Huadong Medicine Co., Ltd.

2025 Semi-annual Report

August 20, 2025

Section I Important Notes, Table of Contents and Definitions

The Board of Directors, directors, and senior management of Huadong Medicine Co., Ltd. (hereinafter referred to as the "Company") hereby guarantee that the information presented in this report is authentic, accurate and complete, and free of false records, misleading statements or material omissions, and shall undertake individual and joint legal liabilities.

Lv Liang, the Company's legal representative and the officer in charge of accounting, and Qiu Renbo, head of the accounting department (accounting manager) hereby declare that the financial statements in this semi-annual report are authentic, accurate, and complete.

All directors have attended the Board of Directors meeting to review this semi-annual report.

The future plans, development strategies and other forward-looking statements in this semi-annual report shall not be considered as a substantial commitment of the Company to investors. Investors and related parties should be fully aware of the risks, and understand the differences between plans, forecasts and commitments.

The risks the Company faces in operation include industry policy and product price reduction risk, new drug R&D risk, investment and M&A risk and exchange rate fluctuation risk. For details, please refer to "X. Risks faced by the Company and countermeasures" in "Section III. Management's Discussion and Analysis". Therefore, investors are kindly reminded to pay attention to possible investment risks.

The dividend distribution scheme approved at the meeting of the Board of Directors is as follows: On the basis of 1,754,021,048.00 shares—derived by excluding 56,000.00 restricted stock (pending repurchase and cancellation) from the existing total share capital of 1,754,077,048.00 shares, RMB 3.50 (before tax) of cash dividends per ten shares will be distributed to all shareholders; a total of 0 bonus shares (before tax) will be issued; and no capital reserve will be converted to increase the capital stock. This 2025 interim profit distribution scheme falls within the scope authorized by the 2024 Annual Shareholders' Meeting resolution to the Board of Directors and does not require further approval by the Shareholders' Meeting.

According to "Stock Listing Rules of the Shenzhen Stock Exchange", if listed companies have both Chinese and other language version of public notice, they should ensure the content of both versions are the same. In the case of discrepancy, the original version in Chinese shall prevail.

Table of Contents

Contents of Reference File

(I) Financial accounting statements signed and sealed by the legal representative, the person in charge of accounting, and the head of the accounting department (accounting manager).

(II) The originals of all Company's documents publicly disclosed in the press designated by CSRC during the reporting period and the originals of announcements.

Definitions

Item	refers to	Definition
CSRC	refers to	China Securities Regulatory Commission
SZSE	refers to	Shenzhen Stock Exchange
Huadong Medicine/the Company/our Company	refers to	Huadong Medicine Co., Ltd.
China Grand Enterprises	refers to	China Grand Enterprises, INC.
Huadong Medicine Group	refers to	Hangzhou Huadong Medicine Group Co., Ltd.
Zhongmei Huadong	refers to	Hangzhou Zhongmei Huadong Pharmaceutical Co., Ltd.
Jiangdong Company	refers to	Hangzhou Zhongmei Huadong Pharmaceutical Jiangdong Co., Ltd.
Joyang Laboratories	refers to	Joyang Laboratories
Jiuyuan Gene	refers to	Hangzhou Jiuyuan Genetic Biopharmaceutical Co., Ltd.
Doer Biologics	refers to	Zhejiang Doer Biologics Co., Ltd.
Chongqing Peg-Bio	refers to	Chongqing Peg-Bio Biopharm Co., Ltd.
Qyuns Therapeutics	refers to	Qyuns Therapeutics Co., Ltd.
Nuoling Bio	refers to	Nuoling Biomedical Technology (Beijing) Co., Ltd.
Meihua Hi-Tech/Anhui Meihua	refers to	Anhui Meihua Hi-Tech Pharmaceutical Co., Ltd.
Wuhu Huaren	refers to	Wuhu Huaren Science and Technology Co., Ltd.
Huida Biotech	refers to	Zhejiang Huida Biotech Co., Ltd.
Perfect mRNA	refers to	Hangzhou Perfect mRNA Biotechnology Co., Ltd.
Magic Health	refers to	Hubei Magic Health Technology Co., Ltd.
CARsgen Therapeutics	refers to	CARsgen Therapeutics Holdings Limited
Nanjing Nongda Animal Pharmaceutical	refers to	Jiangsu Nanjing Nongda Animal Pharmaceutical Co., Ltd.
Shengji Material	refers to	Zhejiang Shengji Material Technology Co., Ltd.
IMPACT Therapeutics	refers to	Nanjing IMPACT Therapeutics Co., Ltd.
Sinclair	refers to	Sinclair Pharma Limited
R2	refers to	R2 Technologies, Inc.
MediBeacon	refers to	MediBeacon Inc.
ImmunoGen	refers to	ImmunoGen, Inc.
RAPT	refers to	RAPT Therapeutics, Inc.
Kylane	refers to	Kylane Laboratoires SA
High Tech	refers to	High Technology Products, S.L.U.
Viora	refers to	Viora Ltd
Heidelberg Pharma	refers to	Heidelberg Pharma AG
Kiniksa	refers to	Kiniksa Pharmaceuticals (UK), Ltd.
Arcutis	refers to	Arcutis Biotherapeutics, Inc.
GMP	refers to	Good Manufacturing Practice
cGMP	refers to	Current Good Manufacturing Practice
GSP	refers to	Good Supply Practice
BE	refers to	Bioequivalence
CDE	refers to	Center for Drug Evaluation of National Medical Products Administration

MAH	refers to	Marketing Authorization Holder
FDA	refers to	U.S. Food and Drug Administration
NMPA	refers to	National Medical Products Administration
IPO	refers to	Initial Public Offering
API	refers to	Active Pharmaceutical Ingredient
DMF	refers to	Drug Master File, a confidential dossier prepared by the holder on a precautionary basis, which contains comprehensive details about facilities, manufacturing processes, and materials involved in the preparation, processing, packaging, and storage of one or more human drug products. The contents of a DMF may only be referenced by the FDA during its review of IND applications, NDAs, and ANDAs upon receipt of a Letter of Authorization from either the DMF holder or their legally authorized representative.
NHSA	refers to	National Healthcare Security Administration
KOL	refers to	Key Opinion Leader, individuals who possess extensive and more accurate information about products. They are recognized and trusted by a relevant community and have significant influence over the purchasing decisions of that group.
NDA	refers to	New Drug Application
BLA	refers to	Biologics License Application
ANDA	refers to	Abbreviated New Drug Application (i.e., Generic Drug Application)
CE certification	refers to	The EU's certification for products indicates that the products meet the requirements of relevant EU directives. It also serves as evidence that the products have undergone the corresponding conformity assessment procedures and that the manufacturer has made a declaration of conformity. This certification shows that the products can be sold in the EU market.
MDR	refers to	Medical Devices Regulation (EU) 2017/745
ICH	refers to	International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use
IND	refers to	Investigational New Drug
PK/PD	refers to	Pharmacokinetics/pharmacodynamics
CMC	refers to	Chemistry, Manufacturing and Controls, mainly involving pharmaceutical researches such as manufacturing technology, impurity research, quality research, and stability research during drug research and development.
CMO	refers to	Contract Manufacturing Organization, which provides services such as customized manufacturing of medical intermediates, APIs and pharmaceutical preparations entrusted by pharmaceutical companies.
CDMO	refers to	Contract Development and Manufacturing Organization, which offers customized R&D and production services for multinational pharmaceutical companies and biotechnology companies, such as process R&D and preparation, process optimization, scale-up manufacturing, registration and validation batches manufacturing, and commercial manufacturing of medicines, especially innovative drugs.

QA	refers to	Quality Assurance (department)
ADC	refers to	Antibody-Drug Conjugates
EBD	refers to	Energy Based Device
license-in	refers to	Product License-in
license-out	refers to	Product External License Authorization
BD	refers to	Business Development
EBITDA	refers to	Earnings Before Interest, Taxes, Depreciation, and Amortization
EHS	refers to	Environment, Health, and Safety Management System
MRCT	refers to	Multi-regional Clinical Trials
ESG	refers to	Environmental, Social and Governance
OTC	refers to	Over-the-counter, i.e., medicines published by the medical products administration under the State Council and purchased and used by consumers at their discretion without the prescription of practicing doctors or assistant practicing doctors.
PFS	refers to	Progression-free survival
DTP	refers to	Direct to Patient
CADD	refers to	Computer-Aided Drug Design, a drug design method based on computer technology.
AIDD	refers to	Artificial Intelligence-Driven Drug Design, a method that applies artificial intelligence (AI) technology for drug development. In AIDD, AI algorithms are utilized to analyze large-scale molecular structure data, helping to predict intermolecular interactions and their therapeutic effects on diseases.
GLP-1	refers to	Glucagon-like Peptide-1
SPD	refers to	Medical SPD (Supply, Processing, Distribution)-based Management is a typical lean management model developed under the guidance of the integrated supply chain concept. With the purpose of ensuring the quality and safety of medical consumables within hospitals and meeting clinical needs, supported by logistics information technology and specialized process management, it strengthens the full-process supervision of the hospital's medical consumables management department, coordinates external and internal demands, and implements a centralized logistics management model for the supply, processing, and distribution of medical consumables throughout the hospital.
Prescription Drugs	refers to	Drugs that can only be purchased and used with a prescription issued by a physician
RWR/RWS	refers to	Real World Research/Study, RWR/RWS, involves collecting data related to patients in real-world environment (real-world data) and analyzing it to obtain the use value of medical products and clinical evidence of potential benefits or risks (real-world evidence).
2024 Medicine Catalog	refers to	Catalogue of Medicines Covered by National Basic Medical Insurance, Work-related Injury Insurance, and Maternity Insurance (2024)
Reporting period	refers to	From January 1, 2025 to June 30, 2025

Section II Company Profile and Key Financial Indicators

I. Company profile

Stock name (abbreviation)	Huadong Medicine	Stock code	000963
Stock listed on	Shenzhen Stock Exchange		
Company name in Chinese	华东医药股份有限公司		
Company name in Chinese (abbreviation, if any)	华东医药		
Company name in English (if any)	HUADONG MEDICINE CO., LTD		
Company name in English (abbreviation, if any)	HUADONG MEDICINE		
Legal representative of the Company	Lv Liang		

II. Contact person and contact information

	Secretary of the Board of Directors	Securities affairs representative
Name	Chen Bo	Hu Shufen
Contact address	New Office Building of Huadong Medicine, No. 858 Moganshan Road, Gongshu District, Hangzhou, Zhejiang, CHINA	New Office Building of Huadong Medicine, No. 858 Moganshan Road, Gongshu District, Hangzhou, Zhejiang, CHINA
Tel.	+86 571-89903300	+86 571-89903300
Fax	+86 571-89903366	+86 571-89903366
Email address	ir@eastchinapharm.com	ir@eastchinapharm.com

III. Other information

1. Company contact information

Whether the Company's registered address, office address and its postal code, website, or email address have changed during the reporting period

☑Applicable □Not applicable

Registered address of the Company	Floors 4/7, No. 439, Zhongshan North Road, Gongshu District, Hangzhou, Zhejiang
Postal code of the registered address	310006
Office address of the Company	New Office Building of Huadong Medicine, No. 858, Moganshan Road, Gongshu District, Hangzhou, Zhejiang
Postal code of office address	310011
Company website	www.eastchinapharm.com
Email address of the Company	ir@eastchinapharm.com
Query date of the temporary announcement on the designated website (if applicable)	August 20, 2025

Query index of the temporary announcement on the designated website (if applicable)	www.cninfo.com.cn

2. Information disclosure and storage location

Has the information disclosure and storage location changed during the reporting period?

□Applicable ☑Not applicable

The stock exchange website and media names and URLs where the Company discloses its semi-annual reports, as well as the storage location of the semi-annual reports, remained unchanged during the reporting period. For details, please refer to the 2024 Annual Report.

3. Other relevant information

Has any other relevant information changed during the reporting period?

□Applicable ☑Not applicable

IV Key accounting data and financial indicators

Does the Company need to retroactively adjust or restate the accounting data of previous years?

