, retain and motivate qualified personnel is crucial to our success. We offer remuneration packages to our employees that include a base salary and a variable portion linked to individual performance and overall company results, aiming to fully engage our employees and incentivize talent attraction, retention, and motivation.

Our Company adopted the 2022 Employee Stock Ownership Scheme, the 2023 Employee Stock Ownership Scheme and the 2024 Employee Stock Ownership Scheme (collectively, the "**A Share Employee Stock Ownership Schemes**") during the period from September 8, 2022 to September 6, 2024, which were outstanding as of the date of this Report. The A Share Employee Stock Ownership Schemes aim to establish and improve the mechanism for sharing benefits between the Company, its Shareholders and its employees, motivate the enthusiasm and creativity of employees, enhance employee cohesion and the Company's competitiveness, which in return will promote the long-term, sustainable and healthy development of the Company.

The A Share Employee Stock Ownership Schemes are share schemes of the Company that are funded by existing Shares only, as referred to under Rule 17.01(1)(b) of the Listing Rules, and shall be subject to the applicable disclosure requirements under Rule 17.12 of the Listing Rules. Further details of the A Share Employee Stock Ownership Schemes will be set out in the annual report of the Company for the year ending December 31, 2025.

Management Discussion and Analysis

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

The Company's environmental protection measures mainly include: establishing a standardized, science-based, and rational environmental management system; regularly conducting internal and external environmental monitoring and audit to ensure compliance with applicable environmental standards and mitigate the environmental impact of the Group's operations; implementing effective environmental emergency response plans and on-site management; and providing regular training sessions for employees to enhance their environmental awareness.

Our ESG policy also places a strong emphasis on addressing the impacts of climate change. Recognizing the significant impact that climate change can have on long-term business sustainability, we incorporate climate-related issues into our governance and decision-making processes. We proactively identify and mitigate climate-related risks, while tailoring our strategies to enhance our adaptability. Looking ahead, we plan to continue to monitor evolving climate-related risks, and aim to enhance our overall resilience to climate challenges by strengthening our climate change management system, leveraging green energy, and promoting a responsible supply chain.

Moreover, we have integrated ESG into our employee management practices to ensure that our employees contribute to our sustainability goals. For instance, to effectively manage ESG issues, mitigate risks, and achieve sustainable growth, we tie executive and managerial compensation to performance metrics related to safety, environment protection, quality, and compliance.

In August 2025, the Company was assigned a rating of "AA" in the ESG rating issued by MSCI Inc.. The "AA" rating places the Company among the top tier of global pharmaceutical companies. The upgrade of the Company's rating from "A" to "AA" was driven by the Company's strong performance in pharmaceutical innovation, compliant operations, green development, and social responsibility and reflects the importance the Company attaches to its implementation of ESG practices, and to the persistent efforts for achieving effective results.

Management Discussion and Analysis

PROSPECTS

In the second half of 2025, the Company will navigate evolving market landscapes by upholding its value of "Innovation as Our Soul, Compliance as Our Lifeblood" (創新是靈魂、合規是生命) and its patient-centered approach. Built upon the Company's "Compliance, Innovation, and Talent" framework as its key workstreams, the Company intends to focus on the following key strategic areas.

With respect to sales, the Company is committed to ensuring quality and compliance across its sales activities and strengthening its integrated clinical-commercial model. The Company plans to continue to leverage its leading position in oncology and analgesia (pain management) whilst accelerating its expansion into new areas, such as endocrinology and autoimmunity, and through new retail and primary care distribution channels. To boost high-quality sales, the Company will be dedicated to developing blockbuster products, and intends to achieve this by optimizing the full lifecycle management and resource allocation of our innovative drugs.

With respect to R&D, the Company will continue to advance the development of its technology platforms, while efficiently utilizing R&D resources to enhance innovation efficiency and product differentiation, and accelerate market entry of its innovative drug candidates. By proactively entering into strategic collaborations with international partners, while exploring overseas R&D footprint, the Company aims to fully realize the global market potential of its products.

With respect to operational management, the Company aims to strengthen its operational practices, optimize resource allocation and advance digital and IT transformation initiatives, in order to enhance its operational efficiency and capabilities. The Company's talent strategy will focus on recruiting top-notch talent, upgrading and developing leadership pipeline, reinforcing executive accountability, strengthening performance evaluations and accelerating merit-based career advancement.

Corporate Governance and Other Information

CHANGES OF DIRECTORS, CHIEF EXECUTIVE, SUPERVISORS, AND SENIOR MANAGEMENT AND CHANGES IN THEIR INFORMATION

Since the Listing Date and up to the end of the Reporting Period, there were no changes in the Directors, chief executive, Supervisors and senior management of the Company and their information, including information which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

INTERESTS AND SHORT POSITIONS OF THE DIRECTORS, SUPERVISORS, AND THE CHIEF EXECUTIVE OF THE COMPANY IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As of June 30, 2025, the interests or short positions of the Directors, Supervisors or chief executive in the Shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required (i) to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or (ii) required to be entered into the register required to be kept by the Company pursuant to Section 352 of the SFO, or (iii) otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code set out in Appendix C3 of the Listing Rules were as follows:

Corporate Governance and Other Information

1. *Interest in shares or underlying shares of our Company*

Name of Director, Supervisor or chief executive	Nature of interest[1]	Class of Shares	Number of Shares or underlying shares directly or indirectly held	Approximate percentage of shareholding in the relevant class of shares (%)[2]	Approximate percentage of shareholding in the Company's issued share capital (%)[2]
Mr. Sun Piaoyang (孫飄揚先生)	Interest held by controlled corporation[3]	A Shares	1,538,184,187	24.11%	23.18%
Mr. Dai Hongbin (戴洪斌先生)	Beneficial owner	A Shares	1,708,842	0.03%	0.03%
Mr. Zhang Lianshan (張連山先生)	Beneficial owner	A Shares	497,152	0.01%	0.01%
Mr. Sun Jieping (孫杰平先生)	Beneficial owner	A Shares	1,907,032	0.03%	0.03%
Mr. Yuan Kaihong (袁開紅先生)	Beneficial owner	A Shares	1,292,000	0.02%	0.02%

Notes:

(1) All interests stated are long positions.

(2) The calculation is based on the total issued Shares of 6,637,199,874 shares as of June 30, 2025 (including 6,379,002,274 A Shares and 258,197,600 H Shares).

(3) As of June 30, 2025, (i) Hengrui Group directly held 1,538,184,187 A Shares; and (ii) Mr. Sun Piaoyang, our chairman of the Board and one of our executive Directors, held an 89.2% equity interest in Hengrui Group. Therefore by virtue of the SFO, Mr. Sun Piaoyang is deemed to be interested in the A Shares held by Hengrui Group.

