Hansoh Pharmaceutical Group Company Limited
翰森製藥集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3692)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED DECEMBER 31, 2024

The board (the "**Board**") of directors (the "**Directors**") of Hansoh Pharmaceutical Group Company Limited (the "**Company**") is pleased to announce the consolidated annual results of the Company and its subsidiaries (collectively, the "**Group**") for the year ended December 31, 2024 (the "**Reporting Period**"), together with the comparative figures for the corresponding period of the previous year.

In this announcement, "**we**", "**us**" and "**our**" refer to the Company and the Group, depending on the context.

FINANCIAL HIGHLIGHTS

For the year ended December 31, 2024, the Group recorded the following audited results:

- Revenue was approximately RMB12,261 million, representing an increase of approximately 21.3% compared with the corresponding period of the previous year;
- Revenue of innovative drugs and collaborative products amounted to approximately RMB9,477 million, representing an increase of approximately 38.1% compared with the corresponding period of the previous year, and its proportion of total revenue increased to approximately 77.3%;
- R&D expenditure was approximately RMB2,702 million, representing an increase of approximately 28.8% compared with the corresponding period of the previous year, and accounted for approximately 22.0% of the revenue;
- Net profit was approximately RMB4,372 million, representing an increase of approximately 33.4% compared with the corresponding period of the previous year;
- Basic earnings per share was approximately RMB0.74, representing an increase of approximately 33.3% compared with the corresponding period of the previous year.

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

The Board recommends a final dividend of HK$13.53 cents per share for the year ended December 31, 2024, subject to the approval of the Shareholders at the AGM.

CORPORATE OVERVIEW

The Company is a leading innovation-driven pharmaceutical enterprise in the People's Republic of China ("**China**" or "**PRC**"). With the mission of "continuous innovation for better life", the Company focuses on major disease therapeutic areas such as oncology, anti-infectives, central nervous system ("**CNS**"), metabolism and autoimmunity. The Company has launched 7 innovative drugs, forming a rich product pipeline. For the year ended December 31, 2024, the revenue of innovative drugs and collaborative products amounted to approximately RMB9,477 million and accounted for approximately 77.3% of the revenue, becoming a core driver for sustainable growth of the Company's performance.

The major achievements during the Reporting Period were as follows:

In January 2024, HS-10501 tablets, a Category 1 innovative drug self-developed by the Group, obtained a clinical trial approval issued by the National Medical Products Administration of China ("**NMPA**"), which was intended for the treatment of type 2 diabetes mellitus and obesity in adults, with specific indication to be determined after the completion of clinical research.

In February 2024, HS-10398 capsules, a Category 1 innovative drug self-developed by the Group, obtained a clinical trial approval issued by the NMPA, which was intended for the treatment of immunoglobulin A nephropathy and membranous nephropathy, with specific indication to be determined after the completion of clinical research.

In March 2024, the Group entered into a license agreement with Biotheus Inc. ("**Biotheus**"), pursuant to which, the Group obtained an exclusive license from Biotheus to use HS-20117 (collaborator code PM1080) for the development, production, and commercialization of bispecific antibody-drug conjugate ("**ADC**") product on a global basis, with the right of sublicense.

In April 2024, HS-10504 tablets, a Category 1 innovative drug self-developed by the Group, obtained a clinical trial approval issued by the NMPA, which was intended for the treatment of advanced non-small cell lung cancer ("**NSCLC**"), with specific indication to be determined after the completion of clinical research.

In April 2024, the Group entered into a license agreement with Qyuns Therapeutics Co., Ltd. ("**Qyuns**"), pursuant to which, the Group obtained an exclusive license from Qyuns to develop and commercialize monoclonal antibody HS-20137 (collaborator code QX004N) within China (including Hong Kong, Macau and Taiwan).

In July 2024, the third New Drug Application ("**NDA**") of Ameile (阿美樂®), an innovative drug of the Group, was accepted by the NMPA for adjuvant therapy after tumor resection in adult patients with NSCLC whose tumors have epidermal growth factor receptor ("**EGFR**") exon 19 deletions or exon 21 (L858R) mutations.

In August 2024, the fourth NDA of Ameile was accepted by the NMPA for the treatment of patients with locally advanced, unresectable NSCLC whose disease has not progressed following definitive platinum-based chemoradiotherapy whose tumors have EGFR exon 19 deletions or exon 21 (L858R) substitute mutations.

In August 2024, the Group entered into a license agreement with Guangzhou Lupeng Pharmaceutical Co., Ltd.* (廣州麓鵬製藥有限公司) ("**Lupeng Pharma**"), pursuant to which, the Group obtained an exclusive license from Lupeng Pharma to develop and commercialize a small molecule Brewton's tyrosine kinase inhibitor ("**BTKi**") HS-10561 (collaborator code LP-168) within China (including Hong Kong, Macau and Taiwan).

In August 2024, the Group's collaborator, GlaxoSmithKline Intellectual Property (No.4) Limited ("**GSK**") received U.S. Food and Drug Administration ("**FDA**") Breakthrough Therapy Designation for B7-H3-targeted ADC GSK5764227 (Company code HS-20093), which is used for the treatment of patients with extensive-stage small-cell lung cancer ("**ES-SCLC**") with disease progression (relapsed or refractory) on or after platinum-based chemotherapy. In December 2024, the product was designated as a Priority Medicine (PRIME) by the European Medicines Agency (EMA) and was evaluated for the treatment of patients with relapsed ES-SCLC.

In October 2024, phase Ⅲ registrational trial AENEAS2 evaluating Ameile in combination with chemotherapy as first line therapy for patients with locally advanced (Stage ⅢB~ⅢC) or metastatic (Stage IV) EGFR mutated NSCLC met its primary endpoint of progression-free survival (PFS). In November 2024, based on the above trial results, the fifth NDA of Ameile was accepted by the NMPA. The indication is to use Ameile in combination with pemetrexed and platinum-based chemotherapy drugs as the first-line treatment of adult patients with locally advanced or metastatic NSCLC whose tumors have EGFR exon 19 deletions or exon 21 (L858R) mutations.

In November 2024, the NMPA listed HS-20093 as a Breakthrough-Therapy-Designated Drug, with the proposed indication being ES-SCLC developed after standard first-line treatment (platinum doublet chemotherapy combined with immunotherapy).

In November 2024, the following four innovative drugs of the Group were renewed in the 2024 National Reimbursement Drug List ("**NRDL**"), including: Aumolertinib Mesilate Tablets (trade name: Ameile 阿美樂®), Flumatinib Mesylate Tablets (trade name: Hansoh Xinfu 豪森昕福®), Inebilizumab Injection (trade name: XINYUE 昕越®) and PEG-Loxenatide for Injection (trade name: Fulaimei 孚來美®). Additionally, the innovative drugs Pegmolesatide Injection (trade name: Saint Luolai 聖羅萊®) and Tenofovir Amibufenamide Tablets (trade name: Hengmu 恒沐®) were included in the 2023 NRDL and they are currently within the agreement period. Morinidazole Sodium Chloride for Injection (trade name: Mailingda 邁靈達®) has been included in category B of general list of the NRDL.

In December 2024, HS-20110 for injection, a new ADC self-developed by the Group, obtained a clinical trial approval issued by the NMPA, which was intended to be investigated in clinical trials for advanced solid tumors.

In December 2024, the Group entered into an exclusive global license agreement with a wholly-owned subsidiary of Merck Sharp & Dohme LLC ("**MSD**"), pursuant to which, the Group has granted MSD an exclusive global license to develop, manufacture and commercialize HS-10535, an investigational pre-clinical oral small molecule glucagon-like peptide-1 ("**GLP-1**") receptor agonist.

The Company continued to make improvements in environmental, social and governance ("**ESG**") aspects. During the Reporting Period, the Company maintained an MSCI ESG rating of AA, was selected for inclusion in the *Sustainability Yearbook (Global Edition) 2025* published by S&P Global, and continued to rank first in the Chinese pharmaceutical industry in the S&P Global Corporate Sustainability Assessment (CSA). These developments not only indicate the Company's past achievements in the ESG field, but also represent our long-term commitment and strategic plan for sustainable development.

The Group's website: **www.hspharm.com/**

MANAGEMENT DISCUSSION AND ANALYSIS

Industry Review

In 2024, China's pharmaceutical industry continued to transform, driven by the combined forces of policies, technological advancements and market demands. In the context of medical insurance payment reform and the normalization of centralized procurement, innovative drugs and biopharmaceuticals became the core driving force for the growth of China's pharmaceutical market. At the same time, the dynamic adjustment of the NRDL and the further acceleration of review and approval system accelerated the launch of high-value innovative drugs. Chinese pharmaceutical companies enhanced their internationalization process, significantly advanced their overseas clinical and commercial plans, and made breakthroughs in frontiers such as ADC and bispecific antibody. R&D activities in oncology, autoimmune and metabolic diseases remained unabated around the world. Chinese enterprises were at the forefront of the world in integrating AI technology with new therapies, injecting new momentum into industry innovation.