□Yes ☑No

	Current reporting period	Same period last year	Increase or decrease during the current reporting period compared with the same period of last year
Operating revenue (RMB)	21,674,928,965.21	20,965,065,605.67	3.39%
Net profit attributable to shareholders of the listed company (RMB)	1,814,826,860.86	1,696,020,589.20	7.01%
Net profit attributable to shareholders of the listed company after deduction of non-recurring gains and losses (RMB)	1,761,734,255.98	1,625,200,244.09	8.40%
Net cash flow from operating activities (RMB)	2,456,848,510.10	2,275,256,481.44	7.98%
Basic earnings per share (RMB/share)	1.0293	0.9675	6.39%
Diluted earnings per share (RMB/share)	1.0346	0.9686	6.81%
Weighted average return on equity	7.62%	7.80%	-0.18%
	End of the current reporting period	End of the last year	Increase or decrease at the end of the current reporting period compared with the end of the last year
Total assets (RMB)	38,815,448,940.78	37,879,046,367.15	2.47%
Net assets attributable to shareholders of the listed company (RMB)	23,751,917,398.00	23,060,051,397.36	3.00%

Total share capital of the Company as of the trading day prior to disclosure:

Total share capital of the Company as of the trading day prior to disclosure (shares)	1,754,077,048.00

Fully diluted earnings per share based on the latest share capital:

Preferred share dividends paid	0.00
Perpetual bond interest paid (RMB)	0.00
Fully diluted earnings per share based on the latest share capital (RMB/share)	1.0346

V. Differences in accounting data under domestic and foreign accounting standards

1. Differences between net profit and net assets in the financial report disclosed in accordance with the International Accounting Standards and the Chinese Accounting Standards

□Applicable ☑Not applicable

During the reporting period, there is no difference between the net profit and net assets in the financial report disclosed in accordance with the International Accounting Standards and the Chinese Accounting Standards.

2. Differences between net profit and net assets in the financial report disclosed in accordance with overseas accounting standards and Chinese accounting standards

□Applicable ☑Not applicable

During the reporting period, there is no difference between the net profit and net assets in the financial report disclosed in accordance with the overseas accounting standards and the Chinese accounting standards.

VI. Items and amounts of non-recurring gains/losses

☑Applicable □Not applicable

Unit: RMB

Item	Amount	Description
Gains and losses on disposal of non-current assets (including the write-off of provision for impairment of assets)	-8,068,730.40	
Government grants included in the current profits and losses (except those that are closely related to the normal business operation of the Company, comply with national policies and regulations, are enjoyed in accordance with the defined criteria, and have a lasting impact on the Company's profits and losses)	130,856,898.02	For details of government grants, please refer to XI of the Notes to this financial report
Reversal of impairment provision of receivables individually tested for impairment	100,000.00	
Other non-operating revenue and expenses other than those mentioned above	-48,135,345.99	For details of non-operating revenue and expenses, please refer to VII (74, 75) of the Notes to this financial report

Other gain and loss items conforming to the definition of non-recurring gains and losses	-6,672,178.39	Refer to VII (70) of the Notes to this financial report for details
Less: Amount affected by income tax	10,611,490.62	
Amount affected by minority interests (after tax)	4,376,547.74	
Total	53,092,604.88	

Details of other gain and loss items conforming to the definition of non-recurring gains and losses

☑Applicable □Not applicable

As the operation of Huadong Ningbo Medicine Co., Ltd. expired on December 31, 2021, and it is currently in the liquidation phase, it is no longer included in the consolidated financial statements of the Company. The Company's investment in it is classified as other non-current assets. During the current period, the Company recognized an investment income of RMB -6,672,178.39 during the liquidation period based on its shareholding ratio.

An explanation of the fact that the non-recurring gain and loss items listed in the *Explanatory Announcement No.1 on Information Disclosure by Companies that Offer Securities to the Public - Non-recurring Gains and Losses* are defined as recurring gain and loss items

□Applicable ☑Not applicable

The Company did not define the non-recurring gain and loss items listed in the *Explanatory Announcement No.1 on Information Disclosure by Companies that Offer Securities to the Public - Non-recurring Gains and Losses* as recurring gain and loss items.

Section III Management's Discussion and Analysis

I. Main business of the Company during the reporting period

(I) Main business of the Company

Huadong Medicine Co., Ltd. (stock code: 000963) was founded in 1993 and is headquartered in Hangzhou, Zhejiang. The company was listed on the Shenzhen Stock Exchange in December 1999. With its businesses covering the entire pharmaceutical industry chain thanks to over 30 years of vigorous development, the Company has now fostered four major business segments of the pharmaceutical industry, pharmaceutical business, aesthetic medicine and industrial microbiology, and has been a large comprehensive listed pharmaceutical enterprise specialized in pharmaceutical R&D, production, and marketing.

Specialized in the R&D, production, and marketing of specialized medicines, medicines for chronic diseases, as well as special medicines for years, the Company's pharmaceutical industry segment has established complete international pharmaceutical production systems, and fostered core product lines focusing on chronic nephrosis, autoimmunity, oncology, endocrinology, digestive system, cardiovascular system, and other fields. With multiple first-line clinical medicines with market advantages in China, the Company has won international certifications for multiple varieties of its products. The Company has strategically focused its R&D efforts on innovative drugs within three core therapeutic fields of endocrinology, autoimmunity, and oncology through a combination of in-house development, external partnerships, and collaborative projects, fostering a differentiated innovative medicine pipeline that spans the entire R&D life cycle and a robust product portfolio. Moreover, the Company has established strategic partnerships with numerous multinational innovative medicine R&D companies and pharmaceutical companies on products in the Chinese market.

The Company's pharmaceutical business segment focused on three core businesses of medicines, medical devices, and decoction pieces. Supported by an intelligent logistics network (three major hubs in Hangzhou, Jinhua, and Wenzhou, 13 logistics warehouses with total storage area exceeding 190,000 square meters), it enhances competitiveness through characteristic logistics such as cold chain, special drugs, and vaccines. Its business scale ranks as the leader in Zhejiang, ranking among China's Top 10 pharmaceutical wholesale enterprises. As for medicines, the Company has comprehensive strengths in full-product and full-channel coverage, efficient hospital-institution coordination, and coordinated distribution and agency operations. With regard to medical

devices, the Company leverages a large-scale distribution network to support specialized agency operations, with a focus on innovative businesses. For the decoction pieces segment, it benefits from full-industry-chain advantages and continues to expand its business across the province through efficiency upgrades and capacity expansion. With digitalization and innovative services as core drivers, the Company integrates CSO partnerships, SPD supply chain management, and industry-university-research projects to build an "integrated pharmaceutical service" ecosystem, precisely connecting upstream and downstream needs. Simultaneously, it focuses on three strategic pillars—organizational efficiency, cost control, and regional penetration—to continuously consolidate its industry-leading position.

In terms of aesthetic medicine, the Company has created a comprehensive and differentiated product matrix by following the strategy of "global operation layout and dual-circulation operation & development" with an international vision and forward-looking layout, and now ranks at the forefront of the industry in terms of product quantity and coverage. Specifically, over 20 products have been launched in China and abroad, and more than a dozen innovative global products are in development. Fostering differentiated product lines that cover three major injectable categories — regenerative, hyaluronic acid and botulinum toxin, the Company is committed to becoming a global leading aesthetic medicine comprehensive solution provider by offering patients with more professional, efficient, comprehensive and safer integrated solutions through diversified combined therapy techniques that combine "noninvasive and micro-invasive", "facial and body filling", and "injection + energy-based device". Sinclair, its wholly-owned subsidiary, is the Company’s global aesthetic medicine platform. Sinclair is headquartered in the UK and operates multiple R&D centers and production bases globally. Promoting and marketing PCL microspheres for injection, hyaluronic acid, facial thread lifting and other products in global markets, Sinclair researches, develops, and expands its businesses of energy-based devices through its wholly-owned subsidiaries High Tech and Viora. As for the aesthetic medicine segment, the Company also has Sinclair (Shanghai), a wholly-owned subsidiary and its market operation platform in China, as well as R2 in the U.S. and Kylane in Switzerland, two overseas technical development-type joint stock companies.

The Company’s industrial microbiology segment focuses on two key directions of synthetic biotechnology innovation and bio-pharmaceutical industry advancement, prioritizing the development of four core business segments: xRNA raw materials, featured APIs & intermediates, massive health & biomaterials, and animal health. After four decades of development, the Company has established a research matrix anchored by Industrial Microbiology of Zhongmei Huadong, synergized with HIT Institute of Synthetic Biology, Huida Biotech, Perfect mRNA and Shengji Material. This framework integrates full-chain technological capabilities in microbial engineering,

maintaining an R&D and production system that spans the entire life cycle of microbial-derived medicines, alongside interdisciplinary R&D platforms and industrial resource networks. As for its industrial layout, the Company operates seven coordinated industrial bases in Hangzhou Xiangfuqiao, Qiantang New Area, Jiangsu Joyang Laboratories, Magic Health, Anhui Meihua, Wuhu Huaren, and Nanjing Nongda Animal Pharmaceutical. Moreover, the Company has set up the largest fermentation monomer plants in Zhejiang and formed the industry-leading intelligent production system that covers all stages from strain screening and process development to scale production. With a complete manufacturing ecological chain that encompasses technological R&D, pilot-scale amplification, engineering conversion, and quality control, the Company sustains its industry leadership in fermentation scale and process technology.

(II) Overview of company operations during the reporting period

In the first half of 2025, the global geopolitical landscape became increasingly complex and volatile. Competition and rivalry in the field of international economy and trade continued to escalate, with unilateral measures such as tariff barriers evolving constantly. This not only triggered profound restructuring of global supply chains but also subjected the multilateral trading system to unprecedented challenges. Against this backdrop, the momentum for global economic growth weakened significantly, and various unstable and uncertain factors intertwined, making the global development environment far more complex and severe. In stark contrast, China adhered to implementing more proactive and effective macroeconomic policies. Its national economy maintained an overall stable operation and continued to move toward positive development on the foundation of stability, fully demonstrating the strong resilience and vigorous vitality of the Chinese economy.

2025 marks the first year of the Company's eighth three-year plan, and more importantly, a pivotal transitional period to embark on a new phase of transformative and innovative development. Amid the complex and challenging Chinese and foreign political and economic landscape, as well as the profound structural adjustments underway in China's pharmaceutical industry, all employees of Huadong Medicine have remained steadfast in aligning with the overarching strategic plan and annual business objectives. Guided by the principles of "upholding the entrepreneurial spirit, further deepening reforms, forging a robust organizational system, and seizing development opportunities", we have forged ahead under pressure, focused on breakthroughs, and took proactive steps in the fiercely competitive market to ensure the solid implementation of key initiatives. During the reporting period, the Company achieved steady improvements in operational quality and efficiency, maintained a positive development trajectory, and continuously enhanced its core competitiveness. It not only successfully met the primary business targets, but also delivered a mid-year performance

report that reflects high-quality development.

In the first half of 2025, the Company recorded total operating revenue of RMB 21.675 billion, representing a year-on-year increase of 3.39% (3.12% growth in Q1); net profit attributable to shareholders reached RMB 1.815 billion, up 7.01% year-on-year (6.06% growth in Q1); and net profit attributable to shareholders excluding non-recurring gains and losses amounted to RMB 1.762 billion, an 8.40% increase year-on-year (7.04% growth in Q1). The Company's overall operations maintained a stable and upward trend with quarterly improvements, laying a solid foundation for achieving the annual business targets.

Specifically, in Q2 2025, the Company achieved total operating revenue of RMB 10.939 billion, a year-on-year increase of 3.65%; net profit attributable to shareholders of the listed company was RMB 900 million, a year-on-year increase of 7.98%; and net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses was RMB 864 million, a year-on-year increase of 9.85%.

Operation and development of the four major business segments of the Company during the reporting period:

1. Pharmaceutical industry segment

During the reporting period, the core subsidiary Hangzhou Zhongmei Huadong Pharmaceutical Co., Ltd. (Zhongmei Huadong) maintained robust growth momentum, recording an operating revenue of RMB 7.317 billion (including CSO business), a year-on-year increase of 9.24%, and achieving a net profit attributable to the parent company’s shareholders of RMB 1.580 billion, up 14.09% year-on-year, with a return on equity (ROE) of 12.16%.

In Q2 alone, the operating revenue reached RMB 3.696 billion, a year-on-year increase of 12.04%, and the net profit attributable to the parent company’s shareholders was RMB 737 million, up 16.34% year-on-year.

Zhongmei Huadong’s commercialization pipeline of innovative pharmaceutical products has continued to expand, covering key therapeutic areas such as oncology, endocrinology, and autoimmunity. Representative products include Nesina® (Alogliptin Benzoate Tablets), Liluping® (Liraglutide Injection), Huiyoujing® (Ganagliflozin Proline Tablets), Sailexin® (Ustekinumab Injection), as well as Elahere® (Mirvetuximab Soravtansine Injection) and Saikaize® (Zevorcabtagene Autoleucel Injection), a CAR-T product.

During the reporting period, driven by the incremental contributions from newly approved products, the revenue from innovative product businesses continued to climb, with combined sales and agency service revenue for the period reaching RMB 1.084 billion, a remarkable year-on-year increase of 59%, signaling the entry into a phase of rapid growth.

The deepening of the innovation transformation strategy is propelling Zhongmei Huadong into a pivotal stage of results realization and value release. The continuous expansion of the innovative product portfolio and breakthroughs in commercialization are injecting strong momentum into Zhongmei Huadong's sustained future performance.