Corporate Governance and Other Information

2. *Interest in shares of associated corporations of our Company*

Name of Director, Supervisor or chief executive	Nature of interest	Name of associated corporation	Approximate percentage of shareholding
Mr. Sun Piaoyang (孫飄揚先生)	Beneficial owner	Chengdu Suncadia Medicine	1.22%
	Beneficial owner	Ruilidi Biopharmaceuticals (Shanghai) Co., Ltd. (瑞利迪(上海)生物醫藥有限公司)	40.00%
	Interest in controlled corporation[1]	Shanghai Shengdi Biopharmaceuticals Private Investment Fund Partnership (Limited Partnership) (上海盛迪生物醫藥私募投資基金合夥企業(有限合夥))	48.54%
	Interest in controlled corporation[1]	Shanghai Regenelead Therapies Co., Ltd. (上海瑞宏迪醫藥有限公司)	28.00%
Mr. Dai Hongbin (戴洪斌先生)	Beneficial owner	Chengdu Suncadia Medicine	0.12%
Mr. Zhang Lianshan (張連山先生)	Beneficial owner	Chengdu Suncadia Medicine	0.11%

Corporate Governance and Other Information

Name of Director, Supervisor or chief executive	Nature of interest	Name of associated corporation	Approximate percentage of shareholding
Mr. Sun Jieping (孫杰平先生)	Beneficial owner	Chengdu Suncadia Medicine	0.12%
	Interest in controlled corporation(2)	Shanghai Shengdi Private Equity Management Co., Ltd. (上海盛迪私募基金管理有限公司) ("Shanghai Shengdi Private Equity")	40.00%
Mr. Yuan Kaihong (袁開紅先生)	Beneficial owner	Chengdu Suncadia Medicine	0.12%

Notes:

(1) As of June 30, 2025, (i) Hengrui Group held 48.5% equity interest in Shanghai Shengdi Biopharmaceuticals Private Investment Fund Partnership (Limited Partnership) (上海盛迪生物醫藥私募投資基金合夥企業(有限合夥)) and 28.0% equity interest in Shanghai Ruihongdi Pharmaceutical Co., Ltd. (上海瑞宏迪醫藥有限公司); and (ii) Mr. Sun Piaoyang, our chairman of the Board and one of our executive Directors, held an 89.2% equity interest in Hengrui Group. As such, Mr. Sun Piaoyang is deemed to be interested in the Shares held by Hengrui Group.

(2) As of June 30, 2025, (i) Shanghai Yaorong Enterprise Management Center (Limited Partnership) (上海曜嶸企業管理中心(有限合夥)) ("Shanghai Yaorong") held 40.0% equity interest in Shanghai Shengdi; and (ii) Mr. Sun Jieping, one of our executive Directors, held 50.0% interest in Shanghai Yaorong in the capacity as executive and general partner. As such, Mr. Sun Jieping is deemed to be interested in the Shares held by Shanghai Yaorong.

Save as disclosed above, as of June 30, 2025, so far as the Directors, the Supervisors and the chief executive of the Company are aware, none of the Directors, the Supervisors or the chief executive of the Company had or were deemed to have any interest or short position in any Shares or underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which was required (i) to be notified to the Company and the Hong Kong Stock Exchange under Divisions 7 and 8 of Part XV of the SFO; (ii) to be recorded in the register required to be kept by the Company under Section 352 of the SFO; or (iii) as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

Corporate Governance and Other Information

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND/OR SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As of June 30, 2025, the interests of relevant persons (other than a Director, a Supervisor or the chief executive of the Company) who had interests or short positions in the Shares or the underlying shares, which were required to be notified under Divisions 2 and 3 of Part XV of the SFO or recorded in the register required to be kept by the Company under Section 336 of the SFO, were as follows:

Name of Shareholder	Capacity/ Nature of interest	Class of Shares	Long Position/ Short Position/ Lending Pool	Number of Shares or underlying shares directly or indirectly held	Approximate percentage of shareholding in the relevant class of shares (%)[1]	Approximate percentage of shareholding in the Company's issued share capital (%)[1]
Hengrui Group	Beneficial owner	A Shares	Long Position	1,538,184,187[2]	24.11%	23.18%
Mr. Cen Junda (岑均達先生)	Interest in controlled corporation	A Shares	Long Position	952,752,304[3]	14.94%	14.35%
GIC Private Limited	Investment manager	H Shares	Long Position	51,676,800	20.01%	0.78%
JPMorgan Chase & Co.	Beneficial owner	H Shares	Long Position	2,050,550[4]	0.79%	0.03%
	Beneficial owner	H Shares	Short Position	622,550[4]	0.24%	0.01%
	Investment manager	H Shares	Long Position	9,476,600[4]	3.67%	0.14%
	Person having a security interest in shares	H Shares	Long Position	830,300[4]	0.32%	0.01%
	Approved lending agent	H Shares	Lending Pool	17,439,774[4]	6.75%	0.26%

Corporate Governance and Other Information

Name of Shareholder	Capacity/ Nature of interest	Class of Shares	Long Position/ Short Position/ Lending Pool	Number of Shares or underlying shares directly or indirectly held	Approximate percentage of shareholding in the relevant class of shares (%)[1]	Approximate percentage of shareholding in the Company's issued share capital (%)[1]
Morgan Stanley International Holdings Inc.	Interest in controlled corporation	H Shares	Long Position	21,214,380[5]	8.22%	0.32%
Invesco Asset Management Limited	Investment manager	H Shares	Long Position	20,181,000	7.82%	0.30%
The Capital Group Companies, Inc.	Interest in controlled corporation	H Shares	Long Position	20,086,000[6]	7.78%	0.30%
Invesco Developing Markets Fund	Person having a security interest in shares	H Shares	Long Position	19,235,000	7.45%	0.29%
UBS Group AG	Interest in controlled corporation	H Shares	Long Position	18,360,071[7]	7.11%	0.28%
Mr. Tong Xiaomeng (童小幪先生)	Interest in controlled corporation	H Shares	Long Position	14,074,800[8]	5.45%	0.21%
Wellington Management Group LLP	Investment manager	H Shares	Long Position	13,115,733[9]	5.08%	0.20%

Notes:

(1) The calculation is based on the total issued Shares of 6,637,199,874 shares as of June 30, 2025 (including 6,379,002,274 A Shares and 258,197,600 H Shares).

(2) Mr. Sun Piaoyang, our chairman of the Board and one of our executive Directors, held an 89.2% equity interest in Hengrui Group. Therefore by virtue of the SFO, Mr. Sun Piaoyang is deemed to be interested in the A Shares held by Hengrui Group. Accordingly, the 1,538,184,187 shares of the Company in which Hengrui Group was interested were duplicated with the interests attributed to Mr. Sun Piaoyang.

Corporate Governance and Other Information

(3) These shares are held by Tibet Dayuan Enterprise Management Co., Ltd. ("Tibet Dayuan"). Tibet Dayuan is owned as to 79.17% by Shanghai Qianying Enterprise Management Partnership (Limited Partnership) ("Shanghai Qianying"), which in turn is owned by Shenzhen Yingtai Asset Management Co., Ltd. ("Shenzhen Yingtai") and Shanghai Yaoye Technology Co., Ltd. ("Shanghai Yaoye") as to 100% and 99.00%, respectively. Shanghai Yaoye is owned as to 99.00% by HongKong Jieyuan Investment Co., Limited ("HongKong Jieyuan"). As Shenzhen Yingtai and HongKong Jieyuan are wholly-owned by Mr. Cen Junda, Tibet Dayuan, Shanghai Qianying, Shenzhen Yingtai, Shanghai Yaoye and HongKong Jieyuan are deemed to be interested in these Shares.

(4) These Shares, of which 17,439,774 Shares are held by JPMorgan Chase Bank, National Association ("JPM, NA"), of which 400 Shares are held by J.P. Morgan SE, of which 2,500,650 Shares and 622,550 Shares in short position are held by J.P. Morgan Securities Plc ("JPM Securities Plc"), of which 9,273,600 Shares are held by JPMorgan Asset Management (Asia Pacific) Limited ("JPM AM AP"), of which 202,600 Shares are held by JPMorgan Asset Management (Taiwan) Limited ("JPM AM Taiwan"), and of which 380,200 Shares are held by J.P. Morgan Securities LLC ("JPM Securities") J.P. Morgan SE is a wholly-owned subsidiary of J.P. Morgan International Finance Limited ("JPM Finance"), which is an indirect wholly-owned subsidiary of JPMorgan Chase & Co. through JPM, NA. JPM Securities Plc is an indirectly wholly-owned subsidiary of JPMorgan Chase & Co through J.P. Morgan Capital Holdings Limited, a directly wholly-owned subsidiary of JPM Finance. JPM AM AP and JPM AM Taiwan are wholly-owned by JPMorgan Asset Management (Asia) Inc., which is in turn wholly-owned by JPMorgan Asset Management Holdings Inc., an indirectly wholly-owned subsidiary of JPMorgan Chase & Co. through JPMorgan Chase Holdings LLC ("JPM Holdings"). JPM Securities is an indirectly wholly-owned subsidiary of JPMorgan Chase & Co. through J.P. Morgan Broker-Dealer Holdings Inc., a directly wholly-owned subsidiary of JPM Holdings. Accordingly, JPMorgan Chase & Co. is deemed to be interested in the Shares held by the aforementioned subsidiaries. The equity interests and short positions of JPMorgan Chase & Co. included a lending pool of 17,439,774 Shares. Besides, 622,550 Shares (short position) were held through cash settled unlisted derivatives.