Business Highlights

For the year ended December 31, 2024, the Group recorded revenue of approximately RMB12,261 million, representing an increase of approximately 21.3% compared with the corresponding period of the previous year; profit of approximately RMB4,372 million, representing an increase of approximately 33.4% compared with the corresponding period of the previous year; basic earnings per share of approximately RMB0.74, representing an increase of approximately 33.3% compared with the corresponding period of the previous year; revenue of innovative drugs and collaborative products amounted to approximately RMB9,477 million, and its proportion of total revenue increased to approximately 77.3%.

We generate our revenue primarily from sales of pharmaceutical products. Our main products are concentrated in the main therapeutic areas on which the Group strategically targets, including oncology, anti-infectives, CNS, metabolic and other diseases. The increase in revenue, profit and basic earnings per share during the Reporting Period was primarily due to the increase in the revenue of innovative drugs and collaborative products, which was attributable to the increase in sales of innovative drugs and the collaboration revenue with GSK. For further details of the collaborations with GSK, please refer to the sub-heading headed "Business Development ("**BD**")" below.

For the year ended December 31, 2024, the revenue and product portfolio of our therapeutic areas are as follows:

Therapeutic Area	**Product Portfolio**
Oncology (revenue amounted to approximately RMB8,122 million, accounting for approximately 66.2% of the total revenue)	Innovative drug Ameile (Aumolertinib Mesilate Tablets), innovative drug Hansoh Xinfu (Flumatinib Mesylate Tablets), Pulaile (Pemetrexed Disodium for Injection), Pulaitan (Enzalutamide Soft Capsules), Xinwei (Imatinib Mesylate Tablets) and Tanneng (Fosaprepitant Dimeglumine for Injection), etc.
Anti-infectives (revenue amounted to approximately RMB1,464 million, accounting for approximately 11.9% of the total revenue)	Innovative drug Hengmu (Tenofovir Amibufenamide Tablets), innovative drug Mailingda (Morinidazole Sodium Chloride for Injection) and Hengsen (Micafungin Sodium for Injection), etc.
CNS (revenue amounted to approximately RMB1,379 million, accounting for approximately 11.3% of the total revenue)	Innovative drug XINYUE (Inebilizumab Injection), Ameining (Agomelatine Tablets), Ailanning (Paliperidone Extended-Release Tablets) and Oulanning (Olanzapine Tablets/ Orally Disintegrating Tablets/Oral Soluble Film), etc.
Metabolic and other diseases (revenue amounted to approximately RMB1,296 million, accounting for approximately 10.6% of the total revenue)	Innovative drug Fulaimei (PEG-Loxenatide for Injection), innovative drug Saint Luolai (Pegmolesatide Injection), Ruibote (Sodium Rabeprazole Enteric-coated Tablets), Fulaidi (Repaglinide Tablets), Fulairui (Canagliflozin Tablets) and Punuoan (Ambrisentan Tablets), etc.

All approved indications of the Group's innovative drugs have been included in the NRDL as of December 31, 2024.

Ameile (阿美樂®)

Ameile (Aumolertinib Mesilate Tablets) is the first original third-generation EGFR-tyrosine kinase inhibitor ("**TKI**") innovative drug in China self-developed by the Group. It has been approved for three indications in China, namely: in March 2020, it was approved for the treatment of patients with locally advanced or metastatic NSCLC with T790M mutation, who have progressed on or after EGFR-TKI therapy; in December 2021, it was approved as the first-line treatment for adult patients with locally advanced or metastatic NSCLC whose tumors have EGFR exon 19 deletions or exon 21 (L858R) substitute mutation positive; in March 2025, it was approved for the treatment of patients with locally advanced, unresectable NSCLC whose disease has not progressed following definitive platinum-based chemoradiotherapy whose tumors have EGFR exon 19 deletions or exon 21 (L858R) substitute mutations. Among them, the first two indications were successfully renewed in November 2024 for inclusion in the 2024 NRDL.

During the Reporting Period, more than 30 academic findings of Ameile were presented at authoritative conferences, including the Annual Meeting of American Society of Clinical Oncology ("**ASCO**"), the European Lung Cancer Congress ("**ELCC**"), the World Conference on Lung Cancer ("**WCLC**") and Annual Meeting of the Chinese Society of Clinical Oncology ("**CSCO**"), of which the findings from the ACHIEVE research that assess the efficacy and safety of using high dosage of Aumolertinib in the treatment for patients with NSCLC whose tumors are EGFR positive with brain metastatis and the phase Ⅲ POLESTAR research on the use of Aumolertinib in maintenance therapy of Stage Ⅲ NSCLC after definitive platinum-based chemoradiotherapy were selected respectively for verbal presentations at ASCO and WCLC. Further, the results of a real-world retrospective study was published for the first time in *Frontiers in Pharmacology*, an internationally renowned pharmacology journal.

Ameile has been recommended as Class I or Preferred by eight national diagnosis and treatment guidelines, including the *CSCO Guidelines for the treatment of Non-small Cell Lung Cancer (2024 edition)** (《CSCO非小細胞肺癌診療指南(2024版)》). In November 2024, the Ameile project won the first prize of Jiangsu Science and Technology Award. The invention patent titled "EGFR Inhibitor and its Preparation and Application" of Ameile also won the 24th "China Patent Gold Award". The Group continued to advance the regulatory review process for Aumolertinib marketing authorization applications by the Medicines and Healthcare Products Regulatory Agency in the United Kingdom and the European Medicines Agency (EMA).

Hansoh Xinfu (豪森昕福®)

Hansoh Xinfu (Flumatinib Mesylate Tablets) is the first original novel second-generation TKI for chronic myelogenous leukemia in China, which was approved for marketing in 2019. It was included in the NRDL through negotiations in 2020 and was successfully renewed in November 2024 for inclusion in the 2024 NRDL. Hansoh Xinfu is used in the treatment of chronic myelogenous leukemia. Based on the results of existing clinical trials, when compared with the first-generation TKI imatinib, Hansoh Xinfu achieved faster and deeper molecular remission (e.g. MMR, MR4.5). It also has favorable safety profile, with no specific adverse reactions (such as pleural effusion or cardiotoxicity) relating to the use of other second-generation Bcr-Abl TKI treatments being found, and has been adopted for long-term application by an increasing number of patients. Hansoh Xinfu has been recommended as the first-line treatment for chronic myelogenous leukemia in the *Guidelines for Diagnosis and Treatment of Chronic Myelogenous Leukemia** (《慢性髓性白血病診斷與治療指南》) released by the National Health Commission of the PRC ("**NHC**") and the *Guidelines for Diagnosis and Treatment of Malignant Hematologic Diseases* *(《惡性血液病診療指南》).

During the Reporting Period, several clinical studies of Hansoh Xinfu were presented at authoritative conferences such as the Annual John Goldman Conference on Chronic Myeloid Leukemia (ESHCML), the European Society of Medical Oncology (ESMO) Congress Annual Meeting and the American Society of Hematology (ASH) Annual Meeting.

XINYUE (昕越®)

XINYUE (Inebilizumab Injection) is a targeted CD19 B-cell depleting antibody and the world's first humanized CD19 monoclonal antibody approved for the treatment of adult patients with anti-aquaporin-4 ("**AQP4**") antibody-positive neuromyelitis optica spectrum disorder ("**NMOSD**"). On May 24, 2019, the Group entered into a license agreement with Viela Bio Inc. (which was acquired by Horizon Therapeutics plc in 2021, and the latter was acquired by Amgen in 2023) to obtain an exclusive license to develop and commercialize the product in Chinese Mainland, Hong Kong and Macau. On March 14, 2022, the product was approved by the NMPA for marketing in China and is indicated for the treatment of adult NMOSD patients who are AQP4 antibody positive. In January 2023, the product was included in the NRDL for the first time, and was successfully renewed in November 2024 for inclusion in the 2024 NRDL.

In June 2024, collaborator Amgen announced that the MITIGATE top-line results of the randomized, double-blind, multi-center, placebo-controlled phase Ⅲ clinical trial showed that inebilizumab injection for the treatment of IgG4-related diseases ("**IgG4-RD**") reached the primary clinical endpoint, which has been published in the *New England Journal of Medicine*. In August 2024, the FDA granted inebilizumab a Breakthrough Therapy Designation for the treatment of IgG4-RD.

In February 2025, based on the positive results of the global multicenter phase III clinical trial, the new indication of XINYUE for the treatment of IgG4-RD has been included in the Priority Review and Approval Procedure by the NMPA. In March 2025, Biologics License Application (BLA) of this indication was accepted by the NMPA.

During the Reporting Period, more than 20 academic research findings of XINYUE have been published at top domestic and international academic conferences such as the European Committee for Treatment and Research in Multiple Sclerosis (ECTRIMS), the American Academy of Neurology (AAN), and the Chinese Medical Association Neurology Conference. Currently, XINYUE has been included in the *Guidelines for the Diagnosis and Treatment of Neuromyelitis Optica Spectrum Disorders in China (2021 Edition)** (《中國視神經脊髓炎譜系疾病診斷與治療指南(2021年版)》) and has received a Class A recommendation. In March 2024, the *Expert Recommendations on Clinical Practice of Inebilizumab for the Treatment of Neuromyelitis Optica Spectrum Disorders** (《伊奈利珠單抗治療視神經脊髓炎譜系疾病臨床實踐專家建議》) was released in Shanghai.