During the reporting period, Zhongmei Huadong Pharmaceutical Service Corporation (the Corporation) adhered to the core philosophy of "Innovation, Professionalism, and Service," with "Problem-Solving and Value Creation" as the management benchmark, proactively adapting to market changes. By focusing on the development of pharmaceutical services and digital marketing systems, the Corporation comprehensively enhanced product promotion and service efficiency, having achieved significant progress in its transformation journey. By deepening its presence in niche markets, expanding into lower-tier markets, and implementing differentiated promotion strategies, the Corporation continuously improved market penetration and hospital coverage for key and leading products, further strengthening its market competitiveness.

In terms of market strategy, the Corporation fully advanced a comprehensive multi-channel strategy, achieving breakthroughs across multiple dimensions. In the hospital market, the Company consolidated its leading position through product reputation and professional services, both tapping the potential of established products and enhancing academic marketing to accelerate new drug adoption and prescription growth. With the sequential launch of innovative products diversifying its portfolio, the Corporation can provide more precise and personalized treatment options for different patients. In the non-hospital and primary care markets, the Corporation aligned with the progressive implementation of tiered healthcare policies, penetrated community and township healthcare institutions by constructing a primary medical service network, and enhanced product awareness and accessibility by means of diversified promotion and commercial collaboration. In the retail market, the Corporation strengthened channel development across online platforms, OTC markets, and DTP pharmacies: optimizing the medication purchase process through partnerships with major e-commerce platforms to enable precise drug information delivery and convenient purchasing; intensifying brand promotion in the OTC market to boost market share via advertising and point-of-sale promotions. Concurrently, the Corporation continued to refine its regional marketing departments and KA systems, reinforcing product competitiveness through academically-driven and medically-led strategies. Through collaborations with Chinese and foreign research institutions and universities, the Corporation conducted post-marketing evidence-based medical research on new indications for key products, providing robust clinical evidence to support their clinical application. The Corporation advanced organizational transformation by continuously optimizing its structure, strengthening talent cultivation and external recruitment, and promoting the professional

development of the pharmaceutical service team to establish a robust talent pipeline.

During the reporting period, the sales of newly approved innovative drugs continued to rise, becoming one of the core drivers of sustained growth in the pharmaceutical industry. Since its launch, the CAR-T product Zevorcabtagene Autoleucel Injection (trade name: Saikaize®) has dominated the market with excellent clinical safety and efficacy feedback. In the first half of 2025, Saikaize® was certified and registered in medical institutions across more than 20 provinces and municipalities nationwide, and the Corporation has placed 111 valid orders with its partner CARsgen Therapeutics. Concurrently, the Corporation actively pursued collaborations with medical insurance and Huiminbao programs. As of the release of the Report, over 100 insurance and Huimin insurance programs have included Saikaize® in their reimbursement category, significantly alleviating the financial burden of patients. Looking ahead, Saikaize® is expected to maintain rapid growth considering the continuous market expansion and increased coverage under regional Huiminbao programs and commercial insurance plans.

Since the Category 1 innovative product Ganagliflozin Proline Tablets (Huiyoujing®) was included in the updated National Reimbursement Drug List (NRDL), the promotion team of Zhongmei Huadong Pharmaceuticals Service Corporation has made active hospital access efforts, and the number of tiered hospitals covered at present has exceeded 1,200, laying a solid foundation for subsequent rapid growth. Additionally, multiple national and regional large-scale clinical trials have been conducted, including real-world studies (RWS) and various clinical studies on complications/comorbidities in patients with type 2 diabetes (T2DM). In product promotion, effective synergy has been achieved by sharing resources with Metformin Hydrochloride and Empagliflozin Tablets (Enshuangping®), consolidating the Corporation's core competitiveness in the SGLT-2 inhibitor segment for diabetes.

Mirvetuximab Soravtansine Injection (ELAHERE®) is the world's first and only FDA-approved ADC targeting FRα-positive platinum-resistant ovarian cancer. It is also the first and only global innovative drug to demonstrate dual benefits in both progression-free survival (PFS) and overall survival (OS), earning the exclusive I-level recommendation from authoritative guidelines worldwide. The product has been approved, and the Corporation is actively conducting sales team training, with plans to launch its formal commercial sales in China in Q4 2025. It has previously achieved pilot implementation in the Hainan Boao Lecheng Pilot Zone and conducted real-world studies for platinum-resistant ovarian cancer at the Ruijin Hainan Hospital. In August 2024, Elahere® was approved under the innovative "Hong Kong-Macao Drug and Device Access" policy and introduced in the Guangdong-Hong Kong-Macao Greater Bay Area, enabling patients to receive integrated diagnosis and treatment at designated hospitals in the area. During the reporting

period, the product generated sales revenue of approximately RMB 30 million in the aforementioned area.

Since its approval and market launch in November 2024, the Corporation's Ustekinumab Injection, SAILEXIN®, has demonstrated consistently excellent market performance. The pharmaceutical services team has deeply explored the product's outstanding advantages in terms of ease of use, drug safety, and accessibility under medical insurance reimbursement. By leveraging shared resources and close collaboration with the Corporation's existing autoimmune product line, it has established effective synergies. As of June 30, 2025, the number of hospitals that have prescribed the product exceeds 1,200, with market sales gradually increasing. Through initiatives such as soliciting outstanding case studies, launching public welfare science popularization projects, organizing multi-level and multi-dimensional online and offline academic seminars, and conducting nationwide multi-center real-world studies (RWS), the Corporation has expanded the product influence and optimized clinical medication practices. SAILEXIN® is expected to become a new core product in the Corporation's autoimmune disease field.

In January 2025, the Corporation's exclusively marketed novel 1.5-generation PARP inhibitor, Senaparib Capsules (trade name: Paishuning®), was approved for marketing by the National Medical Products Administration and is now commercially available. To enhance market access and patient affordability, the Corporation has implemented multiple key initiatives: on the one hand, it has accelerated the listing of drugs on official procurement platforms and the hospital access process. Currently, it has completed the layout of over 200 DTP pharmacies, covering more than 600 medical institutions, and built a multi-level drug supply network; on the other hand, the Corporation actively promotes the inclusion of the product in insurance programs. It has successfully incorporated the product into regional Huiminbao programs (e.g., West Lake Yilianbao (Hangzhou), Shanghai Huibao, Chonghuibao (Nanchong), Jiaxing Huiminbao, and CPIC-Shanghai Xiangbao) as well as other commercial insurance programs, effectively reducing the financial burden on patients. Meanwhile, the Corporation is actively advancing various preparatory works for Paishuning® to be included in the National Reimbursement Drug List through negotiation. This lays a solid foundation for the product to achieve rapid sales growth after its inclusion in the medical insurance system, helping more patients benefit from this innovative treatment regimen.

During the reporting period, Huadong Medicine (Guizhou) Pharmaceutical Co., Ltd. (hereinafter referred to as "Guizhou Corporation") established a professional self-operated promotion team to vigorously advance the market access of its core product Shangkeling® in large and medium-sized hospitals, while continuously expanding the coverage of retail pharmacies and sales promotion reach. As of now, access has been secured in over 760 tiered hospitals, nearly 3,000

primary healthcare institutions have been covered, and retail pharmacy coverage has exceeded 80,000, achieving large-scale expansion of the channel network. Leveraging the deepened channel layout, Guizhou Corporation experienced explosive growth in overall operations: The operating revenue during the reporting period reached RMB 102.11 million, representing a year-on-year increase of 188%, and the net profit was RMB 27.54 million, surging over 300% year-on-year. Looking ahead, Zhongmei Huadong will fully capitalize on the unique advantages of Shangkeling® as an external preparation of traditional Chinese medicine and its"dual-status" attribute (available both as a prescription drug and an over-the-counter drug), positioning it as a core driver for breakthrough out-of-hospital sales. By synergizing efforts across tiered hospitals, primary healthcare institutions, and the out-of-hospital market, the Corporation will systematically enhance the comprehensive marketing capabilities of its pharmaceutical team. Concurrently, initiatives such as collecting typical case studies, conducting nationwide multi-center clinical research on osteoarthritis, and exploratory comparative studies on soft tissue injuries will strengthen multidisciplinary penetration. Additionally, diversified scenario marketing—including health runs and sports event sponsorships—will bolster brand influence, laying a solid foundation for the future market promotion of the Corporation’s external product portfolio.

During the reporting period, the Company's production team closely adhered to the development goals of "high quality and high efficiency," driving the transformation and upgrading of the production management system through systematic innovation and refined operations. On the one hand, the Company continued to advance cost-reduction and efficiency-enhancement initiatives, optimizing operational efficiency across multiple dimensions by refining cost control and improving per-capita output. On the other hand, it leveraged artificial intelligence technology to drive a second wave of innovation in production management models, actively advancing workshop automation, unmanned distribution systems, electronic inspection processes, and the implementation of intelligent projects such as the Lims, MES, and EQMS systems, injecting new digital momentum into production processes.

The construction of Area I of the Huadong Medicine Bio-Innovation Intelligence Center was completed in June 2025, with equipment debugging in its final stages. This area focuses on the commercial production of ADCs (antibody-drug conjugates), peptides, and antibody products. Supported by internationally standardized QC laboratories, integrated warehousing centers, and R&D facilities, it is designed to meet full-chain needs from clinical sample preparation to large-scale production. The construction of Area II commenced in June 2025, emphasizing critical auxiliary facilities such as hazardous chemical warehouses, Class A workshops, and environmental treatment systems, which are planned to be completed and put into use by June 2026. Upon the

overall completion of the project, a comprehensive biopharmaceutical industrialization platform covering R&D, production, and logistics will be formed to support the technology transfer of the Company's global innovation and R&D ecosystem. Huadong Medicine's Synthetic API Base Project (Xi'an Bohua) also broke ground in June 2025. Designed in line with international standards, the project plans to build three intelligent production lines covering 20 types of high-end APIs for cardiovascular, cerebrovascular, and anti-tumor therapies. This initiative will strengthen the Company's full-chain capacity layout in synthetic biology and form strategic synergy with the Bio-Innovation and Intelligent Manufacturing Center. The smooth progress of key new production projects marks a new stage in the industrialization capability of the Company within the biologics and synthetic API sectors. By establishing a dual-driven production matrix of "biologics intelligent manufacturing + synthetic APIs," the Company can provide full-cycle production capacity support from clinical development to commercialization for its pipeline of over 80 innovative drugs under development (including key varieties such as ADCs and GLP-1).

During the reporting period, the Company's R&D investment in the pharmaceutical industry (excluding equity investment) reached RMB 1.484 billion, a year-on-year increase of 33.75%, of which direct R&D expenditure was RMB 1.174 billion, a year-on-year increase of 54.21%, accounting for 15.97% of the pharmaceutical industry revenue. The Company's innovative drug R&D center is advancing the development of over 80 innovative drugs in its pipeline, with multiple positive results achieved in the first half of 2025. For details, please refer to the "(III) R&D" section below.

2. Pharmaceutical business segment

From January to June 2025, Huadong Medicine’s pharmaceutical business segment faced dual pressures of payment-side cost control and structural adjustment of the market. By adopting a dual-driver strategy covering both in-hospital and out-of-hospital markets, while prioritizing the expansion of diversified businesses and operational efficiency improvements, the segment continued to solidify its foundation for steady development. Overall, the Company maintained stable growth, achieving operating revenue of RMB 13.947billion (a year-on-year increase of 2.91%) and net profit of RMB 226 million (a year-on-year increase of 3.67%).

During the reporting period, the Company focused on its core operational strategy of "preserving existing business, driving incremental growth, and improving labor efficiency." Leveraging "innovative business, innovative products, and innovative models", it deepened the iterative upgrade of full-spectrum service capabilities in pharmaceuticals, medical devices, and decoction pieces. For the pharmaceutical business, it strengthened its responsiveness to centralized procurement orders and systematically optimized order fulfillment rates. It also pioneered a

traceability code policy response system, securing core market shares in leading hospitals while proactively adapting to the new landscape of pharmaceutical distribution in retail and non-public medical markets post full implementation of drug traceability codes. Additionally, it strategically advanced the professional transformation of retail pharmacies, with a focus on new changes in prescription acceptance for DTP pharmacies. In the medical device business, the Company completed the strategic reorganization of its new business division. Leveraging its large-scale distribution network, it expanded its professional agency system—focusing on stabilizing market share in core medical equipment segments, building brand recognition in the age-appropriate health industry, and facilitating the implementation of projects such as integrated operating rooms. Simultaneously, it actively seized new opportunities arising from the reform of hospital SPD models. In the decoction pieces business, the Company deepened its refined management across the entire industrial chain and strategically launched two new decoction centers in "Central Zhejiang (Jinhua)" and "Southern Zhejiang (Wenzhou)." Through the upgrading of decoction technologies and the iteration of automated production lines for decoction piece processing, it significantly improved production efficiency and quality stability, effectively meeting the standardized fulfillment requirements for provincial centralized procurement.