(5) These Shares are held by Morgan Stanley & Co. International plc ("MSCI"). MSCI is wholly-owned by Morgan Stanley Investments (UK), which in turn is wholly-owned by Morgan Stanley International Limited ("MSIL"). MSIL is wholly owned by Morgan Stanley International Holdings Inc. Accordingly, Morgan Stanley International Holdings Inc. is deemed to be interested in the Shares held by the aforementioned subsidiaries. Out of the equity interests held by Morgan Stanley International Holdings Inc. in the Company, 13,471,200 Shares were held through physically settled unlisted derivatives.

(6) These Shares, of which 18,214,200 Shares are held by Capital Research and Management Company ("CRMC"), of which 1,683,600 Shares are held by Capital International, Inc. and of which 188,200 Shares are held by Capital International Sarl. CRMC is wholly-owned by The Capital Group Companies, Inc. ("TCGC"). Capital International Sarl and Capital International, Inc. are both wholly-owned by Capital Group International, Inc., which in turn is a direct wholly-owned subsidiary of CRMC. CRMC is a wholly-owned subsidiary of TCGC. Accordingly, The Capital Group Companies, Inc. is deemed to be interested in the Shares held by the aforementioned subsidiaries.

(7) These Shares, of which 9,432,200 Shares are held by UBS Asset Management (Europe) S.A. ("UBS Europe"), of which 4,692,000 Shares are held by UBS Asset Management (Hong Kong) Ltd ("UBS HK"), of which 3,410,400 Shares are held by UBS Asset Management (UK) Limited ("UBS UK"), of which 700,871 Shares are held by UBS AG, of which 65,800 Shares are held by UBS Fund Management (Switzerland) AG ("UBS Switzerland") and of which 58,800 Shares are held by UBS Asset Management (Singapore) Ltd ("UBS Singapore"). UBS Europe, UBS HK, UBS UK, UBS AG, UBS Switzerland and UBS Singapore are wholly-owned by UBS Group AG. Accordingly, UBS Group AG is deemed to be interested in the Shares held by the aforementioned subsidiaries.

Corporate Governance and Other Information

(8) These Shares, of which 7,037,400 Shares are held by Cordial Solar Limited, of which 5,897,341 Shares are held by Boyu Capital Opportunities Master Fund ("BCOMF") and of which 1,140,059 Shares are held by Boyu Capital Vantage Master Fund ("BCVMF"). Cordial Solar Limited is owned as to 83.80% by BCOMF, while BCOMF and BCVMF are in turn wholly-owned by Boyu Capital Investment Management Limited ("BCIM"). BCIM is wholly-owned by Boyu Capital Group Holdings Ltd., which is in turn wholly-owned by Boyu Group, LLC. Boyu Group, LLC is owned as to 45.70% by XYXY Holdings Ltd., a wholly-owned company of Mr. Tong Xiaomeng. Accordingly, Mr. Tong Xiaomeng is deemed to be interested in the Shares held by the aforementioned companies.

(9) These Shares, of which 7,054,049 Shares are held by Wellington Management International Ltd. ("Wellington International"), of which 2,369,000 Shares are held by Wellington Management Hong Kong Ltd ("Wellington Hong Kong") and of which 3,692,684 Shares are held by Wellington Management Company LLP ("Wellington MC LLP"). Wellington MC LLP is owned as to 99.99% by Wellington Investment Advisors Holdings LLP ("Wellington Advisors"). Wellington Hong Kong and Wellington International are wholly-owned by Wellington Management Global Holdings, Ltd. ("Wellington MGH"), which in turn is owned as to 94.10% by Wellington Advisors. Wellington Advisors is owned as to 99.99% by Wellington Group Holdings LLP, which in turn is owned as to 99.70% by Wellington Management Group LLP. Accordingly, Wellington Management Group LLP is deemed to be interested in the Shares held by the aforementioned subsidiaries.

Saved as disclosed above, as of June 30, 2025, so far as the Directors are aware, no other person (not being a Director, Supervisor or chief executive of the Company) had or was deemed to have any interest or short position in any Shares or underlying shares of the Company which was required to be notified under Divisions 2 and 3 of Part XV of the SFO or recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

PURCHASE, SALE OR REDEMPTION OF SECURITIES OF THE COMPANY

Since the Listing Date and up to June 30, 2025, there was no purchase, sale or redemption of securities (including treasury shares) of the Company made by the Company or any of its subsidiaries.

ISSUANCE OF SECURITIES AND USE OF NET PROCEEDS FROM THE GLOBAL OFFERING

On May 23, 2025, the Company's H Shares were successfully listed on the Main Board of the Hong Kong Stock Exchange, where 224,519,800 H Shares (before exercise of the over-allotment option) were issued and subscribed for at an offer price of HK$44.05 per H Share by way of initial public offering to Hong Kong and overseas investors. Net proceeds from such issue amounted to HK$9,747.3 million. On June 19, 2025, pursuant to the full exercise of the over-allotment option by the overall coordinators of the Global Offering (for themselves and on behalf of the international underwriters), the Company issued and allotted an aggregate of 33,677,800 H Shares at an offer price of HK$44.05 per H Share. The additional net proceeds from the full exercise of over-allotment option amounted to HK$1,471.5 million.

The total net proceeds from the Global Offering (taking into account the exercise of the over-allotment option and after deducting the underwriting fees and other estimated expenses payable by us in connection with the Global Offering) amounted to HK$11,218.8 million (approximately RMB10,300.4 million). The Company aims to, among others, raise additional capital for advancing its R&D initiatives and fund the construction, expansion or upgrade of new and existing production and R&D facilities through the issuance of its H Shares through the Global Offering.

Corporate Governance and Other Information

As of June 30, 2025, the Company has not yet utilized any of the net proceeds from the Global Offering. As of the date of this report, there was no change in the intended use of net proceeds as previously disclosed in the section headed "Future Plans and Use of Proceeds" in the Prospectus and as shown below.

Purpose	Percentage of the total amount	Net proceeds from the Global Offering[2] *(HK$ million)*	Expected timeline for fully utilizing the unutilized amount[1]
Clinical studies for innovative drugs and drug candidates	45.0%	5,048.5	On or before December 31, 2030
Developing new innovative drugs	20.0%	2,243.8	On or before December 31, 2030
Acquisitions and collaborations globally to strengthen our product pipeline and innovation capabilities	10.0%	1,121.9	On or before December 31, 2030
Construction of new production and R&D facilities in China and overseas markets	15.0%	1,682.8	On or before December 31, 2030
Working capital and other general corporate purposes	10.0%	1,121.9	On or before December 31, 2030
Total	**100%**	**11,218.8**	

1 The expected timeline for utilization of the unutilized proceeds disclosed above is based on the best estimation from the Board in accordance with latest information as at the date of this report.