Fulaimei (孚來美®)

Fulaimei (PEG-Loxenatide for Injection) is the first innovative drug launched leveraging on the Group's proprietary PEGylation technology. It is the first original GLP-1 receptor agonist ("**GLP-1RA**") weekly formulation in China and the world's first PEG GLP-1RA weekly formulation, which was approved for marketing in May 2019 for the treatment of type 2 diabetes mellitus. Fulaimei provides a new treatment option for diabetic patients in China, with clear efficacy in lowering blood glucose, combined with weight loss, improvement of blood lipids and blood pressure, and renal benefits, with a high degree of safety, and requiring only one injection per week. Fulaimei has been included in the *Guidelines for the Prevention and Treatment of Diabetes Mellitus in China (2024 edition)** (《中國糖尿病防治指南(2024版)》) released by the Chinese Diabetes Society (CDS). Fulaimei was first included in the NRDL in 2020 through negotiation, and was successfully renewed in November 2024 for inclusion in the 2024 NRDL.

In July 2024, the results of the randomized clinical study of Fulaimei in the treatment of patients with diabetic kidney disease ("**DKD**") were published in *Frontiers in Endocrinology*. The data shows that the efficacy of Fulaimei is comparable to that of Dapagliflozin, and is more advantageous in improving lipid levels.

In August 2024, the results of a real-world study on GLP-1RA in patients with DKD were published in *Diabetes, Metabolic Syndrome and Obesity*. The research results once again confirmed that Fulaimei can bring multiple benefits to patients with mild to moderate DKD, such as lowering blood sugar, lowering blood pressure, losing weight, improving blood lipids and delaying kidney progression, and has more advantages in safety than other GLP-1RAs, which will help improve patients' quality of life and increase compliance.

In February 2025, the results of a large-scale multicenter bidirectional cohort real-world study were published in *MedComm*(IF:10.7), which demonstrated that long-term treatment with Fulaimei significantly reduces the risk of major adverse cardiovascular events in patients with type 2 diabetes mellitus, conferring notable cardiovascular benefits.

Hengmu (恒沐®)

Hengmu (Tenofovir Amibufenamide Tablets) is a novel nucleotide reverse transcriptase inhibitor (NRTI) self-developed by the Group, which is the first wholly developed oral dose medicine indicated for the treatment of hepatitis B virus infection in China. Hengmu was approved for marketing by the NMPA in June 2021 for the treatment of adult patients with chronic hepatitis B. Hengmu was included in the NRDL in the same year, and successfully renewed in December 2023, and currently within the term of the agreement.

The 48-week, 96-week and 144-week follow-up data of the phase Ⅲ registration clinical study of Hengmu have been published in several academic journals and international conferences. The results of the study strongly confirmed the efficacy and safety of Hengmu in the long-term treatment of patients with chronic hepatitis B. Specifically, in terms of bone and renal safety, Hengmu has more advantages over tenofovir disoproxil fumarate (TDF).

During the Reporting Period, a number of clinical studies of Hengmu were presented at top international academic conferences in the field of hepatology, including the Asian Pacific Association for the Study of the Liver (APASL) Annual Meeting, the European Association for the Study of the Liver (EASL) Annual Meeting and the American Association for the Study of Liver Diseases (AASLD) Annual Meeting, and were published in domestic and international journals such as *Journal of Viral Hepatitis*, *Journal of Clinical and Translational Hepatology* and *Chinese Journal of Hepatology*.

Hengmu has been included in the *Guidelines for the Prevention and Treatment of Chronic Hepatitis B (2022 Version)* * (《慢性乙型肝炎防治指南(2022年版)》) as one of the first-line recommendation of antiviral therapy for chronic hepatitis B in February 2023, and has also been included in the *CSCO: Guidelines for the Diagnosis and Treatment of Hepatocellular Carcinoma, 2022* * (《中國臨床腫瘤學會肝癌診療指南(2022年版)》) as Class I recommendation. In April 2024, Hengmu has received a Class A in the *Diagnosis and Treatment Guidelines for Primary Liver Cancer (2024 Edition)* * (《原發性肝癌診療指南(2024年版)》) issued by the NHC. In October 2024, Hengmu has received a Class A2 recommendation in the *Guidelines for the Diagnosis and Treatment of Liver Failure (2024 Edition)* * (《肝衰竭診治指南(2024年版)》) issued by the Chinese Society of Infectious Diseases under the Chinese Medical Association.

Saint Luolai (聖羅萊®)

Saint Luolai (Pegmolesatide Injection), is the "only EPO mimetic peptide approved for marketing in the world" self-developed by the Group. In June 2023, Saint Luolai was approved for two indications to treat anemia in chronic kidney disease ("**CKD**") adult patients who have not received erythropoiesis-stimulating agent ("**ESA**") and are not on dialysis, as well as those who are receiving short-acting erythropoietin treatment and on dialysis. In the same year, Saint Luolai was included in the NRDL for the first time, and currently within the term of the agreement.

Saint Luolai has a high selectivity EPO Receptor ("**EPOR**"). It effectively binds to EPOR homodimers, promoting erythropoiesis, and exhibits comparable erythropoietic effects to traditional ESA but demonstrates lower binding to non-erythropoietic heterodimers (EPOR/CD131), which may offer potential safety advantages. The data of the phase Ⅲ pivotal registrational clinical trial of Saint Luolai (published in *eClinical Medicine*, a subset of *The Lancet* in 2023) demonstrated that, subcutaneous injection of Saint Luolai once a month is as effective and safe as fast-acting recombinant human erythropoietin (rHuEPO) conventionally administered 1 to 3 times a week in treating anemia in Chinese dialysis patients. It even shows a trend of superiority and a lower incidence of adverse cardiovascular events. Latest studies found that the mechanism bringing about Pegmolesatide's prolonged anti-anemia effects not only results from higher pharmacokinetic half-life due to PEGylation, but is also related to Pegmolesatide's enhanced EPOR binding stability.

As of the date of this announcement, various research results of Saint Luolai have been published in top-tier journals or medical conferences, including *Journal of Translational Medicine, Kidney International Reports, Kidney Medicine*, the International Society for Pharmacoeconomics and Outcomes Research (ISPOR) conferences, the American Society of Nephrology Kidney Week (ASN Kindey Week) Annual Meeting, the International Society of Nephrology (ISN) and the World Congress of Nephrology (WCN), involving the Saint Luolai's mechanism of action, phase Ⅲ clinical studies, case reports and pharmacoeconomic studies, etc.

In February 2024, Saint Luolai was included for the first time in the *Chinese Expert Consensus on Long-acting Erythropoiesis-stimulating Agents in the Treatment of Renal Anemia (2024)* * (《長效紅細胞生成刺激劑治療腎性貧血中國專家共識(2024年版)》). In January 2025, Saint Luolai was included in the *Chinese Expert Consensus on Guiding Self-management of Patients with Renal Anemia (2024)* * (《指導腎性貧血患者自我管理的中國專家共識(2024版)》).

Mailingda (邁靈達®)

Mailingda (Morinidazole Sodium Chloride for Injection), the Group's first self-developed innovative drug, was included in the NRDL through negotiations in 2017 and was renewed in November 2019. It was renewed with zero-price cut in December 2021. Mailingda was successfully renewed again and included in category B of general list of the NRDL in December 2023. Mailingda is the new generation of nitroimidazole-class drug indicated for treatment of pelvic inflammatory disease in women, as well as combined surgery for the treatment of suppurative appendicitis and gangrenous appendicitis. It has a better safety profile than the previous generation of typical drug named ornidazole. Mailingda is recommended for the treatment of intra-abdominal infection in the *Chinese Guideline for the Diagnosis and Treatment of Intra-abdominal Infection (2019 Edition)** (《中國腹腔感染診治指南(2019 版)》).

R&D and Innovation

Innovation focus is the core driving force of our Company's growth. The Group continuously increased its investments in R&D over the years, built complete R&D platforms, established a number of proprietary technologies, developed and commercialized a number of innovative drug products, as well as prepared a series of innovative drugs pipeline which are currently at different stages of R&D. Our seasoned R&D team consists of more than 1,800 research fellows at four R&D centres located in Shanghai, Lianyungang, Changzhou and Maryland, United States. We have several national-level R&D designations, including the National Technology Center* (國家級技術中心), Post-doctoral Research Station* (博士後科研工作站) and Key National Laboratory* (國家重點實驗室).

During the year ended December 31, 2024, we submitted 57 formal patent applications in China and we have 48 patents granted in China; we submitted 222 formal overseas patent applications and we have 42 patents granted overseas.

R&D pipeline update

During the year ended December 31, 2024, the Group had more than 60 clinical trials of innovative drug candidates being investigated, covering 40 innovative drug candidates.

During the Reporting Period, we had 8 new innovative drug candidates entering clinical stage, (including 2 in-licensing drug candidates), among which, the self-developed drug candidates include: HS-10504, a fourth-generation small molecule drug targeted EGFR (advanced NSCLC); HS-10501, an oral small molecule drug targeted GLP-1 (obesity and type 2 diabetes); HS-20124, CDH6 targeted ADC (advanced solid tumors); and HS-20110, CDH17 targeted ADC (advanced solid tumors).