Breakthroughs in strategic synergy for innovative businesses: In terms of retail service evolution, the Company deepened the development of professional pharmaceutical service capabilities, with a focus on enhancing "integrated pharmaceutical service capabilities." It focused on hospital-affiliated specialty pharmacies, launched dual-channel access (medical institutions and retail pharmacies), and improved profitability. In terms of CSO value extension, it focused on high-growth market segments such as blood products, providing upstream and downstream clients with full-lifecycle service solutions covering product access support, clinical academic training, and prescription volume management. Meanwhile, it expanded into oncology projects, explored the aesthetic medicine market in public medical institutions, and built up its agency business for aesthetic medicine products such as botulinum toxins and premium hyaluronic acid. Continuous reconstruction and upgrading of core supporting capabilities: In terms of supply chain hard power leap, the regional intelligent logistics hub has completed the functional upgrade of multi-warehouse collaboration, the cold chain distribution network was expanded, and capabilities for circulation guarantee of vaccines, specialty drugs, and nuclear medicines were strengthened. In terms of digital upgrades, the business system was fully migrated online to integrate the entire order processing workflow, enhancing the responsiveness of pharmaceutical services. In terms of organizational efficiency improvement, through business architecture integration, it simultaneously optimized centralized procurement costs and launched a special campaign to clear accounts receivable,

thereby improving capital turnover efficiency. Leveraging its rapid policy response mechanism, in-depth strategic cooperation with top-tier hospitals, and refined regional market operations, the Company's pharmaceutical business sector has driven the transformation of its business model—from a traditional distributor to a value-added service platform. Within the framework of policy compliance, it is exploring innovative growth drivers, including the linkage between in-hospital and out-of-hospital markets, the integration of wholesale and retail businesses, the convergence of pharmaceutical and medical device services, and the expansion of intelligent decoction services for decoction pieces.

3. Aesthetic medicine segment

Amid external pressures such as global macroeconomic fluctuations and market demand adjustments, the medical aesthetics industry has entered a phase of slowing growth under pressure. During the reporting period, the Company's aesthetic medicine segment achieved total operating revenue of RMB 1.112 billion (excluding internal offset factors), reflecting a certain year-on-year decline.

Sinclair, one of Huadong Medicine’s wholly-owned subsidiaries and the global operating platform of the Company’s aesthetic medicine business based in the UK, proactively expanded sales of its aesthetic medicine injectable filler products and EBD products globally. Affected by multiple factors such as sluggish global economic growth, fluctuating external demand for EBD business, and internal adjustments, Sinclair achieved sales revenue of approximately RMB 524 million during the reporting period, representing a 7.99% year-on-year decrease, with its overall operations met phased targets. In the second quarter, sales revenue reached approximately RMB 286 million, a year-on-year decrease of 4.08%, but a quarter-on-quarter increase of 19.96% compared to the first quarter.

During the reporting period, Sinclair, the Company's wholly-owned subsidiary in domestic aesthetic medicine, achieved operating revenue of RMB 543 million, a year-on-year decrease of 12.15%, with a quarter-on-quarter growth of 14.16% in Q2 2025 compared to Q1, marking two consecutive quarters of positive sequential growth. Despite the domestic aesthetic medicine industry remaining in a phase of ongoing adjustment due to accelerated consumer demand shifts and intensified market competition, the Company's domestic aesthetic medicine business continues to demonstrate strong operational resilience. With the upcoming approval and commercialization of several key aesthetic medicine products, the product portfolio of Sinclair will be further improved and enriched, marking the potential commencement of its new growth cycle.

During the reporting period, Sinclair, with the Company’s brand as the driver, continued to strengthen the product layout of its injectable pipeline, and drove synergistic development across

multiple sub-brands. By maintaining collaboration with the global R&D team and adhering to the principle of prioritizing professional medical standards, it enhanced its influence among B-end institutions and its reputation among C-end consumers, establishing a brand image of "professionalism, aesthetics, and premium". As of now, the company's three new second-generation Ellansé® products—Ellansé Zhenyan®, Ellansé Jinyan®, and Ellansé Zhizhen®—have been introduced and promoted in nearly 500 medical aesthetic institutions, garnering strong market acclaim. Additionally, to better meet differentiated channel demands and enhance market penetration of medical aesthetic services, Sinclair launched the classic version of Ellansé® in 2025, targeting market access in public hospitals and customized product development for specific strategic partners. MaiLi Extreme® (trade name: MaiLi® Shuoying®), a new premium lidocaine-containing sodium hyaluronate filler for injection, was officially commercialized in May 2025. Originating from Switzerland, MaiLi® is the world's first premium injectable hyaluronic acid product featuring OxiFree® "oxygen-free" cross-linking technology. Since its launch, the EBD products from the company have been widely favored by numerous institutions and customers. To date, over 300 institutions have introduced the Glacial spa® or Reaction® devices. Additionally, the next-generation Renotion® was officially released in May, garnering significant acclaim from doctors and experts. In the first half of 2025, the overall terminal sales of EBD products achieved substantial year-over-year growth. Furthermore, the Company is actively advancing the domestic launch of the aesthetic device Préime DermaFacial, continuously enriching its product portfolio to provide customers with exceptional experiences and services. Sinclair has completed its dual-channel business development strategy, covering both public hospitals and private medical aesthetics institutions, to meet the increasingly diverse needs of customers for professional, high-end, and customized aesthetic solutions.

Committed to the principle of "medical professionalism first" in its aesthetic medicine business, Sinclair organized over 180 offline medical training and education events in the first half of 2025, training more than 3,000 doctors. Its online education platform recorded over 130,000 doctor visits, with 17 academic journal papers published, including 11 SCI-indexed journals (English). As of June 30, 2025, Ellansé® has signed cooperation contracts with over 1000 hospitals and trained over 2000 certified physicians.

Against the backdrop of national policies vigorously promoting the standardized transformation of the esthetic medicine industry, the *Guidelines for the Establishment of Pricing Projects for Aesthetic and Plastic Medical Services (Trial)* issued by the National Healthcare Security Administration in June 2025 has provided clear policy guidance and pricing standards for public hospitals to develop plastic and aesthetic services. Driven by this policy orientation, Grade

III Class A hospitals across China are accelerating their deployment in the aesthetic medicine sector, aiming to fill the market gap in professional, standardized aesthetic services and meet the growing demand for high-quality aesthetic care. Facing the strategic opportunity of rapid development in the public hospital aesthetic medicine market, the pharmaceutical services team of Zhongmei Huadong and the aesthetic medicine team of Sinclair have established a deep collaboration mechanism. Through a "dual-drive" strategy, they are comprehensively deploying in the public hospital market, with targeted planning, division of labor, and market access for aesthetic medicine promotion in public hospitals. The pharmaceutical services team is accelerating team formation, product listing on public procurement platforms, access negotiations, and personnel training. They are actively undertaking the promotion of injectable filler products and EBD products in public hospitals, striving to build a professional promotion team specialized in public hospital aesthetic medicine. This will create a closed-loop ecosystem of "product access-clinical promotion-continuous service" in the public hospital medical aesthetics market, fostering a new growth driver for the company's medical aesthetics business.

During the reporting period, the Company continued to develop and advance the overseas registration of its aesthetic medicine products. The next-generation injectable dermal filler KIO015 is currently in the technical review stage for EU MDR-CE certification and is expected to obtain EU CE certification by 2025. All injectable products of the Company, including regenerative materials (Ellansé®, Lanluma®), hyaluronic acid fillers (MaiLi®, Perfectha®), and thread lifting products (Silhouette Soft®, Silhouette Instalift®), have been registered and marketed in over ten markets in the Middle East. The registration of core EBD products such as the Cooltech, Elysion, and Primelase series in the Middle East market has also been actively promoted, with overall progress exceeding 50%. Ellansé® S has been approved for clinical trials in the U.S., and project initiation and injection training for investigators have been completed. Currently, subject enrollment is over 50% complete. Meanwhile, the Company has initiated preparatory work for the registration of MaiLi® in the U.S., and other injectable products such as KIO015 are also in active preparation for U.S. registration and clinical trials.

During the reporting period, the Company continued to promote the registration and commercialization of several core products in China. For V30 (a high-end integrated multifunctional platform combining radio frequency, intense pulsed light, and Nd: YAG laser), a supplementary information notice was received from the Center for Medical Device Evaluation in June 2025, and the relevant technical materials are currently being prepared. For the new high-end lidocaine-containing sodium hyaluronate filler for injection, MaiLi® Precise (indicated for infraorbital hollows), database lock for its Chinese clinical trial was completed in early July 2025

and it is currently in the summary report phase. The same series, MaiLi® Extreme (indicated for improvement of jawline contour), received NMPA approval for market launch in January 2025. For Ellansé® S, subject enrollment for its new indication (forehead contour improvement) in China was fully completed in November 2024, and the trial is currently in the primary endpoint follow-up stage. Meanwhile, Ellansé® M—a long-acting collagen-stimulating product of the Ellansé® series (indicated for temporal hollow improvement)—received a registration acceptance notification from the NMPA in January 2025. For the poly-L-lactic acid collagen stimulator Lanluma®, subject enrollment for the Chinese clinical trial was completed in November 2024, and the trial is currently in the follow-up phase. The new material chitosan dermal filler KIO021 is expected to enter the clinical trial phase in September 2025. The Marketing Authorization Application for the Company's exclusive distribution product, Recombinant Botulinum Toxin Type A for Injection (R&D code: YY001), was accepted by the NMPA in December 2024. The on-site production inspection of NMPA was completed in June 2025, and the product is currently in the technical review stage. For the registration progress of other key aesthetic medicine products in China, please refer to the section "Progress in registration and launching of aesthetic medicine products in China" below.

Figure: Huadong Medicine's key aesthetic medicine products

4. Industrial microbiology segment

During the reporting period, the Company kept implementing the industrial microbiology development strategy and further strengthened its product R&D and market expansion capabilities by continuously advancing four major fields of xRNA, featured APIs & intermediates, massive health & biomaterials, and animal health. With current strategic priorities established on accelerating global market expansion and deeper integration into the global pharmaceutical supply chain, the Company has achieved positive progress in developing major customer partnerships across domestic and international markets. Through years of exploration and practice, the Company has forged a challenging yet rewarding path for growth. During the reporting period, all business units maintained rapid growth, demonstrating a sustained upward trend in overall sales and achieving a total sales revenue of RMB 368 million, up 29% year on year. Four major fields of featured APIs & intermediates, xRNA, massive health & biomaterials, and animal health witnessed growth of 23%, 37%, 21% and 100%, respectively. Major accomplishments across all fields are as follows:

Global market expansion remains a core mission for the industrial microbiology segment. For the featured APIs & intermediates field that integrates traditional and innovative operations, the product portfolio for ADC toxin innovation business has now been established, with all core toxin variants having completed U.S. DMF registrations. Moreover, multiple ADC small-molecule CDMO projects have been secured, offering global customers end-to-end services spanning from early-stage R&D to clinical-phase product development and regulatory registration submissions, as well as a stable supply of toxin products for clinical and commercial stages. The polypeptide business has completed an overall deployment and kept actively expanding into the international market, with anticipated gradual release of overseas order potential. Additionally, the deployment of high-potency API products of microbial origin (including anti-tumor, anti-parasite compounds) has been substantially completed.

xRNA: Perfect mRNA has established full capabilities to undertake mRNA-related CDMO businesses. It has successfully developed dozens of enzymatic and chemical raw materials for mRNA vaccine synthesis, and built an integrated platform that encompasses high-density fermentation, plasmid preparation, mRNA drug substance production, and LNP formulations, providing customers with end-to-end solutions that span R&D, production, and quality control, and it has already signed CDMO contracts for plasmid DNA therapeutics. Meanwhile, Wuhu Huaren has enhanced its full-chain development and production capabilities for upstream raw materials for oligonucleotide medicines and *in vitro* diagnostics (IVD), delivering differentiated services and rapid responses to serve globally renowned pharmaceutical enterprises, CDMOs, and IVD companies. Through sustained investments in innovation, Wuhu Huaren has endeavored to continuously enhance its R&D capabilities in raw materials for nucleic acid medicines, delivery systems, and customized business. To date, with ISO 9001 certification and strict adherence to the ICH international guidelines and GMP standards, Wuhu Huaren has secured ten U.S. DMF registrations. These capabilities have enabled its partnerships with multiple multinational pharmaceutical enterprises, thus driving robust business growth.