2 Any discrepancies in this table between the total and sums of amounts are due to rounding.

DIVIDENDS

Pursuant to the resolutions of the shareholders of the Company dated April 28, 2025, the Company declared dividends of RMB20 cents (May 15, 2024: RMB20 cents) per ordinary share, amounting to a total of approximately RMB1,274.1 million (six months ended June 30, 2024: RMB1,273.8 million).

The Board does not recommend the payment of any interim dividend for the Reporting Period.

Corporate Governance and Other Information

REVIEW OF INTERIM RESULTS AND INTERIM REPORT BY THE AUDIT COMMITTEE

The Board has established the Audit Committee, which consists of three independent non-executive directors, namely Mr. Zeng Qingsheng (chairperson of the Audit Committee), Mr. Dong Jiahong and Mr. Sun Jinyun. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal controls system of our Group, review and supervise the work of internal and external auditors and provide advice and comments to the Board.

The Company's unaudited interim results and unaudited interim report for the Group for the six months ended June 30, 2025 have been reviewed by the Audit Committee of the Company. The Audit Committee has discussed accounting principles and practices adopted by the Group and its internal controls and financial reporting matters with the management of the Company, and is of the opinion that the 2025 interim report complies with the applicable accounting standards and fairly present the Group's financial position and results for the Reporting Period.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

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 as set out in the CG Code and the Company has adopted the CG Code as its own code of corporate governance.

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 the Company has complied with all the Code Provisions as set out in Part 2 of the CG Code since the Listing Date and up to June 30, 2025.

The Board will periodically review and enhance its corporate governance practices to ensure that the Company continues to meet the requirements of the CG Code.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has devised its own code of conduct regarding Directors' dealings in the Company's securities (the "Code of Conduct") on terms no less exacting than the Model Code as set out in Appendix C3 to the Listing Rules. Having made specific enquiry 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 Code of Conduct since the Listing Date and up to June 30, 2025.

Corporate Governance and Other Information

OTHER INFORMATION

The Company does not have any other disclosure obligations pursuant to Rules 13.20, 13.21 and 13.22 of the Listing Rules.

EVENTS AFTER THE REPORTING PERIOD

In July 2025, the Company entered into agreements with GSK granting GSK an exclusive worldwide right (excluding mainland China, Hong Kong, Macau and Taiwan region) of the Company's drug candidate, HRS-9821, as well as exclusive options to obtain exclusive worldwide licenses (excluding mainland China, Hong Kong, Macau and Taiwan region) for up to 11 programs. GSK will make an upfront payment of US$500.0 million, a potential total amount of approximately US$12,000.0 million in option exercise fees and milestone payments, as well as corresponding tiered royalties on product net sales. For details, please refer to the announcement of the Company dated July 28, 2025.

Save for the above, no important event affecting the Group has occurred since the end of the Reporting Period and up to the date of this report.

Interim Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income

	Notes	For the six months ended June 30, 2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
REVENUE	4	**15,761,194**	13,600,734
Cost of sales		**(2,114,962)**	(1,873,304)
Gross profit		**13,646,232**	11,727,430
Other income and gains	4	**603,801**	593,384
Selling and distribution expenses		**(4,389,305)**	(3,938,215)
Research and development expenses		**(3,227,933)**	(3,037,754)
Administrative expenses		**(1,410,033)**	(1,289,446)
Other expenses	5	**(118,697)**	(266,110)
Finance costs		**(11,663)**	(3,314)
Share of losses of associates		**(41,467)**	(34,377)
PROFIT BEFORE TAX	6	**5,050,935**	3,751,598
Income tax expenses	7	**(596,264)**	(323,468)
PROFIT FOR THE PERIOD		**4,454,671**	3,428,130
Attributable to:			
Owners of the parent		**4,450,107**	3,431,746
Non-controlling interests		**4,564**	(3,616)
		4,454,671	3,428,130
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT FOR THE PERIOD			
Basic (RMB)		**0.70**	0.54
Diluted (RMB)		**0.70**	0.54

Interim Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income

	Notes	For the six months ended June 30, 2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
PROFIT FOR THE PERIOD		**4,454,671**	3,428,130
OTHER COMPREHENSIVE INCOME			
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:			
Exchange differences:			
Exchange differences on translation of foreign operations		**26,151**	(15)
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		**26,151**	(15)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**4,480,822**	3,428,115
Attributable to:			
Owners of the parent		**4,476,550**	3,430,975
Non-controlling interests		**4,272**	(2,860)
		4,480,822	3,428,115

Interim Condensed Consolidated Statements of Financial Position

	Notes	**June 30, 2025 RMB'000 (Unaudited)**	December 31, 2024 RMB'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	10	**7,381,507**	7,094,142
Intangible assets		**5,158,579**	4,556,283
Right-of-use assets		**701,123**	582,246
Investments in associates		**624,887**	666,354
Other non-current assets		**667,154**	479,107
Financial assets at fair value through profit or loss ("FVTPL")	14	**1,190,106**	1,065,411
Deferred tax assets		**409,874**	377,174
Total non-current assets		**16,133,230**	14,820,717
CURRENT ASSETS			
Inventories	11	**2,581,065**	2,417,119
Trade and bills receivables	12	**6,033,626**	6,159,470
Prepayments, other receivables and other assets	13	**1,914,742**	1,649,088
Financial assets at FVTPL	14	**109,008**	273,345
Pledged deposits and restricted cash		**27,865**	13,430
Cash and bank balances		**36,093,982**	24,802,475
Total current assets		**46,760,288**	35,314,927
CURRENT LIABILITIES			
Trade and other payables	15	**3,038,350**	3,230,864
Income tax payables		**265,363**	242,938
Contract liabilities		**161,336**	159,793
Total current liabilities		**3,465,049**	3,633,595
NET CURRENT ASSETS		**43,295,239**	31,681,332
TOTAL ASSETS LESS CURRENT LIABILITIES		**59,428,469**	46,502,049

Interim Condensed Consolidated Statements of Financial Position

	Notes	**June 30, 2025 RMB'000 (Unaudited)**	December 31, 2024 RMB'000 (Audited)
NON-CURRENT LIABILITIES			
Lease liabilities		**45,473**	69,036
Deferred income		**224,791**	225,650
Deferred tax liabilities		**128,407**	117,112
Total non-current liabilities		**398,671**	411,798
Net assets		**59,029,798**	46,090,251
EQUITY			
Equity attributable to owners of the parent			
Share capital	16	**6,637,200**	6,379,002
Treasury shares	16	**(1,427,697)**	(1,228,624)
Reserves		**53,255,328**	40,369,484
		58,464,831	45,519,862
Non-controlling interests		**564,967**	570,389
Total equity		**59,029,798**	46,090,251

Interim Condensed Consolidated Statements of Changes in Equity

For the six months ended June 30, 2025

	Attributable to owners of the parent								
	Share capital RMB'000	Treasury shares RMB'000	Share premium RMB'000	Other reserves RMB'000	Surplus reserve RMB'000	Retained profits RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total RMB'000
At January 1, 2025 (audited)	6,379,002	(1,228,624)	2,626,748	578,295	3,298,912	33,865,529	45,519,862	570,389	46,090,251
Profit for the period	–	–	–	–	–	4,450,107	4,450,107	4,564	4,454,671
Other comprehensive income for the period:									
Exchange differences on translation of foreign operations	–	–	–	26,443	–	–	26,443	(292)	26,151
Total comprehensive income for the period	–	–	–	26,443	–	4,450,107	4,476,550	4,272	4,480,822
Proceeds from issue of ordinary shares	258,198	–	10,093,740	–	–	–	10,351,938	–	10,351,938
Final 2024 dividend declared and paid	–	–	–	–	–	(1,274,130)	(1,274,130)	–	(1,274,130)
Impact of change of interests in certain subsidiary	–	–	–	(400,618)	–	–	(400,618)	(10,243)	(410,861)
Repurchase of shares under A share stock ownership schemes	–	(382,891)	–	–	–	–	(382,891)	–	(382,891)
Recognition of equity-settled share-based payments	–	–	–	126,382	–	–	126,382	549	126,931
IPO cost paid	–	–	(51,491)	–	–	–	(51,491)	–	(51,491)
Shares under A share stock ownership schemes vested	–	183,818	–	(84,589)	–	–	99,229	–	99,229
At June 30, 2025 (unaudited)	6,637,200	(1,427,697)	12,668,997	245,913	3,298,912	37,041,506	58,464,831	564,967	59,029,798