During the Reporting Period, three key innovative drug candidates entered the phase Ⅲ clinical stage for the first time, including: HS-20093, a self-developed B7-H3-targeted ADC (small cell lung cancer); HS-20094, a self-developed GLP-1/GIP receptor dual agonist (obesity); and HS-10374, a self-developed small molecule inhibitor targeted tyrosine kinase 2 ("**TYK2**") (psoriasis).

R&D progress of key products

Ameile (阿美樂®)

Ameile, the Group's launched innovative drug product, is continuously expanding its indications and increasing its evidence from evidence-based medicine. During the Reporting Period, the NDAs for a total of three new indications were accepted by the NMPA as follows:

In July 2024, the adjuvant therapy after tumor resection in adult patients with NSCLC whose tumors have EGFR exon 19 deletions or exon 21 (L858R) mutations was accepted;

In August 2024, the treatment of patients with locally advanced, unresectable NSCLC whose disease has not progressed following definitive platinum-based chemoradiotherapy whose tumors have EGFR exon 19 deletions or exon 21 (L858R) substitute mutations was accepted;

In November 2024, Ameile in combination with pemetrexed and platinum-based chemotherapy drugs as the first-line treatment of adult patients with locally advanced or metastatic NSCLC whose tumors have EGFR exon 19 deletions or exon 21 (L858R) mutations was accepted.

The clinical study of Ameile in combination with the Company's self-developed c-MET small molecule, HS-10241, has also entered the phase Ⅲ pivotal registration clinical trial. It is intended to be used for the treatment of patients with locally advanced or metastatic NSCLC with EGFR mutation and MET amplification who have failed EGFR-TKI therapy.

HS-20093

HS-20093, a B7-H3-targeted ADC self-developed by the Group, is composed of a fully human anti-B7-H3 monoclonal antibody covalently linked to topoisomerase inhibitor (TOPOi) payload. Currently, HS-20093 has entered the phase Ⅲ clinical study for the treatment of small cell lung cancer indication in China, and is also undergoing several proofs of concept (POC) clinical studies for the treatment of sarcoma, head and neck cancer, castrate-resistant prostate cancer, esophageal squamous cell carcinoma and other solid tumors.

At the Annual Meeting of the ASCO 2024, a multicenter, open-label phase Ⅱ study of HS-20093 in relapsed or refractory bone and soft-tissue sarcomas (study code ARTEMIS-002) was released as an oral presentation, with preliminary data demonstrating that HS-20093, in patients with relapsed or refractory bone and soft-tissue sarcomas who have been adequately treated in the past, has demonstrated strong anti-tumor activity, and was well tolerated for safety. At the WCLC Annual Meeting in September 2024, a multi-center, open-label phase I study (study code ARTEMIS-001) of HS-20093 in ES-SCLC patients was presented. The results showed that HS-20093 had a good anti-tumor effect in ES-SCLC and no new safety signals were found.

In November 2024, the NMPA listed HS-20093 as a Breakthrough-Therapy-Designated Drug, with the proposed indication being ES-SCLC that developed after standard first-line treatment (platinum doublet chemotherapy combined with immuno-therapy). In February 2025, the NMPA listed HS-20093 as a Breakthrough-Therapy-Designated Drug again, with the proposed indication for the treatment of patients with osteosarcoma who have progressed on at least two prior lines of therapy.

HS-20094

HS-20094 is a dual agonist of GLP-1/GIP receptor self-developed by the Group. By selectively activating GLP-1 and GIP receptors, it promotes insulin secretion, delays gastric emptying, inhibits appetite and reduces food intake, thereby producing biological effects such as glucose control, weight loss, and metabolic improvement. In 2024, HS-20094 has entered into a phase Ⅲ clinical study on weight management in overweight adult patients with obesity or at least one weight-related comorbidity.

The phase Ⅱa study results of HS-20094 presented at the 2024 American Diabetes Association (ADA) Annual Meeting demonstrated that HS-20094 had good safety and tolerance characteristics in subjects with type 2 diabetes mellitus, and showed the efficacy of reducing glucose and weight.

HS-10374

HS-10374 is a selective allosteric inhibitor of TYK2 self-developed by the Group. In 2024, the indication of HS-10374 for the treatment of psoriasis has entered into phase Ⅲ clinical study. According to the phase Ⅱ clinical study data of HS-10374 in patients with moderate to severe plaque psoriasis presented at the Annual Meeting of 2024 European Academy of Dermatology and Venereology (EADV) and Chinese Medical Doctor Association Dermatologists Annual Meeting & National Cosmetic Dermatology Congress (CDA)* (中國醫師協會皮膚科醫師年會暨全國美容皮膚科學大會), HS-10374 has significant efficacy, and its overall safety is similar to other TYK2 inhibitors, with a lower risk of skin toxicity.

HS-10506

HS-10506 is a high-affinity selective orexin 2 receptor (OX2R) antagonist self-developed by the Group. According to the results of phase I clinical study presented at the 2024 European College of Neuropsychopharmacology (ECNP) Congress, after a single oral administration, HS-10506 showed good safety and tolerability, had relatively good PK properties, and produced the expected pharmacodynamic (sleepiness) effects. Overall, the study data supported further clinical development of HS-10506 for the treatment of insomnia.

HS-10383

HS-10383 is a highly selective P2X3 receptor antagonist self-developed by the Group, which is intended for the treatment of refractory or unexplained chronic cough (RUCC). According to the phase Ib study results presented at the Congress of the Asian Pacific Society of Respirology (APSR) 2024, HS-10383 was generally well tolerated with a long half-life, supporting once-daily oral administration. In addition, there were no adverse events related to dysgeusia.

HS-10370

HS-10370 is an orally potent and highly selective small molecule KRAS G12C inhibitor self-developed by the Group. According to the results of a phase I monotherapy clinical study of HS-10370 in advanced solid tumors presented at the 2024 American Association for Cancer Research (AACR) Annual Meeting, HS-10370 has shown favorable safety and tolerability characteristics in the treatment of patients with advanced solid tumors, and demonstrated promising efficacy in the treatment of KRAS G12C mutation advanced solid tumors, especially in advanced NSCLC patients, and is expected to bring new treatment options for patients.

BD

As an important part of our routine business, the Group pays close attention to the cutting-edge developments of the global pharmaceutical industry, proactively seizes collaboration opportunities in BD and constantly explores opportunities to enrich the innovative product pipeline. As of the end of the Reporting Period, the Company is advancing nine in-licensing programs for clinical trials, and has another two in-licensing programs in commercialization stage, as well as several platform or technology collaboration projects. At the same time, the Group maximized the commercial value of its self-owned pipeline products and actively promoted out-licensing during the Reporting Period.

For the year ended December 31, 2024, the Group incurred license fees due to in-licensing programs amounting to approximately RMB247 million with such fees being included in research and development expenses. The Group's collaboration income amounted to RMB1,573 million, which included the upfront payment of US$185 million of collaboration BD license fee received from collaborator GSK pursuant to the license agreement entered into between the Group and GSK on December 20, 2023. For details of our collaboration with GSK, please refer to our announcements dated October 20, 2023, December 20, 2023, August 20, 2024, November 1, 2024, December 16, 2024 and January 7, 2025.

Progress of In-licensing and Collaboration Programs

Further Collaboration with Biotheus

In March 2024, the Group entered into a licensing agreement with Biotheus and obtained an exclusive license from Biotheus to use bispecific antibodies targeting EGFR/c-MET, including HS-20117, for the development, production and commercialization of ADC products globally, with the right to further sub-license.

HS-20117 is a 1+1 heterodimer-structured EGFR/c-MET bispecific antibody that specifically targets the tumor antigens EGFR and c-MET to inhibit the growth and survival of tumor. It is currently in phase I clinical research as monotherapy and in combination with other drugs.

Collaboration with Qyuns

In April 2024, the Group entered into a licensing agreement with Qyuns and obtained an exclusive license from Qyuns to develop and commercialize HS-20137 monoclonal antibody in China (including Hong Kong, Macau and Taiwan) (collaborator code QX004N).

HS-20137 monoclonal antibody is an innovative drug candidate for psoriasis and Crohn's disease. Currently, a number of clinical studies have been initiated for HS-20137, and phase II clinical trials for psoriasis have been completed in China.

The phase I clinical data of QX004N on Chinese healthy subjects and moderate-to-severe plaque psoriasis patients published in *JAMA Dermatology* by Qyuns showed that when compared with placebo, QX004N demonstrated superior therapeutic effect in patients with moderate-to-severe plaque psoriasis, and has favorable safety profile.

Collaboration with Lupeng Pharma

In August 2024, the Group entered into a licensing agreement with Lupeng Pharma and obtained an exclusive license from Lupeng Pharma to develop and commercialize HS-10561 (collaborator code LP-168) in China (including Hong Kong, Macau and Taiwan). The Group is responsible for the research and development, regulatory approval, manufacturing and commercialization of this product in all non-oncology indications in China.

HS-10561 is a small molecule Bruton's tyrosine kinase inhibitor (BTKi). In February 2025, HS-10561 capsules received a drug clinical trial approval issued by the NMPA, which is intended to be investigated in clinical trials for chronic spontaneous urticaria.