Massive health & biomaterials: Focused on three core businesses—functional food ingredients, personal care raw materials, and biomaterials, Magic Health has launched six products in the first h alf of 2025 and has maintained the effective operation of multiple food quality management systems, including ISO 9001, KOSHER, GMP, and FSSC 22000. In terms of customer development and exp ansion of new application, it established cooperation with leading international health supplement c ustomers and achieved significant progress in exploring new segments of the domestic dairy industr y. Shengji Material fostered an advanced medical-grade functional materials matrix based on its self -developed biodegradable products. By leveraging its unique platform for preparation technologies i

nnovation, it proactively developed biological medicine and aesthetic medicine CMC R&D busines ses closely associated with its materials expertise that boast global competitiveness. This model faci litates joint incubation of innovative products together with international partners. Currently, Shengj i Material has established collaborative relationships with leading overseas universities and domesti c pharmaceutical enterprises in the fields of novel eco-friendly materials and complex injectables, c overing both material supply and downstream application research.

Animal health: Nanjing Nongda Animal Pharmaceutical, the Company's holding subsidiary, has been actively building a professional brand system for the pet healthcare industry, developing innovative solutions across three specialized segments in animal health: perioperative care, geriatric disease management, and nutritional health services. Leveraging its exclusively commercialized central analgesic medicine for pets, Butorphanol Tartrate Injection (trade name: Baoshining®), Nanjing Nongda Animal Pharmaceutical has implemented a strategy centered on expanding hospital coverage, building partnerships with KOLs at chain hospitals, and establishing flagship hospitals in major cities. As of June 2025, these efforts had secured coverage in over 7,000 pet hospitals throughout China, effectively driving the promotion and sales of other specialized products while fostering and strengthening its field professional teams for pet care. Concurrently, Nanjing Nongda Animal Pharmaceutical has vigorously strengthened its innovative pet product pipelines through internal R&D and external partnerships, fostering robust product portfolios in perioperative care and dermatology treatments. In the first half of 2025, two products were approved, with four more under final review. Additionally, Nanjing Nongda Animal Pharmaceutical has prioritized online channel development by launching the pet e-commerce brand "Mengdi" on Tmall, TikTok, and other mainstream e-commerce platforms. This initiative directly addressed the evolving consumer needs while contributing to the entire industry's development. Strategically advancing aquatic animal health as a high-potential sector, it has been committed to improving water environments and enhancing aquatic nutrition through team restructuring, product innovation, regional expansion, and direct sales model trials. These efforts enable Nanjing Nongda Animal Pharmaceutical to provide aquaculture operators with comprehensive solutions and services, including animal health products, pathogen detection services, and water quality testing.

5. ESG of the Company during the reporting period

With regard to ESG, the Company maintained an unwavering commitment to sustainable development. An ESG Committee has been established under the Board of Directors to oversee ESG-related matters. The Company integrates the core ESG principles into corporate development strategy and daily operations management, guiding and innovating business practices with a science-based approach to social responsibility. It upholds the idea of green manufacturing, actively

supports China's "carbon neutrality and carbon peaking" goals, operates in strict compliance with laws and regulations with integrity, and actively fulfills its social responsibilities. During the reporting period, the Company's excellent ESG governance capabilities led to an upgrade of its WIND ESG rating from A to AA. In addition, the Company currently holds an MSCI ESG rating of A and a Shenzhen Stock Exchange CSI ESG rating of AA. The Company was also recognized with honors such as the "ESG Best Practice Award 2024" by the *New Fortune* and the "2025 Biopharmaceutical Sustainable Value Leadership Award" by *Healthcare Executive*.

6. Awards during the reporting period

During the reporting period, the Company's comprehensive competitive strength, efficient operation and governance, and value creation capabilities gained significant market recognition, as evidenced by a number of prestigious awards and honors. The Company was listed in Fortune China 500 for the 16th time, and was selected as one of the Top 50 Global Pharmaceutical Companies by *Pharmaceutical Executive* in the United States. The Company was also recognized as the "Best Listed Company 2024" by the *New Fortune*. In terms of investor relations management, it received the "Investor Relations Management Award" at the 16th Tianma Awards and was named among the "Top 10 Zhejiang A-share Listed Companies Most Favored by Institutional Investors" by the *Securities Times*.

(III) R&D

1. R&D overview

During the reporting period, adhering to the "Scientific Research-based and Patient-centered" corporate philosophy, the Company has deepened its expertise in the fields of endocrinology, autoimmunity and oncology. Through sustained increases in the R&D investment and expansion of innovative drug R&D pipelines, it has strengthened the innovative R&D ecosystem and technological platforms, while accelerating clinical trials, with multiple significant milestone achievements made. As of the date of the Report, the Company's innovative drug R&D center is advancing over 80 innovative drug pipelines. During the reporting period, the Company's R&D investment in the pharmaceutical industry (excluding equity investment) reached RMB 1.484 billion, a year-on-year increase of 33.75%, of which direct R&D expenditure was RMB 1.174 billion, a year-on-year increase of 54.21%, accounting for 15.97% of pharmaceutical industry revenue.

Figure: Pipeline diagram of main innovative products as of the date of the report

2. Significant R&D progress

Oncology

In March 2025, the supplemental application to convert the conditional approval of Mirvetuximab Soravtansine Injection (Elahere®, R&D code: IMGN853, HDM2002) to regular approval was accepted.

The NDA for the Company's class 1 new drug, Mefatinib Tablets, as a first-line treatment for locally advanced or metastatic non-small cell lung cancer (NSCLC) patients with EGFR exon 21 L858R substitution mutation, completed the submission of supplementary materials in June 2025 and is currently under review.

The Company's self-developed differentiated innovative ADC drug pipeline targeting novel targets has established a gradient layout. Current key advancing projects include HDM2005, HDM2020, HDM2012, HDM2017, and HDM2024. Among them, HDM2005, an ADC targeting ROR1, received NMPA approval in April 2025 for its IND application in combination with rituximab, cyclophosphamide, doxorubicin (or epirubicin), and prednisone (R-CHP) in the treatment of previously untreated diffuse large B-cell lymphoma (DLBCL). In February 2025, HDM2005 was granted Orphan Drug Designation by the U.S. FDA for mantle cell lymphoma (MCL). HDM2005 is positioned at the forefront of global clinical development for ROR1 ADCs and is currently conducting three clinical trials in China: a Phase I trial evaluating HDM2005 monotherapy for advanced hematologic malignancies (MCL, DLBCL, classical Hodgkin lymphoma, cHL), which has completed four dose-escalation cohorts, is undergoing the fifth, and has simultaneously entered the expansion phase for two dose levels; a Phase I trial evaluating HDM2005 monotherapy for advanced solid tumors, with the first subject dosed in May 2025 and dose escalation ongoing; and a Phase Ib/II trial evaluating HDM2005 combination therapy for DLBCL patients, which has been initiated by the lead site.

Additionally, the FGFR2b-targeting HDM2020 and MUC17-targeting HDM2012 have achieved breakthrough progress, with IND approvals obtained in both China and the United States. In August 2025, the Phase I trial of HDM2012 for advanced solid tumors dosed its first subject, making it the world’s first MUC17 ADC to enter clinical development. In the same month, the Phase I trial of HDM2020 for advanced solid tumors also successfully dosed its first subject. The IND application for HDM2017 was submitted in China in July 2025, and HDM2024 is progressing through preclinical development, with an IND application planned for the fourth quarter of 2025.

The IND application for the small-molecule anti-tumor drug HPK-1 PROTAC (hematopoietic progenitor kinase 1 proteolysis targeting chimera), HDM2006 tablets, was approved by the FDA in January 2025, with an indication for advanced malignant tumors. Additionally, HDM2006 tablets

are currently undergoing Phase I clinical studies in China for advanced solid tumors.

For DR30206, a proprietary PD-L1/VEGF/TGF-β tri-specific antibody fusion protein wholly owned and developed by the Company's subsidiary Doer Biologics, is currently leading global R&D progress for the same target. In April 2025, the Phase Ib clinical trial of DR30206 for first-line treatment of NSCLC successfully dosed its first subject. Furthermore, the clinical trial application for DR30206 in combination with standard chemotherapy for patients with advanced or metastatic gastrointestinal tumors was approved in April 2025, and enrollment has now commenced for the Phase Ib/IIa study of this combination therapy.

The Company's exclusively commercialized autologous CD19-targeted CAR-T candidate, IM19, is under development in mainland China. In August 2025, it received a supplementary information notice, and the Company is currently preparing the required technical documentation. The marketing authorization application is expected to be approved in Q1 2026 or earlier.

Endocrinology

The oral small-molecule GLP-1 receptor agonist HDM1002 (conveglipron) has now completed enrollment of all subjects for its Phase III clinical trial in China for the weight management indication. Previously released Phase II trial results for the weight management indication demonstrated that HDM1002 tablets effectively reduced body weight and improved metabolic parameters, with good safety and tolerability. After 12 weeks of administration, the percentage changes in body weight from baseline were -6.08% and -6.83% for the 200 mg BID and 400 mg QD groups, respectively. Sensitivity analysis showed percentage changes of -7.01% and -8.46%, respectively, consistent with the primary analysis results and without evidence of a plateau effect. Additionally, the Phase III clinical trial for treatment-naive patients with type 2 diabetes has enrolled its first subject, while another Phase III trial for a separate diabetes indication has received approval from the CDE to proceed.

The HDM1005 (poterepatide) injection, a GLP-1R/GIPR long-acting polypeptide dual-target agonist, is currently undergoing a Phase II clinical trial for the weight management indication, with full subject enrollment completed in April 2025. It is expected to advance to Phase III clinical trial in Q4 2025. Additionally, the Phase II clinical trial for the diabetes indication completed enrollment of all subjects in July 2025. During the reporting period, the IND applications for new indications of HDM1005 Injection were successively approved by the NMPA, for the treatment of obstructive sleep apnea (OSA) in adult patients with obesity or overweight and heart failure with preserved ejection fraction (HFpEF) in adult patients with obesity or overweight.

DR10624 Injection, a FGF21R/GCGR/GLP-1R tri-specific agonist being developed by the Company's holding subsidiary Doer Biologics, has successfully completed a Phase II clinical trial

for severe hypertriglyceridemia, with positive top-line results after unblinding. Previously, the results of a Phase Ib/IIa clinical trial of DR10624 for obesity with hypertriglyceridemia, presented by Doer Biologics at the EASL Congress 2025, showed a reduction in liver fat by up to 89%. Furthermore, a Phase II clinical trial for metabolic dysfunction-associated steatotic liver disease with a high risk of liver fibrosis and metabolic combined alcohol-associated steatotic liver disease completed the first subject enrollment in April 2025.

The IND application for HDM1010 tablets (a fixed-dose oral combination formulation of HDM1002) for the treatment of type 2 diabetes was approved by the U.S. FDA in June 2025, and clinical trial preparations are currently underway.

The NDA for Semaglutide Injection for the diabetes indication was submitted and accepted in March 2025. For the weight management indication, all subjects in the Phase III clinical trial were enrolled in February 2025, with top-line results expected in Q4 2025.

The NDA for Insulin Degludec Injection was submitted and accepted in February 2025; the on-site inspection has been completed, and the application is currently under technical review.

Insulin Degludec and Insulin Aspart Injection has completed enrollment of all subjects in its Phase III clinical trial in December 2024, with top-line results anticipated in September 2025.

Autoimmunity

The supplemental application of HDM3001 (QX001S), a biosimilar of Ustekinumab developed in collaboration between the Company and Qyuns Therapeutics, for the new pediatric plaque psoriasis indication, was approved in March 2025. Additionally, the marketing authorization application and supplemental application for Crohn's disease were accepted for review in February 2025.

The innovative drug HDM3016 (QX005N), developed in collaboration between the Company and Qyuns Therapeutics, is currently undergoing Phase III clinical trials in China for two indications: prurigo nodularis and atopic dermatitis. Enrollment for the Phase III study in prurigo nodularis was completed in March 2025, with top-line results expected in Q4 2025. Enrollment for the Phase III study in atopic dermatitis will be completed soon.

HDM3014 (Roflumilast Cream), developed in collaboration between the Company and Arcutis, has achieved positive top-line results in Phase III clinical trials in China for both plaque psoriasis and atopic dermatitis. The NDA submissions for both indications are planned for Q4 2025.

Ruxolitinib Gel (HDM3010), independently developed by the Company, has completed enrollment in its Phase I/II clinical trial for prurigo nodularis. In addition, a Phase III clinical trial in vitiligo is currently ongoing.

The MC2-01 Cream, developed in collaboration between the Company and MC2 Therapeutics,

received approval in July 2025 to initiate a Phase III clinical trial in China for plaque psoriasis.

The Company’s first-in-class bispecific antibody candidate HDM3018 injection is under IND-enabling development, with IND filings in both China and the U.S. expected by Q3 2026. The planned indications include inflammatory bowel disease (IBD), plaque psoriasis (PsO), and psoriatic arthritis (PsA).