Interim Condensed Consolidated Statements of Changes in Equity

For the six months ended June 30, 2024

	Attributable to owners of the parent								
	Share capital RMB'000	Treasury shares RMB'000	Share premium RMB'000	Other reserves RMB'000	Surplus reserve RMB'000	Retained profits RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total RMB'000
At January 1, 2024 (audited)	6,379,002	(1,091,851)	2,638,761	438,201	3,298,912	28,802,770	40,465,795	567,291	41,033,086
Profit for the period	–	–	–	–	–	3,431,746	3,431,746	(3,616)	3,428,130
Other comprehensive income for the period:									
Exchange differences on translation of foreign operations	–	–	–	(771)	–	–	(771)	756	(15)
Total comprehensive income for the period	–	–	–	(771)	–	3,431,746	3,430,975	(2,860)	3,428,115
Final 2023 dividend declared	–	–	–	–	–	(1,273,768)	(1,273,768)	–	(1,273,768)
Repurchase of shares under A share stock ownership schemes	–	(110,163)	–	–	–	–	(110,163)	–	(110,163)
Recognition of equity-settled share-based payments	–	–	–	109,403	–	–	109,403	462	109,865
At June 30, 2024 (unaudited)	6,379,002	(1,202,014)	2,638,761	546,833	3,298,912	30,960,748	42,622,242	564,893	43,187,135

Interim Condensed Consolidated Statements of Cash Flows

	Notes	For the six months ended June 30, 2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax:		**5,050,935**	3,751,598
Adjustments for:			
Finance costs		**11,663**	3,314
Share of losses of associates		**41,467**	34,377
Dividends received from financial assets at FVTPL	4	**(14,249)**	(28,369)
(Gain)/Loss on disposal of property, plant and equipment	4/5/6	**(435)**	287
Depreciation of property, plant and equipment	6	**390,477**	362,784
Amortization of intangible assets	6	**44,868**	22,707
Equity-settled share-based payment expense	6	**126,932**	109,866
Impairment loss recognized/(reversed) on non-financial assets	5/6	**9,444**	(15,816)
Depreciation of right-of-use assets	6	**26,447**	39,332
Gain on financial assets at FVTPL	4	**(126,127)**	(7,542)
Impairment losses under expected credit loss model, net of reversal	5/6	**(9,816)**	37,501
Net foreign exchange (gain)/loss		**(21,930)**	5,007
		478,741	563,448
Increase in trade and bills receivables		**(1,573,489)**	(2,089,661)
Increase in pledged deposits		**(17,463)**	(7,985)
Increase in prepayments, other receivables and other assets		**(262,375)**	(320,028)
(Increase)/Decrease in inventories		**(173,390)**	77,839
Increase in trade and other payables		**1,418,226**	1,036,995
Increase in contract liabilities		**1,542**	673,301
(Decrease)/Increase in deferred income		**(859)**	3,600
Decrease in other payables		**(38,168)**	(109,914)
Decrease/(Increase) in deposits and other receivables		**11,997**	(193,401)
Cash generated from operations		**4,895,697**	3,385,792
Income tax paid		**(595,244)**	(353,036)
Net cash flows from operating activities		**4,300,453**	3,032,756

Interim Condensed Consolidated Statements of Cash Flows

	Notes	For the six months ended June 30, 2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Net cash flows from operating activities		**4,300,453**	3,032,756
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends received from financial assets at FVTPL		**14,249**	28,369
Dividends received from associates		**–**	6,854
Purchases of items of property, plant and equipment		**(477,764)**	(125,013)
Proceeds from disposal of items of property, plant and equipment		**3,719**	5,858
Purchase of wealth management products		**–**	(600,000)
Purchase of land use right		**(142,642)**	–
Additions to other intangible assets		**(647,159)**	(839,660)
Proceeds from disposal of financial assets at FVTPL		**164,864**	–
Net cash flows used in investing activities		**(1,084,733)**	(1,523,592)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments for repurchase of shares for A share incentive scheme		**(382,891)**	(110,163)
Proceeds from issue of shares		**10,351,938**	–
New bank loans		**–**	799,909
Repayment of lease liabilities		**(22,952)**	(27,385)
Repayment of borrowings		**–**	(799,909)
Repayment of borrowings from third parties		**(170,118)**	–
Payments for additional interests in certain subsidiary		**(410,861)**	–
Interest paid		**–**	(1,020)
IPO cost paid		**(51,491)**	–
Dividends paid		**(1,274,130)**	–
Net cash flows generated from/(used in) financing activities		**8,039,495**	(138,568)
NET INCREASE IN CASH AND CASH EQUIVALENTS		**11,255,215**	1,370,596
Cash and cash equivalents at beginning of period		**24,239,102**	20,271,524
Effect of foreign exchange rate changes, net		**48,288**	(5,839)
CASH AND CASH EQUIVALENTS AT END OF PERIOD		**35,542,605**	21,636,281
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and cash equivalents		**35,542,605**	21,636,281
Interest receivable		**551,377**	667,981
Cash and bank balances as stated in the consolidated statements of financial position		**36,093,982**	22,304,262

Notes to the Unaudited Condensed Interim Financial Information

1. CORPORATE INFORMATION AND BASIS OF PREPARATION

1.1 CORPORATE INFORMATION

Jiangsu Hengrui Pharmaceutical Co., Ltd. (the "**Company**") is a joint stock company with limited liability established in Lianyungang, Jiangsu, People's Republic of China (the "**PRC**") on April 28, 1997. The Company was listed on the Shanghai Stock Exchange (stock code: 600276) on October 18, 2000, and was subsequently listed on The Stock Exchange of Hong Kong Limited (stock code: 01276) on May 23, 2025. The registered office address of the Company is No. 38 Huanghe Road, Economic and Technological Development Zone, Lianyungang, Jiangsu, the PRC.

The Company and its subsidiaries (collectively referred to as the "**Group**") was principally engaged in the research and development, manufacture and sale of pharmaceutical products.

1.2 BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended June 30, 2025 has been prepared in accordance with IAS 34 *Interim Financial Reporting*. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2024.

This interim condensed consolidated financial information is presented in Renminbi ("RMB") and all values are rounded to the nearest thousand except when otherwise indicated.

2. CHANGE IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's Accountants' Report, except for the adoption of the following revised IFRS Accounting Standards for the first time for the current period's financial information.

Amendments to IAS 21	Lack of Exchangeability

The nature and impact of the amended IFRS Accounting Standard are described below:

Amendments to IAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted with and the functional currencies of group entities for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the interim condensed consolidated financial information.

3. OPERATING SEGMENT INFORMATION

Operating segment information

For management purposes, the Group has only one reportable operating segment, which is research and development, manufacture and sale of pharmaceutical products. Since this is the only reportable operating segment of the Group, no further operating segment analysis thereof is presented.