Progress of Xpovio® (Selinexor)

Xpovio® (Selinexor) is the world's first oral selective nuclear export protein (XPO1) inhibitor with a novel mechanism. In August 2023, our Group entered into a collaboration agreement with Antengene Corporation (Hong Kong) Limited and Antengene (Zhejiang) Pharmaceutical Technology Company Limited* (德琪(浙江)醫藥科技有限公司), both subsidiaries of Antengene Corporation Limited, and obtained an exclusive commercialization license for Xpovio® in Chinese Mainland. Following its first approval for the treatment of relapsed or refractory multiple myeloma (R/R MM), in July 2024, Xpovio® was approved for a second indication in China for the treatment of adult patients with relapsed or refractory diffuse large B-cell lymphoma (R/R DLBCL) who have previously received at least second-line systemic treatment. Both of the above indications have been included in the 2024 NRDL.

Progress of HS-10516

HS-10516 (collaborator code NKT2152) is a small molecule drug that inhibits HIF-2α. In May 2022, the Group obtained an exclusive license from Nikang Therapeutics Inc. to develop and commercialize HS-10516 for the treatment of tumors in China (including Hong Kong, Macau and Taiwan). In June 2024, following the indication for renal cell carcinoma, HS-10516 capsules received the second drug clinical trial approval issued by the NMPA indicated for the treatment of von Hippel-Lindau (VHL) syndrome-related tumors.

Progress of Out-licensing Projects

HS-20093 (GSK)

HS-20093 is a B7-H3 targeting ADC self-developed by the Group. In December 2023, the Group entered into an exclusive global licensing agreement with GSK, and GSK was granted an exclusive global license to develop, manufacture and commercialize HS-20093 (collaborator code GSK5764227). Pursuant to the licensing agreement, the Group will receive an upfront payment of US$185 million and is eligible to receive up to US$1.525 billion of milestone payments, as well as tiered royalties based on product sales. During the Reporting Period, the Group has received the upfront payment of US$185 million from its collaborator GSK.

Currently, GSK has initiated the clinical studies of GSK5764227 overseas. In 2024, GSK received two FDA Breakthrough Therapy Designations (BTD) and one European Medicines Agency (EMA) Priority Medicines (PRIME) designation, for GSK5764227.

HS-20089 (GSK)

HS-20089 is a B7-H4 targeting ADC self-developed by the Group. In October 2023, the Group entered into an exclusive global licensing agreement with GSK, pursuant to which, an exclusive global license was granted to GSK to develop and commercialize HS-20089 (collaborator code GSK5733584).

During the Reporting Period, GSK has initiated the clinical studies of GSK5733584 overseas.

HS-10535 (MSD)

In December 2024, our Group entered into an exclusive global licensing agreement with MSD, pursuant to which, MSD was granted an exclusive global license to develop, manufacture and commercialize HS-10535, a pre-clinical oral small molecule GLP-1 receptor agonist. The Group will receive an upfront payment of US$112 million and is eligible to receive up to US$1.9 billion of milestone payments based on the progress of the product's development, regulatory approval and commercialization, as well as royalties based on product sales. Subject to certain conditions in the licensing agreement, the Group may co-promote or solely commercialize the product in Chinese Mainland, Hong Kong and Macau.

Environmental, Social and Governance (ESG)

Adhering to our core values of "responsibility, integrity, hard work and innovation", the Group has in the long term been committed to improving the accessibility of innovative drugs in the areas of unfulfilled clinical needs. During the Reporting Period, we have achieved remarkable results in various aspects such as innovative achievements, strengthening of governance, green development, talent cultivation and inclusive healthcare, laying a solid foundation for the Company's long-term development. We are continuously improving the disclosures of our governance, strategy, risk management, metrics and targets on key ESG issues in response to stakeholders' concerns and striving towards a higher level of ESG management to lower operating risks.

In 2024, the Company's Board of Directors continued to perform its supervisory duties and, through the ESG Committee, regularly reviewed risk prevention strategies and systems, ESG strategies and emerging risks, as well as key performance indicators that reflect the comprehensive improvement of ESG results, and responded to identified hidden hazards or potential risks with forward-looking actions.

In response to global climate change and safeguarding human health, during the Reporting Period, we continued to conduct systematic inspections and third-party verification of Scope 1, Scope 2 and Scope 3 greenhouse gases, and steadily move towards the long-term goal of carbon neutrality by optimizing technical processes and improving energy and material usage efficiency.

During the Reporting Period, the Group maintained an AA rating in the MSCI ESG rating and achieved industry leading standards in five key issues including corporate behavior, as well as toxic emissions and waste. The Group once again ranked first in the Chinese pharmaceutical industry in the 2024 S&P Global Corporate Sustainability Assessment (CSA) and was selected for inclusion in the *Sustainability Yearbook (Global Edition) 2025* published by S&P. In addition, we also won awards, such as the 2024 ESG Pioneer Award of Cailian Press and the HRoot 2024 Outstanding Employer Award.

We actively respond to the Sustainable Development Goals of the United Nations, closely linking ESG management to the Company's long-term strategies, and better cope with global challenges by focusing on ESG issues. We are committed to sharing good practices with our industry partners and supply chains, striving to enable more patients to benefit from green innovations. This is not only conducive to natural environment protection and social welfare, but also beneficial to creating a more stable and sustainable business environment, realizing coordinated economic, social and environmental development. We will continue to adhere to the philosophy of being "patient-centered and innovation-driven" and actively contribute our efforts as a responsible corporate citizen.

Liquidity and Financial Resources

Currently, the Group follows a set of funding and treasury policies to manage its capital resources and mitigate potential risks. The Board considers various funding sources depending on the Group's funding needs to ensure that the financial resources have been used in the most cost-effective and efficient way. We also closely monitor uses of cash resources and strive to maintain healthy liquidity for the needs of our business operations.

For the year ended December 31, 2024, the Group's operating activities generated a net cash inflow of RMB3,862 million. The capital expenditure during the Reporting Period was RMB473 million, mainly relating to the purchases of land use rights, the construction of workshops, as well as, among other things, the purchase of equipment, motor vehicles and software required for production, R&D and administrative activities, etc. The cash flow of financing activities for the Reporting Period mainly consisted of the redemption of the outstanding convertible bonds in the aggregate principal amount of US$590,622,000, and the payment for dividends of RMB1,858 million.

The Group's financial position remains sound. As at December 31, 2024, we had cash and bank balances of RMB22,622 million (as at December 31, 2023: RMB22,435 million), current financial assets at fair value through profit or loss of RMB17 million (as at December 31, 2023: RMB512 million), other financial assets of RMB747 million (as at December 31, 2023: RMB1,910 million). As at December 31, 2024, our current financial assets at fair value through profit or loss and other financial assets primarily comprised financial products issued by commercial banks. As each of the financial products was subscribed with different banks under different terms and are of different nature and none of the financial products exceeds 5% of the applicable percentage ratios on a standalone basis, the Group's purchase of financial products during the year ended December 31, 2024 does not constitute notifiable transactions of the Company under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Listing Rules**"). As at December 31, 2024, the Group's gearing ratio (calculated as total liabilities divided by total assets) was approximately 9.4% (as at December 31, 2023: 21.9%). After reviewing the Group's profitability, working capital and capital expenditure requirements, the Board is of the view that the Group has no significant liquidity risk and has sufficient working capital.

Most of the Group's assets and liabilities are denominated in Renminbi and United States Dollars. The Group manages its foreign exchange risk by closely monitoring its net foreign exchange exposure to reduce the impact of foreign exchange fluctuations.

Pledge of Group Assets

As at December 31, 2024, none of the Group's assets was subject to any encumbrance, mortgage, lien, charge or pledge.

Contingent Liabilities

As at December 31, 2024, the Group had no material contingent liabilities.

Significant Investments Held

During the Reporting Period, the Group did not have any significant investments.

Future Plans for Material Investments and Capital Assets

As at December 31, 2024, the Group did not have any plans for material investments and capital assets.

Material Acquisitions and Disposals

During the Reporting Period, the Group did not have any material acquisitions or disposals of subsidiaries, associates or joint ventures.

Employees and Emoluments Policy

As at December 31, 2024, the Group had a total of 8,989 full-time employees, whose remuneration is determined based on their performance and experience as well as the prevailing market salary levels.

The staff costs, including remuneration of the executive Directors, social welfare and other benefits, were approximately RMB3,328 million for the year ended December 31, 2024. We also provided regular training to employees designed to strengthen staff commitment to us and improve staff knowledge in a number of important areas of our services, such as knowledge about the Company and our products as well as sales, laws and regulations applicable to our operation, requirements under applicable GMP or other certifications, quality control, production safety and corporate culture.

The Company has conditionally approved and adopted the restricted share unit scheme ("**RSU Scheme**") on May 27, 2019 to recognize contributions by selected participants and give incentives thereto in order to retain them for the continual operation and development of the Group and to attract suitable personnel for further development of the Group. Participants may include employees of the Group (such as director, chief executive officer, vice president, financial controller, company secretary, members of senior management or key technical personnel) as well as any other person selected by the Board at its sole discretion from time to time (subject to compliance with the applicable Listing Rules).