The Company’s first-in-class bispecific antibody candidate HDM4002 injection is also under IND-enabling development, with IND applications in China and the U.S. targeted by Q3 2026. The planned indication is IgA nephropathy.

Other segments

The Transdermal Glomerular Filtration Rate System, a Class III innovative medical device, was approved by the NMPA in February 2025. The marketing authorization application for Relmapirazin Injection (MB-102) used cooperatively with the device was accepted by the NMPA in January 2024, with approval expected in Q4 2025. Additionally, in January 2025, MediBeacon® TGFR (including the Transdermal Glomerular Filtration Rate System and Relmapirazin Injection) was approved by the U.S. FDA.

The NDA for Ranibizumab Injection was submitted and accepted in May 2025.

3. Other tasks regarding innovation R&D

Building innovation ecosystems and unlocking source-driven impetus for innovation

Centered on the dual strategies of innovation transformation and internationalization, the Company's new innovative drug R&D mechanism has demonstrated huge potential in independent R&D. Focusing on the fields of endocrinology, autoimmunity, and oncology, the Company continued to accelerate its differentiated innovation by identifying pilot frontier targets through target discovery platform in combination with AI-driven drug design (AIDD). Since 2023, the Company has launched over 20 early exploratory and prospective projects, and has successively incubated the first-in-class (FIC) or best-in-class (BIC) innovative drugs of the same type.

Facilitating innovation and transformation, advancing clinical development

Guided by the core philosophy of "Efficiency First, Quality Foremost," the clinical R&D team has established a full-cycle innovation system encompassing clinical study design, operational management, biostatistical analysis, regulatory registration, and pharmacovigilance. This system is designed to overcome bottlenecks in differentiated innovation and drive diversified breakthroughs in clinical development. To date, the R&D team has led and supported over 40 clinical projects from multiple dimensions, including clinical study, operations, biometrics, regulatory affairs, and pharmacovigilance.

Applying AI technologies in medicine R&D

To address core challenges of high costs, lengthy timelines, and low success rates in new drug R&D, the Company has established an AI-driven drug design platform integrating multiple cutting-edge technologies. This platform combines key modules such as target protein and drug molecule structure prediction, high-throughput virtual screening, AI-driven molecular generation, molecular docking, deep learning-based binding affinity prediction, free energy perturbation (FEP) calculations, ADMET property evaluation, and pharmacokinetic modeling. Its core innovation lies in the deep integration and dynamic feedback mechanisms across functional modules, which, when coupled with the continuous iterative optimization of experimental data, form a "dry-wet lab" closed-loop system. This framework significantly enhances prediction accuracy and druggability assessment efficiency.

Currently, the platform is continuously extending into all stages of drug R&D, covering target discovery, lead compound screening, preclinical evaluation, and clinical development. Building on open-source tools such as Boltz-2 and ProteinMPNN, the AIDD team focuses on the intelligent design and sequence optimization of macromolecular drugs, including antibodies, protein therapeutics, and antibody-drug conjugates (ADCs), while also exploring novel multimodal data-driven approaches for structure prediction and conformational sampling. The team also plans to collaborate with universities and research institutions to jointly establish an AI-driven target discovery system. At the preclinical and clinical stages, multiple applications of large language models (LLMs) have already been implemented, significantly enhancing R&D operational efficiency and data processing quality. The Company is accelerating the establishment of an end-to-end AI-driven innovative drug R&D system, spanning target identification, drug design, preclinical evaluation, and clinical development, thereby enabling a more efficient, intelligent, and lower-risk model for pharmaceutical innovation.

Postdoctoral research workstation

In February 2021, Zhongmei Huadong, a wholly-owned subsidiary of the Company, was approved to set up a postdoctoral research workstation in Zhejiang, which was registered as a national postdoctoral research workstation in September 2022. To date, the workstation has recruited a total of 23 postdoctoral researchers. Among them, 14 are currently active and 9 have completed their programs. Under joint cultivation projects with postdoctoral programs at Zhejiang University, Shanghai Institute of Materia Medica of Chinese Academy of Sciences, Zhejiang University of Technology, and other institutions, postdocs at the Company's postdoctoral research workstation are devoted to frontier and translational studies on R&D of innovative drugs, in combination with the Company's development strategies and product pipelines.

Other innovative achievements

1) Patent applications

The Company's global R&D center for innovative drugs places high importance on the protection of intellectual property rights, focusing on the management of intellectual property throughout the drug lifecycle and the formulation of patent strategies to enhance the comprehensive competitiveness of its products. The center has filed over 120 patent applications across various innovation domains over the past five years since its inception, with 15 patents granted to date. Since early 2025, the center has secured 5 patents granted domestically and internationally, filed 19 PCT applications entering national phases, and submitted numerous priority applications covering new technology areas. Among them, multiple key international patents are now under protection in over fifty countries and regions.

2) Academic publications

From 2025 to date, the Company's innovation teams have successively published 12 papers in journals and/or at conferences in oncology, endocrinology/metabolism, and autoimmunity segments. Specifically: the Phase I clinical results of the GLP-1/GIP dual-target long-acting agonist HDM1005, selected for oral presentation at 2025 ADA; the Phase III results of semaglutide and the Phase Ib results of HDM1002, accepted as the POSTER at 2025 ADA; preclinical results of HDM2006, HDM2022, HDM2012, HDM2017, and HDM2020, selected for POSTER sharing at 2025 AACR; ADC pipeline studies (including HDM2020, HDM2012, and HDM2017), featured in both oral and POSTER sessions at 2025 World ADC Asia; the preclinical results of pan-KRAS antitumor degrader HDM2025, accepted as the POSTER of 2025 ASCO; and nonclinical and clinical results of DR10624, a first-in-class Fc-fusion protein drug with triple agonist activity targeting GLP-1, GCG, and FGFRIc/KlothoB (FGF21R) receptors developed by the Company's wholly-owned subsidiary Doer Biologics, presented as the POSTER of 2025 EASL, with the clinical data further recognized as a Late-Breaker.

The Company has successively garnered recognition within the global academic community for its independent R&D achievements. Since 2022, a total of 37 groundbreaking innovative research achievements have been published in authoritative journals and/or at academic conferences, vividly validating the sustained enhancement of its independent innovation capabilities and marking a systemic breakthrough in its innovation-driven transformation strategy.

3) Government subsidies

To date, the Company's global R&D center for innovative drugs has obtained approvals from the government for 21 projects, with the certified subsidies of nearly RMB 70 million. In 2024, the Company was recognized as a "Pioneering Innovative Youth Team in Hangzhou". The preclinical study of HDM1002 received funding under the "High-Quality Development Special Program in the

Bio-pharmaceutical Industry in Hangzhou", while HDM4002 was supported by the "Zhongmei Huadong National Enterprise Technology Center Capacity Building" in 2025. Additionally, the Company was approved to establish the "Zhejiang Provincial Key Laboratory for Intelligent Innovation of New Medicines for Metabolic Diseases" in 2024, with the provincial key laboratory commencing full operation in 2025.

4. R&D progress of major generic drugs

The Company further clarified the focused and prioritized varieties by regularly organizing dynamic evaluation and analysis of existing generic drugs under development. As of the date of the Report, the Company's Sirolimus Gel, Mycophenolate Mofetil for Suspension, Ibrutinib Capsules, and Vonoprazan Fumarate Tablets were approved for marketing.

5. Progress in international registration

The Company has actively pursued international registration efforts. As of the date of the Report, the main progress is as follows:

No.	Field	Item	Remarks	Latest progress
1	Endocrinology	Acarbose	APIs	Approved KDMF in South Korea on February 21, 2025 Submitted data for EP monograph revision in July 2025
2	Endocrinology	Semaglutide Injection	1.34mg/ml,3mL	Submitted Type C meeting request to the US FDA in May 2025
3	Endocrinology	Semaglutide (Injection)	APIs	Submitted DMF amendment to the US FDA in July 2025
4	Endocrinology	Liraglutide	APIs	Submitted UAE registration application in March 2025
5	Endocrinology	Semaglutide (Oral)	APIs	Completed initial US DMF submission in January 2025
6	Immunology	Cyclosporine	APIs	Obtained Japanese MF approval in February 2025 Obtained Japanese GMP certification in February 2025 Completed FDA on-site inspection in April 2025
7	Immunology	Tacrolimus Capsules	0.5 mg/1/mg/5 mg	Submitted ANDA amendment in April 2025
8	Immunology	Tacrolimus	APIs	Submitted DMF amendment to the US FDA in March 2025 Completed FDA on-site inspection in April 2025
9	Anti-infection	Caspofungin Acetate for Injection	50 mg, 70 mg	Approved in July 2025
10	Anti-infection	Mupirocin	APIs	Submitted DMF amendment to the US FDA in March 2025
11	Anti-infection	Mupirocin Calcium	APIs	Submitted DMF amendment to the US FDA in March 2025
12	Anti-infection	Polymyxin B Sulfate	APIs	Submitted DMF amendment to the US FDA in February 2025 Completed CEP (Sister file) response in April and May 2025

13	Oncology	MMAE	Intermediate	Submitted DMF amendment to the US FDA in March 2025
14	Oncology	PyVAExd	Intermediate	Completed pre-IND submission in May 2025
15	Oncology	DM1	Intermediate	Submitted DMF amendment to the US FDA in July 2025
16	Oncology	4-([1,2,4]Triazolo[1,5-A]pyridin-7-yloxy)-3-methylaniline	Intermediate	Completed initial US DMF in April 2025
17	Antibiotics	Daptomycin	APIs	Submitted DMF amendment to the US FDA in April 2025
18	Digestive system drugs	Pantoprazole Sodium for Injection	40mg	Submitted ANDA amendment in March 2025 Submitted labeling changes and IR responses in March and April 2025, with approval in May
19	Nucleotide drugs	2'-F-dG(ibu) Phosphoramidite	Intermediate	Completed initial US DMF in January 2025
20	Nucleotide drugs	rU Phosphoramidite	Intermediate	Completed initial US DMF in January 2025

6. Progress in consistency evaluation

As of the date of the Report, the Company's subsidiary, Shaanxi Jiuzhou Pharmaceutical Co., Ltd., received the approval notice for the supplemental application of the consistency evaluation for Paracetamol and Dihydrocodeine Tartrate Tablets.

7. Progress in registration and launching of aesthetic medicine products in China

No.	Type	Product designation	Intended use	Latest progress
1	Injections	Lidocaine-containing Cross-linked Sodium Hyaluronate Gel for Injection MaiLi® Extreme (trade name: MaiLi® ShuoYing®)	Enhancement of jawline contour	Obtained NMPA approval in January 2025; held a MaiLi® launch in May 20
2	Injections	MaiLi®Precise Hyaluronic acid	Improvement of the infraorbital hollow	Locked clinical trial database in July 2025; currently summarizing the study report
3	Injections	Lanluma®V Poly-L-lactic acid	Improvement of jawline contour	Completed enrollment of all subjects in November 2024; follow-up assessments in progress
4	Injections	KIO021 Chitosan	Improvement of facial skin condition	Preparation of preclinical trial activities in progress
5	Injections	Ellansé-S Polycaprolactone	Improvement of frontal contour	Completed enrollment of all subjects for the new indication clinical trial in November 2024; follow-up of primary endpoints in progress
6	Injections	Ellansé-M Polycaprolactone	Improvement of temporal hollow	Received NMPA registration acceptance notice in January 2025; obtained supplementary notice in June; preparation of technical documentation in progress
7	Botulinum toxin	YY001 Recombinant botulinum toxin type A	Improvement of frown lines	Submitted BLA in December 2024; completed on-site factory verification in June 2025, technical review in progress

8	Energy-based device	V30	Improvement of body and facial wrinkles, benign skin lesions, benign vascular lesions, benign pigmented lesions, inflammatory acne, depilation, etc.	Received NMPA registration acceptance notice in March 2025; received supplementary information notice in June 2025; preparation of technical documentation in progress

8. Patent progress

In recent years, the Company has placed great emphasis on the protection of intellectual property rights and the application of research outcomes, with both the number of patent applications and grants steadily increasing. The Company has filed a total of over 1700 patent applications domestically and internationally over the years, including more than 550 authorized invention patents. Its wholly-owned subsidiary, Hangzhou Zhongmei Huadong Pharmaceutical Co., Ltd., is a national intellectual property demonstration enterprise. In November 2014, it passed the external audit by Zhongzhi (Beijing) Certification Co., Ltd., becoming one of the first 147 companies that passed the standards implementation certification and successfully passed the supervision and examination of the enterprise intellectual property management system in October 2024.

During the reporting period, the Company's patent applications and renewals progressed smoothly. A total of 169 patent applications were submitted, including 142 for inventions. Additionally, 33 patents were granted.