Notes to the Unaudited Condensed Interim Financial Information

4. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	For the six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Revenue from contracts with customers	**15,761,194**	13,600,734

Revenue from contracts with customers

(a) Disaggregated revenue information

	For the six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Types of goods or services		
Drug sales	**13,692,712**	12,134,185
Licensing revenue	**1,991,095**	1,390,858
Others	**77,387**	75,691
Total	**15,761,194**	13,600,734
Geographical markets		
Mainland China	**13,193,147**	11,865,066
Other countries/regions	**2,568,047**	1,735,668
Total	**15,761,194**	13,600,734
Timing of revenue recognition		
At a point in time	**15,751,100**	13,593,776
Over time	**10,094**	6,958
Total	**15,761,194**	13,600,734

Notes to the Unaudited Condensed Interim Financial Information

4. REVENUE, OTHER INCOME AND GAINS *(Continued)*

Revenue from contracts with customers (Continued)

***(a) Disaggregated revenue information** (Continued)*

	For the six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Other income		
Bank interest income	**254,588**	370,788
Government grants income*	**200,870**	163,319
Dividend income from equity investments at FVTPL	**14,249**	28,369
Total other income	**469,707**	562,476
Gains		
Foreign exchange gains, net	**–**	15,243
Gain on financial assets at FVTPL	**126,127**	7,542
Gain on disposal of items of property, plant and equipment	**435**	–
Others	**7,532**	8,123
Total gains	**134,094**	30,908
Total other income and Gains	**603,801**	593,384

* The government grants mainly represent subsidies received from the government that relate to both expenses and assets. Government grants are released to profit or loss either over the periods that the expenses for which they are intended to compensate are expensed, or over the expected useful life of the relevant assets, when all attaching conditions and requirements are complied with.

Notes to the Unaudited Condensed Interim Financial Information

5. OTHER EXPENSES

An analysis of other expenses is as follows:

	For the six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Donations	**105,469**	210,827
Foreign exchange losses, net	**1,511**	–
Impairment losses under expected credit loss model, net of reversal	**(9,816)**	37,501
Discount on derecognition of bills receivables	**9,804**	10,132
Loss on disposal of items of property, plant and equipment	**–**	287
Impairment loss recognized on non-financial assets, net of reversal	**9,444**	(15,816)
Others	**2,285**	23,179
Total other expenses	**118,697**	266,110

Notes to the Unaudited Condensed Interim Financial Information

6. PROFIT BEFORE TAX

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

	Notes	For the six months ended June 30, 2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Cost of inventories sold*		**2,087,583**	1,831,436
Depreciation of property, plant and equipment		**390,477**	362,784
Amortization of intangible assets		**44,868**	22,707
Depreciation of right-of-use assets		**26,447**	39,332
(Gain)/Loss on disposal of items of property, plant and equipment	4/5	**(435)**	287
Donations	5	**105,469**	210,827
Lease payments not included in the measurement of lease liabilities		**40,956**	5,207
Gain on financial assets at FVTPL	4	**(126,127)**	(7,542)
Bank interest income	4	**(254,588)**	(370,788)
Government grants income	4	**(200,870)**	(163,319)
Foreign exchange losses/(gains), net	4/5	**1,511**	(15,243)
Dividend income from equity investments at FVTPL	4	**(14,249)**	(28,369)
Discount on derecognition of bills receivables	5	**9,804**	10,132
Impairment losses recognized on non-financial assets, net of reversal	5	**9,444**	(15,816)
Impairment losses under expected credit model, net of reversal	5	**(9,816)**	37,501
Employee benefit expenses			
– Salaries, bonuses, allowances and benefits in kind		**3,265,938**	2,806,218
– Pension scheme contributions		**293,177**	291,269
– Equity-settled share-based payments expenses		**126,932**	109,866
Total employee benefits expenses		**3,686,047**	3,207,353

* The "Cost of inventories sold" amount includes the following expenses which are also included in the respective total amounts of the items disclosed above

Amortization of intangible assets

Depreciation of property, plant and equipment

Depreciation of right-of-use assets

Employee benefit expenses

Notes to the Unaudited Condensed Interim Financial Information

7. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

Mainland China

The provision for corporate income tax in Mainland China is based on the statutory rate of 25% of the taxable profits determined in accordance with the Enterprise Income Tax Law, which was approved and became effective on January 1, 2008, except for the Company and certain subsidiaries of the Group in Mainland China which are granted tax concession and are taxed at preferential tax rates.

The Company, Suzhou Suncadia Biopharmaceuticals Co., Ltd. ("蘇州盛迪亞生物醫藥有限公司") Shandong Shengdi Pharmaceutical Co., Ltd. ("山東盛迪醫藥有限公司") and Jiangsu Original Drug Research and Development Co., Ltd. ("江蘇原創藥物研發有限公司") were qualified as High and New Technology Enterprises to enjoy a preferential income tax rate of 15% from 2023 to 2025.

Chengdu Suncadia Medicine Co., Ltd. ("成都盛迪醫藥有限公司"), Shanghai Senhui Pharmaceutical Co., Ltd. ("上海森輝醫藥有限公司") and Fujian Shengdi Pharmaceutical Co., Ltd. ("福建盛迪醫藥有限公司") were qualified as High and New Technology Enterprises to enjoy a preferential income tax rate of 15% from 2024 to 2026.

Shanghai Hengrui Pharmaceuticals Co., Ltd ("上海恆瑞醫藥有限公司"), Shanghai Shengdi Pharmaceutical Co., Ltd. ("上海盛迪醫藥有限公司"), Tianjin Hengrui Pharmaceutical Co., Ltd. ("天津恆瑞醫藥有限公司") and Chengdu Xinyue Pharmaceutical Co., Ltd. ("成都新越醫藥有限公司") were qualified as High and New Technology Enterprises to enjoy a preferential income tax rate from 2022 to 2024. These qualifications are subject to review by the relevant tax authority in the Mainland China for every three years. The renewal of above qualifications for 2025 to 2027 is in process and the management of the Group expects the renewal will be completed before December 31, 2025.

In addition, pursuant to Caishui [2020] No. 31 "Notice of Preferential Income Tax Policies for Enterprises in Hainan Free Trade Port (關於海南自由貿易港企業所得稅優惠政策的通知) and Caishui [2025] No. 3 "Notice on the Continuation of the Implementation of the Preferential Income tax Polices For Enterprises in Hainan Free Trade Port (關於延續實施海南自由貿易港企業所得稅優惠政策的通知), as for the subsidiary of the Company, Hainan Hengrui Pharmaceutical Co., Ltd. ("海南恆瑞醫藥有限公司"), which is incorporated in Hainan Free Trade Port and engaged in stipulated encouraged business, are permitted to enjoy a preferential enterprise income tax rate of 15% subject to certain qualification requirements until December 31, 2027.

United States

The subsidiaries incorporated in United States are subject to statutory federal corporate income tax at a rate of 21%. They are also subject to the state income tax which generally ranges from 1% to 10%.

Notes to the Unaudited Condensed Interim Financial Information

7. INCOME TAX *(Continued)*

Pillar Two income taxes

The Group is within the scope of the Pillar Two model rules. The Group has applied the mandatory exception to recognising and disclosing information about deferred tax assets and liabilities arising from Pillar Two income taxes, and will account for the Pillar Two income taxes as current income tax when incurred. Pillar Two legislation has been enacted or substantively enacted and in effect as at June 30, 2025 in certain jurisdictions in which the Group operates.

Pillar Two legislation was gazetted in Hong Kong on June 6, 2025, the jurisdiction in which the Company is listed, and has come into effect retroactively from January 1, 2025. Under the legislation, the Group may be liable to pay a top-up tax for the difference between its GloBE effective tax rate per jurisdiction and the 15% minimum rate. The Group has not been subject to material current income tax exposure under the Pillar Two regime as of June 30, 2025 according to the assessment. The Group will continue to monitor the Pillar Two developments and reassess the potential impact on its tax position.