On April 19, 2024, pursuant to the terms of the RSU Scheme, the Company allotted and issued 2,300,000 new ordinary shares (aggregate nominal value: HK$23) to Computershare Hong Kong Trustees Limited (the "**RSU Trustee**"), holding such shares for the benefit of the participants of the RSU Scheme, with the issue price per share of HK$2.6 as measured by the Company, which was arrived at after taking into consideration the number of shares currently held by the RSU Trustee and the purchase prices of the RSUs at the time of measurement, and the closing price per share of the Company immediately preceding business day of the issuance is HK$15.66. For the year ended December 31, 2024, the RSU Trustee was instructed by the Company to purchase an aggregate of 3,000,000 shares from the open market. The RSU Trustee shall hold such shares for the benefit of selected participants. As at December 31, 2024, a balance of 1,315,065 shares of the Company was held by the RSU Trustee for the RSU Scheme. For details of the RSU Scheme, please refer to the section headed "Statutory and General Information – D. Post-IPO RSU Scheme" in Appendix IV to the prospectus of the Company dated May 31, 2019.

During the Reporting Period, restricted share units ("**RSUs**") representing an aggregate of 11,397,590 shares of the Company had been granted by the Company pursuant to the RSU Scheme. Among the grants during the Reporting Period (the details of the grants are set out in the announcement of the Company dated June 27, 2024), all RSUs granted to Ms. Sun Yuan (representing 1,300,000 shares of the Company granted) and Dr. Lyu Aifeng (representing 291,850 shares of the Company granted), both being executive Directors of the Company, only involve the existing shares of the Company held or to be held by the RSU Trustee, and no new shares were or will be allotted or issued by the Company for the vesting of such RSUs. According to directors' services contracts with the Company, the RSUs granted to them form part of their remuneration package and are therefore exempted from the reporting, announcement and independent shareholders' approval requirements under Rules 14A.73(6) and 14A.95 of the Listing Rules.

Prospects

In 2025, Hansoh Pharma will continue to focus on the R&D of innovative drugs and internationalization strategy, as well as deepen its plans in the treatment of major diseases such as anti-tumor, CNS, metabolism and autoimmunity. The development and internationalization of core product pipelines will be accelerated to realize the further increase in proportion of revenue from innovative drugs. The Company will continue to strengthen BD collaboration, promote in-licensing and out-licensing for projects, and optimize the global market plans. At the same time, facing pressure from policies and market competition, the Company will consolidate its market position through differentiation of product portfolio and multi-channel commercialization strategy, laying the foundation for long-term growth.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Notes	For the year ended December 31, 2024 RMB'000 (Audited)	2023 RMB'000 (Audited)
REVENUE	*5*	**12,260,814**	10,103,806
Cost of sales		**(1,105,408)**	(1,030,863)
Gross profit		**11,155,406**	9,072,943
Other income	*5*	**1,133,336**	1,125,424
Selling and distribution expenses		**(3,795,848)**	(3,531,163)
Administrative expenses		**(712,546)**	(709,844)
Research and development costs		**(2,701,650)**	(2,097,046)
Other gains/(expenses), net	*5*	**13,173**	(27,480)
Finance costs		**(6,689)**	(66,679)
PROFIT BEFORE TAX	*6*	**5,085,182**	3,766,155
Income tax expense	*7*	**(713,357)**	(488,652)
PROFIT FOR THE YEAR		**4,371,825**	3,277,503
Attributable to owners of the parent		**4,371,825**	3,277,503
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	*9*		
Basic (RMB)		**0.74**	0.55
Diluted (RMB)		**0.73**	0.52

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Notes	For the year ended December 31, 2024 RMB'000 (Audited)	2023 RMB'000 (Audited)
PROFIT FOR THE YEAR		**4,371,825**	3,277,503
OTHER COMPREHENSIVE INCOME			
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		**234,447**	427,921
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods		**234,447**	427,921
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		**234,447**	427,921
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**4,606,272**	3,705,424
Attributable to owners of the parent		**4,606,272**	3,705,424

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	As at December 31, 2024 RMB'000 (Audited)	2023 RMB'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment		**2,804,765**	3,045,060
Right-of-use assets		**442,405**	234,663
Intangible assets		**245,286**	177,416
Financial assets at fair value through profit or loss		**702,283**	684,706
Prepayments for purchase of property, plant and equipment		**21,315**	13,927
Total non-current assets		**4,216,054**	4,155,772
CURRENT ASSETS			
Inventories		**651,224**	575,782
Trade and bills receivables	*10*	**3,169,763**	3,214,251
Prepayments, other receivables and other assets		**234,537**	236,208
Financial assets at fair value through profit or loss		**17,237**	512,409
Other financial assets		**747,468**	1,909,966
Cash and bank balances	*11*	**22,621,566**	22,434,691
Total current assets		**27,441,795**	28,883,307
CURRENT LIABILITIES			
Trade and bills payables	*12*	**217,851**	163,763
Other payables and accruals	*13*	**2,354,591**	2,375,680
Contract liabilities		**19,227**	38,471
Convertible bonds		**40,874**	4,183,198
Lease liabilities		**16,006**	16,087
Tax payable		**46,669**	85,650
Total current liabilities		**2,695,218**	6,862,849
NET CURRENT ASSETS		**24,746,577**	22,020,458
TOTAL ASSETS LESS CURRENT LIABILITIES		**28,962,631**	26,176,230

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

	Notes	As at December 31, 2024 ***RMB'000*** **(Audited)**	2023 *RMB'000* (Audited)
NON-CURRENT LIABILITIES			
Convertible bonds		**–**	39,742
Lease liabilities		**61,013**	64,708
Deferred tax liabilities		**200,189**	255,020
Other non-current liabilities		**21,515**	21,987
Total non-current liabilities		**282,717**	381,457
NET ASSETS		**28,679,914**	25,794,773
EQUITY			
Equity attributable to owners of the parent			
Share capital	*14*	**52**	52
Treasury shares		**(13,215)**	(108,629)
Reserves		**28,693,077**	25,903,350
Total equity		**28,679,914**	25,794,773

1 CORPORATE AND GROUP INFORMATION

The Company is an exempted company incorporated in the Cayman Islands with limited liability under the Companies Law of the Cayman Islands. The registered address of the Company is the offices of Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 14 June 2019.

The Company is an investment holding company. The Company and its subsidiaries (together, the "**Group**") were principally engaged in the research and development, production and sale of a series of pharmaceutical products in the People's Republic of China (the "**PRC**").

2. BASIS OF PREPARATION

These financial statements have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("**HKASs**") and Interpretations) as issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss which have been measured at fair value. These financial statements are presented in Renminbi ("**RMB**") and all values are rounded to the nearest thousand except when otherwise indicated.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

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

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

These amendments did not have any impact on the financial position or performance of the Group.

4. OPERATING SEGMENT INFORMATION

Information about geographical areas

Since over 80% of the Group's revenue were generated from the sale of pharmaceutical products in Mainland China and most of the Group's identifiable operating assets and liabilities were located in Mainland China, no geographical segment information in accordance with HKFRS 8 *Operating Segments* is presented.

Information about major customers

Collaboration revenue from GlaxoSmithKline Intellectual Property (No.4) Limited amounted to approximately 12% of the Group's revenue. No other revenue from the Group's sales to a single customer amounted to 10% or more of the Group's revenue during the Reporting Period.

5. REVENUE, OTHER INCOME AND OTHER GAINS/(EXPENSES), NET

An analysis of revenue, other income and other gains/(expenses), net is as follows:

	2024	2023
	RMB'000	*RMB'000*
Revenue from contracts with customers		
Sales of goods – at a point in time	**10,687,946**	9,403,962
Collaboration revenue – at a point in time	**1,572,868**	699,844
Total	**12,260,814**	10,103,806
Other income		
Investment income	**50,723**	115,166
Government grants	**85,754**	104,431
Bank interest income	**995,259**	905,005
Others	**1,600**	822
Total other income	**1,133,336**	1,125,424
Other gains/(expenses), net		
Gain on disposal of items of property, plant and equipment	**5,721**	2,103
Gain on disposal of associates	**–**	10,776
Loss on disposal of financial assets at amortised cost	**(17,143)**	(3,346)
Share of losses of associates	**–**	(2,123)
Fair value gains of financial assets at fair value through profit of loss	**78,410**	150,794
Loss resulting from derecognition of convertible bonds	**–**	(134,712)
Donations	**(35,438)**	(32,081)
Foreign exchange differences, net	**21,428**	4,571
Impairment of trade receivables, net	**18,179**	(22,383)
Impairment of inventories, net	**(11,289)**	(1,645)
Impairment of property, plant and equipment	**(31,976)**	–
Others	**(14,719)**	566
Total other gains/(expenses), net	**13,173**	(27,480)

6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging:

	Notes	**2024** ***RMB'000***	2023 *RMB'000*
Cost of inventories sold		**874,217**	656,690
Depreciation of property, plant and equipment		**362,335**	334,869
Depreciation of right-of-use assets		**25,777**	20,750
Amortisation of intangible assets		**13,237**	10,762
Impairment of trade receivables, net	*10*	**(18,179)**	22,383
Impairment of inventories, net		**11,289**	1,645
Operating lease expenses		**4,507**	5,457
Auditors' remuneration:			
Audit services		**3,230**	3,230
Non-audit services		**100**	500
Gain on disposal of items of property, plant and equipment		**(5,721)**	(2,103)
Gain on disposal of associates		**–**	(10,776)
Investment income		**(50,723)**	(115,166)
Share of losses of associates		**–**	2,123
Fair value gains of financial assets at fair value through profit or loss		**(78,410)**	(150,794)
Loss resulting from derecognition of convertible bonds		**–**	134,712
Bank interest income		**(995,259)**	(905,005)
Foreign exchange differences, net		**(21,428)**	(4,571)
Employee benefit expense (including directors' remuneration):			
Wages and salaries		**2,183,878**	1,802,312
Social welfare and other benefits*		**1,006,062**	707,163
Share-based payments		**137,725**	171,365
Total		**3,327,665**	2,680,840

* There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

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.