Patent type	Increase during the reporting period		Total quantity	
	Number of patents applied for (units)	Number of patents received (units)	Number of patents applied for (units)	Number of patents received (units)
Invention patent	142	16	1421	553
Utility patent	24	15	317	261
Appearance design patent	3	2	46	44
Total	169	33	1784	858

Note: The data in the above table represent the statistical patent information of the main subsidiaries engaged in the pharmaceutical industry, industrial microbiology and aesthetic medicine within the Company's consolidated statements.

II. Analysis of core competitiveness

1. Open innovative drug R&D system and continuously improved innovation ability

The Company places a strong emphasis on innovative R&D, adhering to the philosophy of being "Scientific Research-based and Patient-centered", and taking "clinical value, pharmacoeconomic value, and commercial value" as guiding principles. It maintains a consistently

high level of R&D investment. The Company has established a global new drug R&D center, responsible for formulating strategies for independent innovative products, managing pipeline layouts, and overseeing clinical research and development. Over the years of development, the Company has built a relatively complete independent drug R&D system, covering the entire process from drug discovery, pharmaceutical research, preclinical studies, and clinical research to industrialization.

Focusing on the three core therapeutic fields of oncology, endocrinology and autoimmunity, the Company keeps developing and has fostered differentiated innovative product pipelines that cover the full R&D cycle via independent R&D, external cooperation, license-in, etc. All these merits effectively empower the continuous initiation and launching of innovative products, offering impetuses for the medium- and long-term development. The Company has continuously leveled up its independent R&D and innovation capabilities with its innovative drug pipelines now covering over 80 items, positioning it within the top tier of the pharmaceutical industry in China.

2. Diverse product pipelines for specialized and chronic diseases, and featured layout in three core therapeutic fields

Focusing on specialized medicines, medicines for chronic diseases, as well as special medicines for years, the Company has fostered good brand effect and laid a strong market foundation in such fields as chronic nephrosis, autoimmunity, endocrinology, oncology, digestive system and cardiovascular diseases, continuously keeping in the forefront of similar products in China in terms of market share. Meanwhile, the Company has successfully launched first-in-class drugs in three core therapeutic fields—oncology, endocrinology, and autoimmunity—and has developed three featured product matrices: ADC, GLP-1, and external preparations, forming differentiated competitive advantages.

With over two decades of focus on diabetes therapeutics, the Company has comprehensively laid out product pipelines of innovative and differentiated generic drugs for clinical mainstream therapeutic targets of diabetes, with over 20 types of products under development or in commercial production. Now, the Company has fostered a good brand effect and laid a strong market foundation. The existing and subsequently-upgraded products cover multiple mainstream targets, including α-glucosidase inhibitors, DPP-4 inhibitors, SGLT-2 inhibitors, GLP-1 receptor single-target and long-acting multi-target agonists, as well as insulin and its analogs. Centered on the GLP-1 target, the Company has developed a comprehensive and differentiated product pipeline that combines long-acting and multi-target global innovative drugs and biosimilars, including oral tablets and injections.

In the field of oncology, the Company focused on cutting-edge therapies such as ADCs and CAR-T, continuously strengthening its product pipeline. Additionally, the Company has invested in, held controlling stakes in, and incubated several domestic biotech companies with leading technologies, and has established product and equity collaborations with Heidelberg Pharma in Germany (as its second largest shareholder). Through the introduction of Heidelberg's proprietary ATAC (antibody–amanitin conjugates) technology platform, the Company has built a unique ADC

global R&D ecosystem and is actively developing a world-class ADC innovation platform with in-house capabilities. These efforts are dedicated to advancing differentiated ADC drugs and delivering better, more advanced treatment options for cancer patients.

华东医药肿瘤产品管线布局（截至2025年8月）

领域	适应症	在研产品	已获批产品
实体瘤	卵巢癌		爱拉赫®、派舒宁®
	非小细胞肺癌	迈华替尼片**（NDA/BLA）	
	肝细胞癌		淫羊藿素软胶囊*、注射用奥沙利铂
	乳腺癌		阿那曲唑片、来曲唑片
	结直肠癌		注射用奥沙利铂
	前列腺癌	HDM2031（临床前）	
	实体瘤	HDM2005***（Ⅰ期） HDM2006（Ⅰ期） DR30206（Ib/Ⅱa期） DR30303（Ⅰ期） HDM2020（Ⅰ期） HDM2012（Ⅰ期） HDM2017（IND） HDM2024（临床前）	
血液瘤	复发/难治性多发性骨髓瘤	HDM2027***（IND）	赛恺泽®*
	复发/难治性B细胞淋巴瘤	HDM2005***（Ⅰ期）	
	非霍奇金淋巴瘤	IM19*（NDA/BLA）	
	骨髓增生异常综合征		注射用地西他滨

注：该列表为不完全列表，研发进度指截至报告发布的国内最高研发进展。

*商业化/市场推广权益

**迈华替尼片被中国NMPA纳入突破性治疗药物程序，用于EGFR罕见突变的非小细胞肺癌。

***HDM2005获美国FDA 孤儿药资格认定，用于治疗套细胞淋巴瘤；
HDM2027（HDP-101）获美国FDA 孤儿药资格认定，用于治疗多发性骨髓瘤。

In the field of autoimmunity, the Company's marketed and pipeline products cover a wide range of indications, including transplant immunology, psoriasis, atopic dermatitis, rheumatoid arthritis, seborrheic dermatitis, prurigo nodularis, vitiligo, recurrent pericarditis, and cryopyrin-associated periodic syndromes. These indications span dermatology, rheumatology, cardiovascular, respiratory, and transplant-related diseases, making the Company one of the most comprehensive pharmaceutical enterprises in China in terms of coverage in the autoimmune disease area. To date, the Company has over 20 biologic and small-molecule innovative products in the field of autoimmunity. Additionally, the Company's innovative drug R&D center has been focusing on new targets and biological mechanisms, developing multiple early-stage projects for immune diseases,

all of which are progressing smoothly. With regard to autoimmunity, the Company stretched its coverage to external preparations, built external preparation R&D platforms, and steadily advanced the R&D and innovation of external and complicated preparations. Currently, the Company's wholly-owned subsidiary, Huadong Medicine (Xi'an) Bodyguard Pharmaceutical Co., Ltd., has established three production lines for external preparations. The Company now has as many as ten products of external preparations either under development or in commercial production.

3. China's leading professional pharmaceutical service team and complete commercial format

In the pharmaceutical industry segment, the Company has fostered a professional pharmaceutical service and market development team. With a focus on clinical values and academic promotion, the team advances a marketing mode that integrates comprehensive hospitals, primary-level medical institutions, the retail sector, the third-terminal market, and online channels. Its sales network now covers more than 30 provinces (autonomous regions and municipalities) across China, gradually achieving multi-channel and broad coverage, and forming strong competitive advantages.

In the pharmaceutical business, the Company has long been deeply engaged in the Zhejiang

market, with a mature and comprehensive business structure and a broad product portfolio, maintaining a leading edge in market access and distribution coverage. It has established strategic partnerships with over 95% of mainstream pharmaceutical enterprises both domestically and internationally. Its sales network covers all 91 districts and counties across Zhejiang, with 100% penetration into public hospitals. The Company also continues to expand its customer base to include high-value retail pharmacies and private medical institutions, with its market share consistently ranking among the top in Zhejiang. In the meantime, the Company has continuously enhanced its core competencies and established significant competitive advantages in strategic cooperation with leading hospitals, policy and regulatory affairs coordination, service system innovation, and efficient organizational operations. Actively embracing healthcare reform policies and further deepening partnerships with major clients, the Company has maintained industry leadership in Zhejiang in areas such as pharmaceutical service innovation, third-party cold-chain logistics, and automated herbal decoction.

4. Comprehensive high-end international aesthetic medicine product pipeline

The Company focuses on the global high-end aesthetic medicine market and has established its wholly-owned subsidiary, Sinclair in the UK, as the global operating platform for its aesthetic medicine business. Backed by an international aesthetic medicine operation and BD team, the Company has in recent years acquired energy-based device companies High Tech and Viora. Through these acquisitions, it has successively introduced a number of products, including the Préime DermaFacial multifunctional facial skin management platform, the KiOmed series of chitosan-based aesthetic products, and the recombinant botulinum toxin type A (YY001). These efforts have gradually improved and enriched the Company’s high-end aesthetic medicine portfolio. Currently, the company has achieved full coverage of the mid-to-high-end markets for non-surgical aesthetic medicine injections and energy-based devices. It has built a portfolio of 40 international high-end products under the “micro-invasive + non-invasive” categories, of which 26 have already been launched in domestic and overseas markets. Its global patented product portfolio spans mainstream non-operative aesthetic fields, including frown lines improvement, facial and body filling, thread lifting, skin management, body shaping, depilation, and intimate rejuvenation. With this, the Company has formed a comprehensive product cluster, ranking among the top in the industry in terms of product number and coverage breadth, while continuing to expand its international influence. Meanwhile, the Company has achieved full coverage of the three major injectable categories—regenerative products, hyaluronic acid, and botulinum toxin—establishing a multi-dimensional full-face aesthetic system that provides consumers with one-stop comprehensive facial aesthetic solutions. The Company's aesthetic medicine marketing network spans over 80

countries and regions worldwide, supported by a professional aesthetic medicine sales team of over 600 members across both domestic and international markets.

5. Outstanding and leading international competitiveness in industrial microbiology segment

The Company has been deeply engaged in the field of industrial microbiology, operating the largest fermentation monomer plants in Zhejiang and possessing industry-leading capabilities in microbial drug production. Its advanced R&D capacity spans all stages of microbial engineering technologies, including strain construction, metabolic regulation, enzymatic catalysis, synthetic modification, and separation and purification. A complete manufacturing system has been established, covering project R&D, pilot-scale testing, commercial production, engineering, and utility support. At the same time, the Company has formed an R&D cluster centered on the Industrial Microbiology of Zhongmei Huadong, the HIT Institute of Synthetic Biology, Huida Biotech, Perfect mRNA and Shengji Material. In addition, it has built seven industrial bases located in Hangzhou Xiangfuqiao, Qiantang New Area, Jiangsu Joyang Laboratories, Magic Health, Anhui Meihua, Wuhu Huaren, and Nanjing Nongda Animal Pharmaceutical. On this basis, the Company is making every effort to advance the integrated development of “production, research and marketing” in the field of industrial microbiology.

For the industrial microbiology team of the Company, an innovative, internationalized team characterized by strong collaboration and high efficiency has been built. It features a composite talent structure with seasoned industry experts at the core and a new generation of young researchers as the backbone, forming a specialized operating system that combines deep technical expertise with vibrant innovation. In terms of R&D, the Company’s Industrial Microbiology Division has been committed to forming an efficient R&D team with high-quality talents as the core. To date, 33% of its R&D personnel have obtained their master's and/or doctoral degrees. In the industrial microbiology segment, the Company has initiated over 460 R&D projects, including 266 projects for xRNA raw materials, 110 projects for featured APIs & intermediates, 49 projects for massive health & biomaterials, and 35 projects for animal health.

6. Prudent and pragmatic operation style, and stable returns to shareholders

Valuing innovation in management, the Company has always endeavored to satisfy the demands for market competition by improving the quality of its operations. As a result, the Company has achieved long-term steady development thanks to its high-quality products, excellent commercialization capability, compliant yet efficient marketing services, differentiated market positioning, innovative R&D layout, and complete talent planning. Since it was listed, the Company has distributed dividends 24 times, with a cumulative amount of RMB 8.259 billion, which is 33.04

times the funds raised at the IPO (RMB 250 million). The Company provides shareholders with steady returns on investment.

III. Analysis of the main business

Overview

Please refer to the relevant contents of "I. Main business of the Company during the reporting period".

Year-on-year changes in key accounting data

Unit: RMB

	Current reporting period	Same period last year	Year-on-year increase or decrease	Reason for change
Operating revenue	21,674,928,965.21	20,965,065,605.67	3.39%	
Operating cost	14,327,396,132.90	14,109,803,647.16	1.54%	
Selling expenses	3,229,044,236.81	3,274,822,873.39	-1.40%	
Management expenses	725,296,086.80	714,633,116.91	1.49%	
Financial expenses	22,424,175.74	23,424,445.20	-4.27%	
Income tax expense	389,834,341.82	360,337,560.24	8.19%	
R&D investment	999,673,972.93	643,106,566.65	55.44%	Mainly attributable to an increase in R&D investment
Net cash flow from operating activities	2,456,848,510.10	2,275,256,481.44	7.98%	
Net cash flows from investing activities	-791,757,068.20	-669,504,073.37	-18.26%	
Net cash flow from financing activities	-1,533,431,198.50	-487,229,608.74	-214.72%	Mainly attributable to a decrease in cash received from obtaining borrowings
Net increase in cash and cash equivalents	14,817,239.00	1,112,735,457.71	-98.67%	Mainly attributable to a decrease in net cash from financing activities

Significant changes in the composition or sources of the Company's profits during the reporting period

□Applicable ☑Not applicable

There were no significant changes in the composition or sources of the Company's profits during the reporting period.