The income tax expense of the Group for the period is analysed as follows:

	For the six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current income tax	**617,669**	405,800
Deferred income tax	**(21,405)**	(82,332)
Total	**596,264**	323,468

8. DIVIDENDS

	For the six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Final dividends declared and paid – RMB20 cents (2024: RMB20 cents)	**1,274,130**	1,273,768

Pursuant to the resolutions of the shareholders of the Company dated 28 April 2025, the Company declared dividends of RMB20 cents (15 May 2024: RMB20 cents) per ordinary share, amounting to a total of approximately RMB1,274,130,000 (six months ended June 30, 2024: RMB1,273,768,000).

Notes to the Unaudited Condensed Interim Financial Information

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

The calculation of the basic earnings per share amounts is based on the profit attributable to ordinary equity holders of the parent, adjusted to reflect the cash dividends distributed to the expected vested shares under A share stock ownership schemes, and the weighted average number of ordinary shares outstanding (excluding treasury shares) during the period.

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

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

	For the six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Earnings		
Profit attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation	**4,450,107**	3,431,746

	For the six months ended June 30,	
	2025	2024
	(Unaudited)	(Unaudited)
Shares		
Weighted average number of ordinary shares outstanding during the period, used in the basic earnings per share calculation	**6,391,631,481**	6,351,998,980
Effect of dilution – potential ordinary shares arising from A share stock ownership schemes	**4,148,593**	2,269,113
Total	**6,395,780,074**	6,354,268,093

Notes to the Unaudited Condensed Interim Financial Information

10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended June 30, 2025, the Group acquired assets at a cost of RMB680,433,000 (the six months ended June 30, 2024: RMB314,062,000).

Assets with a net book value of RMB3,284,000 were disposed of by the Group during the six months ended June 30, 2025 (the six months ended June 30, 2024: RMB5,711,000), resulting in a net gain on disposal of RMB435,000 (the six months ended June 30, 2024: a net loss of RMB287,000).

As at June 30, 2025, the Group has not obtained the certificates for certain of the buildings with an aggregate net carrying amount of approximately RMB997,514,000 (December 31, 2024: RMB1,024,689,000). The directors were of the opinion that the aforesaid matter did not have any significant impact on the Group's financial position as at June 30, 2025.

11. INVENTORIES

	30 June, 2025 RMB'000 (Unaudited)	December 31, 2024 RMB'000 (Audited)
Raw materials	**854,784**	711,539
Work in progress	**535,850**	435,842
Finished goods	**1,182,140**	1,260,530
Contract costs	**8,291**	9,208
Total	**2,581,065**	2,417,119

12. TRADE AND BILLS RECEIVABLES

	June 30, 2025 RMB'000 (Unaudited)	December 31, 2024 RMB'000 (Audited)
Trade receivables	**5,069,620**	4,968,479
Bills receivables	**1,011,077**	1,244,598
Impairment	**(47,071)**	(53,607)
Total	**6,033,626**	6,159,470

Notes to the Unaudited Condensed Interim Financial Information

12. TRADE AND BILLS RECEIVABLES *(Continued)*

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

	June 30, 2025 RMB'000 (Unaudited)	December 31, 2024 RMB'000 (Audited)
Current	**5,689,722**	5,558,730
Past due within 1 year	**341,703**	599,744
Past due 1 year to 2 years	**2,153**	908
Past due 2 years to 3 years	**48**	88
Total	**6,033,626**	6,159,470

13. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

	June 30, 2025 RMB'000 (Unaudited)	December 31, 2024 RMB'000 (Audited)
Prepayments and prepaid expenses	**1,500,096**	1,188,416
Income tax recoverable	**144,939**	239,543
Value-added tax recoverable	**252,296**	195,893
Deposit	**17,411**	25,236
Total	**1,914,742**	1,649,088

Notes to the Unaudited Condensed Interim Financial Information

14. FINANCIAL ASSETS AT FVTPL

Current portion

	June 30, 2025 RMB'000 (Unaudited)	December 31, 2024 RMB'000 (Audited)
Other unlisted investments, at fair value	**94,836**	93,161
Listed equity investments, at fair value	**14,172**	15,274
Wealth management products	**–**	164,910
Total	**109,008**	273,345

Non-current portion

	June 30, 2025 RMB'000 (Unaudited)	December 31, 2024 RMB'000 (Audited)
Other unlisted investments, at fair value	**1,190,106**	1,065,411

Notes to the Unaudited Condensed Interim Financial Information

15. TRADE AND OTHER PAYABLES

	June 30, 2025 RMB'000 (Unaudited)	December 31, 2024 RMB'000 (Audited)
Trade and bills payables	**1,983,608**	1,517,333
Considerations received from employees under A share stock ownership schemes	**459,599**	558,827
Other tax payables	**162,701**	187,573
Other payables	**170,647**	316,087
Payables relating to purchases of items of property, plant and equipment	**215,839**	449,926
Lease liabilities	**45,956**	41,126
Borrowings from third parties	**–**	159,992
Total	**3,038,350**	3,230,864

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

	June 30, 2025 RMB'000 (Unaudited)	December 31, 2024 RMB'000 (Audited)
Within 1 year	**1,936,982**	1,461,317
1 to 2 years	**20,414**	38,284
2 to 3 years	**13,165**	11,574
Over 3 years	**13,047**	6,158
Total	**1,983,608**	1,517,333

Notes to the Unaudited Condensed Interim Financial Information

16. SHARE CAPITAL/TREASURY SHARES

Share Capital

	June 30, 2025 RMB'000 (Unaudited)	December 31, 2024 RMB'000 (Audited)
Issued and fully paid: 6,637,199,874 ordinary shares of RMB1.00 each (December 31, 2024: 6,379,002,274 shares of RMB1.00 each)	**6,637,200**	6,379,002

A summary of movements in the share capital is as follows:

	Number of shares in issue	**Share capital** RMB'000
At 1 January 2025	6,379,002,274	6,379,002
Issue of shares	258,197,600	258,198
At June 30, 2025 (unaudited)	6,637,199,874	6,637,200

Treasury Shares

A summary of movements in the Company's treasury shares is as follows:

	Number of shares	**Treasury Shares** RMB'000
At January 1, 2025 (audited)	29,541,002	1,228,624
Repurchase of shares under A shares stock ownership schemes	7,724,000	382,891
Vesting of shares under A shares stock ownership schemes	(4,160,526)	(183,818)
At June 30, 2025 (unaudited)	33,104,476	1,427,697

Notes to the Unaudited Condensed Interim Financial Information

17. COMMITMENTS

As at June 30, 2025, the Group had contractual commitments for the purchase of items of property, plant and equipment with an aggregate amount of RMB486,158,000 (December 31, 2024: RMB372,609,000).

18. RELATED PARTY TRANSACTIONS

(a) The Group had the following transactions with related parties during the period:

	For the six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Sales of products:		
Associates	**36,350**	29,191
Controlled by a close family member of a director	**3,900**	291
Total	**40,250**	29,482
Rendering of services:		
Associates	**3,481**	5,811
Controlled by a director	**440**	–
Controlled by a close family member of a director	**6,947**	535
Total	**10,868**	6,346

	For the six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Purchases of products:		
Controlled by a close family member of a director	**2,754**	18,493
Purchases of services:		
Associates	**21,570**	7,624
Controlled by a close family member of a director	**2,467**	3,791
Total	**24,037**	11,415

Notes to the Unaudited Condensed Interim Financial Information

18. RELATED PARTY TRANSACTIONS *(Continued)*

(b) Outstanding balances with related parties:

	June 30, 2025 RMB'000 (Unaudited)	December 31, 2024 RMB'000 (Audited)
Amounts due from related parties – trade in nature		
Associates	**71,651**	65,255
Controlled by a close family member of a director	**14,109**	5,097
Controlled by a director	**–**	1,740
Total	**85,760**	72,092
Amounts due to related parties – trade in nature		
Associates	**2,366**	13
Controlled by a close family member of a director	**7,096**	3,894
Total	**9,462**	3,907

The Group has assessed the expected loss rate for amounts due from the related parties by considering the financial position and credit history of the related party and assessed that the expected credit loss is minimal.