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands or the British Virgin Islands.

The subsidiary incorporated in Hong Kong and subsidiaries registered as a Hong Kong tax resident are subject to income tax at the rate of 16.5% (2023: 16.5%) on the estimated assessable profits arising in Hong Kong during the Reporting Period. The first HK$2,000,000 (2023: HK$2,000,000) of assessable profits of each subsidiary are taxed at 8.25% (2023: 8.25%) and the remaining assessable profits are taxed at 16.5% (2023: 16.5%).

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

In 2023, Jiangsu Hansoh Pharmaceutical Group Co., Ltd. ("**Jiangsu Hansoh**") and Shanghai Hansoh Biomedical Co., Ltd. ("**Shanghai Hansoh**"), subsidiaries of the Company, renewed their HNTE qualifications and were entitled to a preferential income tax rate of 15% for a period of three years from 2023 to 2025.

In 2024, Changzhou Hansoh Pharmaceutical Co., Ltd. ("**Changzhou Hansoh**"), a subsidiary of the Company, renewed its HNTE qualification and was entitled to a preferential income tax rate of 15% for a period of three years from 2024 to 2026.

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

	2024	2023
	RMB'000	*RMB'000*
Current income tax	**768,188**	584,293
Deferred income tax	**(54,831)**	(95,641)
Total	**713,357**	488,652

8. DIVIDENDS

	2024	2023
	RMB'000	*RMB'000*
2023 Final, Dividends declared – HK$14.22 cents (2022 Final, Dividends declared – HK$5.00 cents) per ordinary share	**768,760**	268,852
2024 Interim, Dividends declared – HK$20.10 cents (2023 Interim, Dividends declared – HK$7.07 cents) per ordinary share	**1,089,973**	383,991

Pursuant to the resolution of the shareholders of the Company dated 13 June 2024 and the resolution of the board of directors dated 27 August 2024, the Company declared dividends of HK$14.22 cents (2023: HK$5.00 cents) and HK$20.10 cents (2023: HK$7.07 cents) separately per ordinary share, amounting to a total of approximately RMB1,858,733,000 (2023: RMB652,843,000).

9. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit for the year attributable to ordinary equity holders of the parent of RMB4,371,825,000 (2023: RMB3,277,503,000), and the weighted average number of ordinary shares of 5,930,095,672 (2023: 5,924,899,050) outstanding during the year, which are adjusted to reflect the changes in the number of ordinary shares during the year.

The calculation of the diluted earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the parent, adjusted to reflect the interest and the fair value on the convertible bonds. The weighted average number of ordinary shares used in the calculation of the diluted earnings per share is the weighted average number of ordinary shares outstanding during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued on the conversion of all dilutive potential shares into ordinary shares.

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

	2024	2023
	RMB'000	*RMB'000*
Earnings		
Profit attributable to ordinary equity holders of the parent used in the basic earnings per share calculation	**4,371,825**	3,277,503
Interest on convertible bonds	**535**	175,957
Less: Fair value gain on the derivative component of the convertible bonds	**–**	307,716
Profit attributable to ordinary equity holders of the parent used in the diluted earnings per share calculation	**4,372,360**	3,145,744

	Adjusted number of shares	
	2024	2023
Shares		
Weighted average number of ordinary shares outstanding during the year used in the basic earnings per share calculation	**5,930,095,672**	5,924,899,050
Effect of dilution – weighted average number of ordinary shares:		
Restricted share units	**19,180,723**	20,811,901
Convertible bonds	**712,371**	73,939,191
Weighted average number of ordinary shares outstanding during the year used in the diluted earnings per share calculation	**5,949,988,766**	6,019,650,142
Basic earnings per share (RMB per share)	**0.74**	0.55
Diluted earnings per share (RMB per share)	**0.73**	0.52

10. TRADE AND BILLS RECEIVABLES

	2024	2023
	RMB'000	*RMB'000*
Trade receivables	**3,139,904**	3,240,237
Impairment	**(12,425)**	(30,604)
Net carrying amount	**3,127,479**	3,209,633
Bills receivable	**42,284**	4,618
Total	**3,169,763**	3,214,251

The Group's trading terms with its customers are mainly on credit, except for new customers, whose payment in advance is normally required. The credit period is generally from 60 to 180 days. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade and bills receivable balances. Trade and bills receivables are non-interest-bearing.

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

	2024	2023
	RMB'000	*RMB'000*
Within 90 days	**3,105,364**	3,032,806
91 days to 180 days	**5,447**	25,365
Over 180 days	**16,668**	151,462
Total	**3,127,479**	3,209,633

An ageing analysis of bills receivable as at the end of the Reporting Period, based on the billing date, is as follows:

	2024	2023
	RMB'000	*RMB'000*
Within 90 days	**41,441**	4,618
91 days to 180 days	**843**	–
	42,284	4,618

The Group applies the simplified approach to providing for expected credit losses prescribed by HKFRS 9, which permits the use of the lifetime expected credit loss provision for all trade receivables and bills receivable.

Based on past experience and forward-looking information, the directors of the Company are of the opinion that there is no significant credit risk associated with bills receivable and no credit loss allowance is necessary since the counterparties are substantially reputable state-owned banks and other medium or large-sized listed banks with no history of default.

To measure the expected credit losses for trade receivables, trade receivables have been grouped based on shared credit risk characteristics and the ageing.

The movements in the loss allowance for impairment of trade receivables are as follows:

	2024	2023
	RMB'000	*RMB'000*
At beginning of year	**30,604**	8,221
(Reversal)/provision of impairment *(Note 6)*	**(18,179)**	22,383
At end of year	**12,425**	30,604

11. CASH AND BANK BALANCES

	2024	2023
	RMB'000	*RMB'000*
Cash and bank balances, unrestricted	**2,101,651**	2,246,714
Time deposits with original maturity of less than three months when acquired	**221,050**	3,733,799
Time deposits with original maturity of over three months when acquired *(note (a))*	**20,298,865**	16,454,178
Cash and bank balances	**22,621,566**	22,434,691

Note:

(a) The above investments represent time deposits with initial terms of over three months when acquired (including three months) issued by commercial banks with annual return rates ranging from 3.30% to 5.89% (2023: 3.20% to 6.03%). None of these investments are either past due or impaired. None of these deposits are pledged.

12. TRADE AND BILLS PAYABLES

	2024	2023
	RMB'000	*RMB'000*
Trade payables	**217,851**	121,042
Bills payable	**–**	42,721
Total	**217,851**	163,763

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

	2024	2023
	RMB'000	*RMB'000*
Within 90 days	**211,421**	160,294
91 days to 180 days	**709**	950
181 days to 1 year	**2,055**	554
Over 1 year	**3,666**	1,965
Total	**217,851**	163,763

The trade payables are non-interest-bearing and are normally settled on 90-day terms.

13. OTHER PAYABLES AND ACCRUALS

	2024	2023
	RMB'000	*RMB'000*
Accrued expenses	**1,490,774**	1,546,526
Staff payroll, welfare and bonus payables	**438,431**	281,236
Payables for purchase of items of property, plant and equipment	**27,481**	62,442
Other tax payables	**160,546**	141,551
Other payables	**237,359**	343,925
Total	**2,354,591**	2,375,680

14. SHARE CAPITAL

	2024	2023
	RMB	*RMB*
Issued and fully paid:		
5,935,650,070 shares of HK$0.00001 each (31 December 2023: 5,933,350,070 shares of HK$0.00001 each)	**52,286**	52,265

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

	Number of shares in issue	**Share capital** *RMB*
At 1 January 2024	5,933,350,070	52,265
Issue of shares pursuant to the Group's Restricted Share Unit Scheme (the "**RSU Scheme**") adopted on May 27, 2019, HK$0.00001 each *(note (a))*	2,300,000	21
At 31 December 2024	5,935,650,070	52,286

Note:

(a) On 19 April 2024, the Company issued 2,300,000 new ordinary shares to Computershare Hong Kong Trustees Limited (the "**RSU Trustee**") pursuant to the terms of the RSU Scheme approved and adopted on 27 May 2019, with the exercise price of HK$2.60 per restricted share for vesting.

EVENTS AFTER THE REPORTING PERIOD

In January 2025, GSK received the FDA BTD for GSK5764227 (Company code HS-20093), the B7-H3-targeted ADC being evaluated for the treatment of adult patients with relapsed or refractory osteosarcoma (bone cancer) who have progressed on at least two prior lines of therapy.