(c) Compensation of key management personnel of the Group

	For the six months ended June 30, 2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Salaries, bonuses, allowances and benefits in kind	**15,290**	30,228
Pension scheme contributions	**190**	346
Equity-settled share-based payments	**–**	–
Total	**15,480**	30,574

Notes to the Unaudited Condensed Interim Financial Information

19. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of cash and bank balances, pledged deposits, financial assets included in prepayments, other receivables and other assets, trade and bills receivables, interest-bearing borrowings, and financial liabilities included in trade and other payables approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The Group's finance department is responsible for determining the policies and procedures for the fair value measurement of financial instruments. At the end of the reporting period, the finance department analysed the movements in the values of financial instruments and determined the major inputs applied in the valuation. The valuation is reviewed and approved by the finance manager. The valuation process and results are discussed with the directors of the Company once a period for annual financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of listed equity investments are based on quoted market prices. The fair values of unlisted investments designated at fair value through profit or loss have been estimated using a valuation technique based on assumptions that are not supported by observable market prices or rates. The directors believe that the estimated fair values resulting from the valuation technique, which are recorded in the consolidated statements of financial position, and the related changes in fair values, which are recorded in profit or loss, are reasonable, and that they were the most appropriate values at the end of the reporting period.

The Group invests in wealth management products issued by banks in Mainland China. The Group has estimated the fair value of these unlisted investments by using a discounted cash flow valuation model based on the market interest rates of instruments with similar terms and risks.

Below is a summary of significant unobservable inputs to the valuation of financial instruments which are measured at fair value as at June 30, 2025 and December 31, 2024:

Financial assets	Fair value hierarchy	Valuation techniques	Significant unobservable inputs	Sensitivity of fair value to the input
Investments in unlisted funds at fair value	Level 3	Net asset value of underlying investments value	N/A	N/A
Unlisted equity investments at fair value	Level 3	Back-solve from recent transaction price	Initial public offering ("IPO") or success probability	5% increase/decrease in probability would result in increase/decrease in fair value by RMB46,010,000 (December 31, 2024: RMB50,314,000)

Notes to the Unaudited Condensed Interim Financial Information

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

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

At June 30, 2025

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000 **(Unaudited)**	**Significant observable inputs (Level 2)** RMB'000 **(Unaudited)**	**Significant unobservable inputs (Level 3)** RMB'000 **(Unaudited)**	**Total** RMB'000 **(Unaudited)**
Financial assets at FVTPL	**109,008**	**–**	**1,190,106**	**1,299,114**
Bills receivables	**–**	**895,205**	**–**	**895,205**
Total	**109,008**	**895,205**	**1,190,106**	**2,194,319**

At December 31, 2024

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000 (Audited)	Significant observable inputs (Level 2) RMB'000 (Audited)	Significant unobservable inputs (Level 3) RMB'000 (Audited)	Total RMB'000 (Audited)
Financial assets at FVTPL	108,435	164,910	1,065,411	1,338,756
Bills receivables	–	1,094,725	–	1,094,725
Total	108,435	1,259,635	1,065,411	2,433,481

Financial instruments in Level 3

During the period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for financial assets.

Definitions

In this interim report, the following expressions have the meanings set out below unless the context requires otherwise:

"A Share Employee Stock Ownership Scheme(s)"	the 2022 Employee Stock Ownership Scheme, the 2023 Employee Stock Ownership Scheme and/or the 2024 Employee Stock Ownership Scheme, the principal terms of which are set out in "Statutory and General Information – D. A Share Employee Stock Ownership Schemes" in Appendix VI to the Prospectus
"Audit Committee"	the audit committee of the Board
"A Share(s)"	ordinary shares issued by the Company, with a nominal value of RMB1.00 each, which are listed on the Shanghai Stock Exchange and traded in Renminbi
"ADC"	antibody-drug conjugate
"AOC"	antibody-oligonucleotide conjugate
"APC"	antibody-peptide conjugate
"Articles of Association"	the articles of association of the Company
"Audit Committee"	the audit committee of the Board
"BLA"	biologics license application, a request for permission to introduce, or deliver for introduction, a biologic product into interstate commerce
"Board"	the board of Directors
"CDE"	Center for Drug Evaluation of NMPA
"CG Code"	the Corporate Governance Code set out in Appendix C1 of the Listing Rules
"centralized procurement"	centralized volume-based drug procurement
"Code Provisions"	code provisions under the CG Code

Definitions

"Company" or "Hengrui Pharma"	Jiangsu Hengrui Pharmaceuticals Co., Ltd. (江蘇恒瑞醫藥股份有限公司), a joint stock company with limited liability established in the PRC on April 28, 1997, the A Shares of which have been listed on the Shanghai Stock Exchange (stock code: 600276) and the H Shares of which have been listed on the Hong Kong Stock Exchange (stock code: 1276)
"DAC"	degrader-antibody conjugates
"Director(s)"	the director(s) of the Company
"EUR"	euros, the lawful currency of the European Union
"Global Offering"	has the meaning ascribed to it in the Prospectus
"Group", "our Group", "the Group", "we", "us", or "our"	the Company and its subsidiaries from time to time
"GnRH"	gonadotropin-releasing hormone
"H Share(s)"	overseas listed foreign shares in the share capital of the Company with a nominal value of RMB1.00 each, which are listed on the Hong Kong Stock Exchange and traded in Hong Kong dollars
"Hengrui Group"	Jiangsu Hengrui Pharmaceutical Group Co., Ltd. (江蘇恒瑞醫藥集團有限公司), a limited liability company established in the PRC on December 6, 1996 controlled by our chairman of the Board and executive Director, Mr. Sun Piaoyang. Hengrui Group is a substantial shareholder, and the single largest shareholder, of our Company
"HK$" or "HK dollar"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Listing Date"	May 23, 2025, being the date on which the H Shares were listed on the Main Board of the Hong Kong Stock Exchange

Definitions

"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
"Macau"	the Macau Special Administrative Region of the PRC
"Main Board"	the Main Board of the Hong Kong Stock Exchange
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules
"Nomination Committee"	the nomination committee of the Board
"NRDL"	National Reimbursement Drug List
"NDA"	new drug application
"NMPA"	National Medical Products Administration (中國國家藥品監督管理局)
"NME"	new molecular entity
"orphan drug designation"	a designation granted by the U.S. FDA to a drug intended to treat a rare disease or condition
"PCT"	Patent Cooperation Treaty
"PRC", "China" or "Mainland China"	the People's Republic of China, excluding, for the purposes of this report, Hong Kong, Macau and Taiwan
"Prospectus"	the prospectus issued by the Company on May 15, 2025 in connection with the Hong Kong public offering of the Shares
"PROTAC"	a bifunctional molecule that combines an active site selective for binding to the target of interest and a ligand of E3 ubiquitin ligase to drive selective proteasome mediated degradation

Definitions

"Remuneration and Evaluation Committee"	the remuneration and evaluation committee of the Board
"Reporting Period"	the six months from January 1, 2025 to June 30, 2025
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"R&D"	research and development
"SFO"	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time
"Share(s)"	ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, comprising our A Shares and our H Shares
"Shareholder(s)"	holder(s) of Share(s)
"Shanghai Stock Exchange"	the Shanghai Stock Exchange (上海證券交易所)
"U.S." or "United States"	United States of America, its territories and possessions, any state of the United States and the District of Columbia
"U.S. FDA"	U.S. Food and Drug Administration
"US$"	United States dollar(s), the lawful currency of the United States of America
"%"	per cent.