With effect from January 24, 2025, due to personal work arrangement, Ms. Tam Sze Wai Sara ("**Ms. Tam**") has tendered her resignation as a joint company secretary of the Company and ceased to be an authorized representative of the Company (the "**Authorized Representative**") under Rule 3.05 of the Listing Rules and the process agent of the Company in Hong Kong for the purpose of accepting service of process and notices on its behalf as required under Rule 19.05(2) of the Listing Rules and Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the "**Process Agent**"). Following the resignation of Ms. Tam, the Board announces that Ms. Wong Yuen Ki has been appointed as the joint company secretary, an Authorized Representative and the Process Agent, with effect from January 24, 2025. For details, please refer to the Company's announcement dated January 24, 2025.

In February 2025, based on the positive results from the global pivotal phase Ⅲ MITIGATE trial on XINYUE, the new indication of the treatment of IgG4-RD of the product has been included in the Priority Review and Approval Procedure by the NMPA. In March 2025, Biologics License Application (BLA) of this indication was accepted by the NMPA.

In February 2025, the Category 1 small molecule Bruton's tyrosine kinase inhibitor (BTKi) HS-10561 capsules, which is jointly developed by the Group and Lupeng Pharma, obtained a clinical trial approval issued by the NMPA, which is intended to be investigated in clinical trials for chronic spontaneous urticaria.

In February 2025, the NMPA listed HS-20093 as a Breakthrough-Therapy-Designated Drug, with the proposed indication for the treatment of patients with osteosarcoma who have progressed on at least two prior lines of therapy.

In March 2025, Ameile (Aumolertinib Mesilate Tablets) was granted drug registration approval by the NMPA, approving the addition of an indication: for the treatment of patients with locally advanced, unresectable NSCLC whose disease has not progressed following definitive platinum-based chemoradiotherapy whose tumors have EGFR exon 19 deletions or exon 21 (L858R) substitute mutations. This is the third indication of Ameile which has been approved.

Save as disclosed above, there is no material event affecting the Company during the period from December 31, 2024 to the date of this announcement.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company's corporate governance practices are based on the principles and code provisions as set out in the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Listing Rules and the Company has adopted the CG Code as its own code of corporate governance.

The Board is of the view that the Company has complied with all the code provisions in effect as set out in Part 2 of the CG Code during the Reporting Period, save for code provision C.2.1 of the CG Code.

CODE PROVISION C.2.1

Code provision C.2.1 of the CG Code states that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The Company has appointed Ms. Zhong Huijuan ("**Ms. Zhong**") as both the chairlady and the chief executive officer of the Company. Due to the nature and the extent of the Group's operations and Ms. Zhong's in-depth knowledge and experience in the PRC pharmaceutical industry, the Board considers that the balance of power and authority under the present arrangement is not impaired and this structure will enable the Company to make and implement decisions promptly and effectively. The Board will continue to review and consider splitting the roles of chairlady of the Board and the chief executive officer of the Company at a time when it is appropriate by taking into account the circumstances of the Group as a whole.

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 adopted its own code of conduct regarding securities transactions of the Company by Directors (the "**Company Code**") on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules. Specific enquiry has been made to all Directors by the Company and all Directors confirmed that they have complied with the Company Code during the Reporting Period.

AUDIT COMMITTEE

The Board has established an audit committee (the "**Audit Committee**") with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph D.3 of Part 2 of the CG Code. The Audit Committee consists of three independent non-executive Directors, namely Mr. Chan Charles Sheung Wai (chairman of the Audit Committee), Mr. Lin Guoqiang and Ms. Yang Dongtao.

The Audit Committee and the external auditor, Ernst & Young, have reviewed the audited results of the Group for the year ended December 31, 2024. The Audit Committee has also reviewed the accounting principles and practices adopted by the Group and its internal controls and financial reporting matters.

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

On January 22, 2024, the Company redeemed the outstanding convertible bonds in the aggregate principal amount of US$590,622,000 pursuant to the terms and conditions of zero coupon convertible bonds due 2026 and bondholders' notice of redemption, representing approximately 99.10% in principal amount of the convertible bonds outstanding as at that date. The convertible bonds in the principal amount of US$5,378,000 remain outstanding as of December 31, 2024. Save as disclosed, during the year ended December 31, 2024, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) (as defined under the Listing Rules). As at December 31, 2024, no treasury shares (as defined under the Listing Rules) were held by the Company.

FINAL DIVIDEND

The Board recommends a final dividend of HK$13.53 cents per share for the year ended December 31, 2024 (2023: HK$14.22 cents). Subject to the approval of the shareholders of the Company ("**Shareholders**") at the forthcoming annual general meeting of the Company ("**AGM**"), the proposed final dividend will be payable on Friday, July 25, 2025 to Shareholders whose names appear on the register of members of the Company at the close of business on Wednesday, July 9, 2025, being the record date. Together with an interim dividend of HK$20.10 cents per share, the full-year dividend for 2024 amounted to HK$33.63 cents per share.

CLOSURE OF REGISTER OF MEMBERS

In order to ascertain the Shareholders' entitlements to the proposed final dividend (subject to the approval by the Shareholders at the AGM), the register of members of the Company will be closed from Monday, July 7, 2025 to Wednesday, July 9, 2025, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend, all share transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Friday, July 4, 2025.

USE OF PROCEEDS FROM PLACING

On April 22, 2020, the Company entered into a placing agreement with Morgan Stanley & Co. International plc and Citigroup Global Markets Limited (the "**Placing Agents**"), pursuant to which the Placing Agents agreed to place 130,380,000 ordinary shares in the Company, or, failing which, to purchase themselves on a fully underwritten basis, to not fewer than six placees who are professional, institutional or other investors selected and procured by the Placing Agents and whose ultimate beneficial owners are independent third parties (the "**Placing**"). The Placing price was HK$26.75 per share.

The net proceeds from the Placing were approximately HK$3,477.20 million, which have been and will be used for R&D projects, including but not limited to our existing and future domestic and overseas drug R&D, expanding our R&D team, and investment in technologies to further enhance our R&D capabilities and enrich our product pipeline. As at December 31, 2024, the net proceeds of HK$3,477.20 million had been fully utilized. As at December 31, 2024, the net proceeds utilized by the Group were as follows:

Purpose	Percentage of the total amount	Net proceeds (HK$100 million)	Utilized from the issuance date to December 31, 2024 (HK$100 million)	Unutilized as at December 31, 2024 (HK$100 million)	Expected time frame
R&D projects, including but not limited to our existing and future domestic and overseas drug R&D, expanding our R&D team, and investment in technologies	100%	34.7720	34.7720	–	Not applicable

Utilized proceeds were used according to the purpose previously disclosed by the Company. To the best knowledge of the Directors, there has neither been any material change nor delay in the use of proceeds during the year ended December 31, 2024.

USE OF PROCEEDS FROM ISSUANCE OF CONVERTIBLE BONDS

In January 2021, the Company successfully completed the issuance and listing of US$600 million zero-coupon convertible bonds due in 2026 to professional investors only. The net proceeds from the bonds were approximately US$595.65 million, which have been and will be used for R&D expenditure (including but not limited to allocating funding to clinical trials for innovative drugs, innovative drugs development and/or in-license opportunities), upgrading and expanding existing manufacturing facilities and procuring equipment for its production facilities and for general corporate purposes. In December 2022, the Company repurchased bonds with an aggregate principal amount of US$4 million. In January 2024, the Company redeemed the outstanding convertible bonds in the aggregate principal amount of US$590,622,000. As at December 31, 2024, US$591.65 million was utilized and the net proceeds had been fully utilized. As at December 31, 2024, the net proceeds utilized by the Group were as follows:

Purpose	Percentage of the total amount	Net proceeds (US$100 million)	Utilized from the issuance date to December 31, 2024 (US$100 million)	Repurchased from the issuance date to December 31, 2024 (US$100 million)	Unutilized as at December 31, 2024 (US$100 million)	Expected time frame
R&D expenditure, including but not limited to allocating funding to clinical trials for innovative drugs, innovative drugs development and/or in-license opportunities	65%	3.8717	3.8317	0.0400	–	Not applicable
Upgrading and expanding existing manufacturing facilities (including R&D facilities) and procuring equipment for its production facilities	25%	1.4891	1.4891	–	–	Not applicable
General corporate purposes	10%	0.5957	0.5957	–	–	Not applicable
Total	100%	5.9565	5.9165	0.0400	–	

The net proceeds were used according to the purpose previously disclosed by the Company. To the best knowledge of the Directors, there has neither been any material change nor delay in the use of proceeds during the year ended December 31, 2024.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This announcement is published on the websites of The Stock Exchange of Hong Kong Limited (**www.hkexnews.hk**) and the Company (**www.hspharm.com**). The annual report for the year ended December 31, 2024 of the Company and the notice of the AGM setting out, among others, proposed date of the AGM, the period of closure of register of members and the record date for determining the entitlement of the attendance of the AGM will be available on the same websites in due course.

By Order of the Board
Hansoh Pharmaceutical Group Company Limited
Zhong Huijuan
Chairlady

Hong Kong, March 21, 2025

As at the date of this announcement, the Board comprises Ms. Zhong Huijuan as chairlady and executive Director, Ms. Sun Yuan and Dr. Lyu Aifeng as executive Directors, and Mr. Lin Guoqiang, Mr. Chan Charles Sheung Wai and Ms. Yang Dongtao as independent non-executive Directors.

* *For identification purposes only*