Composition of operating revenue

Unit: RMB

	Current reporting period		Same period last year		Year-on-year increase or decrease
	Amount	Proportion of operating revenue	Amount	Proportion of operating revenue	
Total operating revenue	21,674,928,965.21	100%	20,965,065,605.67	100%	3.39%
By industries					
Commerce	13,970,510,608.22	64.45%	13,588,899,262.22	64.82%	2.81%
Manufacturing	8,603,485,229.15	39.69%	7,857,208,599.38	37.48%	9.50%

Incl.: industry	7,316,615,884.76	33.76%	6,697,868,023.87	31.95%	9.24%
Medical aesthetics business	1,112,235,226.85	5.13%	1,348,185,919.47	6.43%	-17.50%
Incl.: international medical aesthetics business	524,344,885.36	2.42%	569,905,904.41	2.72%	-7.99%
Medical aesthetics business in China [Note]	725,276,218.82	3.35%	824,698,912.81	3.93%	-12.06%
Offset (inter-sectoral offset)	-899,066,872.16		-481,042,255.93		
By products					
By regions					
Sales in China	21,062,550,182.23	97.17%	20,326,872,868.28	96.96%	3.62%
Overseas sales	612,378,782.98	2.83%	638,192,737.39	3.04%	-4.04%

[Note] The medical aesthetics business in China includes revenue from self-operated aesthetic medicine products, revenue from aesthetic medicine products distributed by the Company's pharmaceutical commercial agency, and revenue from proprietary OTC weight-loss products.

Industries, products, regions accounting for more than 10% of the Company's operating revenue or operating profit

☑Applicable □Not applicable

Unit: RMB

	Operating revenue	Operating cost	Gross profit margin	Year-over-year increase or decrease in operating revenue	Year-over-year increase or decrease in operating cost	Year-over-year increase or decrease in gross profit margin
By industries						
Commerce	13,970,510,608.22	13,034,654,212.35	6.70%	2.81%	2.53%	0.25%
Manufacturing	8,603,485,229.15	2,113,598,943.85	75.43%	9.50%	20.26%	-2.20%
By products						
By regions						
Sales in China	21,062,550,182.23	14,102,960,373.65	33.04%	3.62%	1.45%	1.43%
Overseas sales	612,378,782.98	224,435,759.25	63.35%	-4.04%	7.46%	-3.92%

If the statistical method of the Company’s main business data has been adjusted during the reporting period, the Company’s main business data of the most recent period should be adjusted according to the method at the end of the reporting period

□Applicable ☑Not applicable

IV. Analysis of non-main business

☑Applicable □Not applicable

Unit: RMB

	Amount	Proportion to total profit	Reason for formation	Whether it is sustainable
Investment income	-67,265,820.65	-3.07%	Mainly attributable to income from long-term equity investment	

			accounted for using the equity method	
Gains or losses from changes in fair value	0.00	0.00%		No
Impairment of assets	0.00	0.00%		
Non-operating revenue	4,157,614.19	0.19%		No
Non-operating expenses	54,367,929.24	2.48%		No
Other income	144,290,664.93	6.58%	Mainly attributable to the recognition of government grants during the period	No

V. Analysis of assets and liabilities

1. Significant changes in asset composition

Unit: RMB

	End of the current reporting period		End of the prior year		Increase or decrease in proportion	Description of significant changes
	Amount	Proportion to total assets	Amount	Proportion to total assets		
Monetary funds	5,160,515,681.60	13.30%	5,276,440,245.36	13.93%	-0.63%	
Accounts receivable	9,130,033,608.54	23.52%	8,425,358,862.23	22.24%	1.28%	
Inventory	5,029,505,978.33	12.96%	4,776,397,278.01	12.61%	0.35%	
Investment property	11,394,409.57	0.03%	11,842,042.67	0.03%	0.00%	
Long-term equity investment	1,511,055,130.79	3.89%	1,543,646,404.76	4.08%	-0.19%	
Fixed assets	4,282,121,438.14	11.03%	4,422,300,775.01	11.67%	-0.64%	
Construction in progress	1,037,144,674.62	2.67%	836,739,481.60	2.21%	0.46%	
Right-of-use assets	157,830,603.00	0.41%	149,504,562.99	0.39%	0.02%	
Short-term borrowings	1,872,106,049.23	4.82%	2,312,339,143.21	6.10%	-1.28%	Mainly attributable to debt repayment during the current period
Contract liabilities	122,763,179.08	0.32%	173,609,109.58	0.46%	-0.14%	
Long-term borrowings	299,738,501.52	0.77%	14,262,841.05	0.04%	0.73%	
Lease liabilities	85,626,580.16	0.22%	71,857,938.46	0.19%	0.03%	

2. Major overseas assets

☑Applicable □Not applicable

Specific item of the asset	Reason for formation	Asset scale	Location	Operating mode	Control measures to ensure asset safety	Profitability	Proportion of overseas assets to net assets of the Company	Any significant impairment risk
Sinclair Pharma Limited	Equity acquisition	RMB 23,662.113 million	United Kingdom	Independent accounting	Major decisions approved by the Board of Directors, routine financial supervision, and audits conducted by external intermediary agencies	Loss for the current period	9.81%	No

3. Assets and liabilities measured at fair value

☑Applicable □Not applicable

Unit: RMB

Item	Opening balance	Profits or losses from changes in fair value in the current period	Cumulative fair value changes recorded in equity	Impairment accrued in the current period	Purchase amount in the current period	Sale amount in the current period	Other changes	Closing balance
Financial assets								
4. Investment in other equity instruments	603,232,766.22	-171,215.68	-3,843,136.72		63,864,212.72		-1,044,880.22	665,880,883.04
Subtotal of financial assets	603,232,766.22	-171,215.68	-3,843,136.72		63,864,212.72		-1,044,880.22	665,880,883.04
Receivables financing	1,677,636,420.09				5,043,299,994.31	5,472,054,542.80		1,248,881,871.60
Total of the above	2,280,869,186.31	-171,215.68	-3,843,136.72	0.00	5,107,164,207.03	5,472,054,542.80	-1,044,880.22	1,914,762,754.64
Financial liabilities	0.00							0.00

Description of other changes

Other changes are due to exchange rate changes

Whether there is any significant change in the measurement attributes of the Company's main assets during the reporting period

□Yes ☑No

4. Restrictions on asset rights as of the end of the reporting period

Unit: RMB

Item	Closing book balance	Closing carrying amount	Type of restriction	Reason for restriction
Monetary funds	104,547,255.92	104,547,255.92	Deposit	Deposit used for issuing bills, letters of credit, etc.
Monetary funds	50,000,000.00	50,000,000.00	Pledged	Large-denomination certificate of deposit pledged for issuing bills
Monetary funds	1,000,000.00	1,000,000.00	Frozen	Judicially frozen funds
Fixed assets	36,203,699.81	35,515,829.58	Mortgage	Property used as collateral for a loan
Intangible assets	56,297,988.87	52,739,696.47	Mortgage	Land used as collateral for a loan
Total	248,048,944.60	243,802,781.97		

VI. Analysis of investment status

1. Overall situation

☑Applicable □Not applicable

Investment amount in the reporting period (RMB)	Investment in the same period of the prior year (RMB)	Percentage change
1,238,971,421.66	1,243,491,577.69	-0.36%

2. Significant equity investments acquired during the reporting period

□Applicable ☑Not applicable

3. Significant non-equity investments in progress during the reporting period

☑Applicable □Not applicable

Unit: RMB

Item	Way of investment	Investment in fixed assets or not	Industries involved in the investment project	Investment amount during the reporting period	Accumulated actual investment amount by the end of the reporting period	Source of funds	Project progress	Expected earnings	Accumulated income realized by the end of the reporting period	Reasons for failure to meet the planned progress and expected earnings	Disclosure date (if applicable)	Disclosure index (if applicable)
Huado	Self-	Yes	Pharm	-	1,802,	Own	100.00	/	/	Not	March	CNIN

ng Medicine Biomedical Science and Technology Park Project Phase II	built project		aceutical manufacturing	110,269.67	293,586.02	funds	%			applicable	09, 2017	FO (http://www.cninfo.com.cn)
Huadong Medicine Life Science Industrial Park (Xiangfu south plot) project	Self-built project	Yes	Pharmaceutical R&D	30,010,307.14	410,099,612.25	Own funds	96.50%	/	/	Not applicable	April 21, 2021	CNINFO (http://www.cninfo.com.cn)
Huadong Medicine Bio-innovation Intelligence Center Project	Self-built project	Yes	Pharmaceutical manufacturing	157,546,012.09	329,987,294.41	Own funds	60.00%	/	/	Not applicable	February 08, 2024	CNINFO (http://www.cninfo.com.cn)
Total	--	--	--	187,446,049.56	2,542,380,492.68	--	--	/	/	--	--	--

4. Investment in financial assets

(1) Investment in securities

☑Applicable □Not applicable

Unit: RMB

Securi	Securi	Securi	Initial	Accou	Openi	Profit	Cumu	Purch	Sale	Gains	Closin	Accou	Sourc

ty type	ty code	ty abbreviation	investment cost	nting measurement model	ng carrying amount	s or losses from changes in fair value in the current period	lative fair value changes recorded in equity	ase amount in the current period	amount in the current period	or losses during the reporting period	g carrying amount	nting item	e of funds
Domestic and overseas stocks	RAPT	RAPT	20,207,400.00	Fair value measurement	459,985.74	-171,215.68	-3,843,136.72	0.00	0.00	-6,033.99	282,736.07	Investment in other equity instruments	Own funds
Total			20,207,400.00	--	459,985.74	-171,215.68	-3,843,136.72	0.00	0.00	-6,033.99	282,736.07	--	--

Note: (1) Huadong Medicine Investment Holding (Hong Kong) Limited, a wholly-owned subsidiary of the Company, purchased 218,102 Series C-2 preferred shares of RAPT Therapeutics, Inc. in a total of USD 3 million in 2018. APT Therapeutics, Inc. was listed on the NASDAQ Exchange on October 30, 2019 (stock code: RAPT). As of the end of the reporting period, Huadong Medicine Investment Holding (Hong Kong) Limited holds 4937 shares in RAPT, accounting for approximately 0.0298% of the total shares of RAPT Therapeutics, Inc.

(2) On March 11, 2024, Huadong Medicine Investment Holding (Hong Kong) Limited, one of the Company's wholly-owned subsidiaries, subscribed IPO shares of Qyuns Therapeutics Co., Ltd. at the Stock Exchange of Hong Kong Limited as cornerstone investor with the consideration of equivalent USD 5 million from its own funds in Hong Kong dollar (excluding brokerage commission, related transaction fees and levies). For details, please refer to the *Announcement on Subscribing IPO Shares of Qyuns Therapeutics Co., Ltd. in Hong Kong as Cornerstone Investor* (Announcement No.: 2024-013) disclosed by the Company on CNINFO (http://www.cninfo.com.cn). On March 20, 2024, Qyuns Therapeutics was successfully listed on the main board of the Stock Exchange of Hong Kong with the stock code of 2509.HK. As of the date of the Report, the Company holds a total of 37,876,800 shares of Qyuns Therapeutics through its wholly-owned subsidiaries Zhongmei Huadong and Huadong Medicine Investment Holding (Hong Kong) Limited, accounting for approximately 17.06% of the total shares of Qyuns Therapeutics. Among them, Zhongmei Huadong holds 35,900,000 shares and Huadong Medicine Investment holds 1,976,800 shares. The Company calculated the shares held by Zhongmei Huadong and Huadong Medicine Investment in a consolidated manner, which was reflected in the long-term equity investment in the financial statements.

(3) On November 28, 2024, Hangzhou Jiuyuan Genetic Biopharmaceutical Co., Ltd., one of the Company's shareholding enterprises, was successfully listed on the main board of the Stock Exchange of Hong Kong with the stock name (abbreviation) of Jiuyuan Gene and the stock code of 2566.HK. As of the date of the Report, the Company holds a total of 42,120,453 shares of Jiuyuan Gene through its wholly-owned subsidiary Zhongmei Huadong, accounting for approximately 17.16% of the total shares of Jiuyuan Gene. The Company's shareholding in Jiuyuan Gene was reflected in the long-term equity investment in the financial statements.

(2) Investment in derivatives

□Applicable ☑Not applicable

The Company had no derivative investment during the reporting period.

5. Use of raised funds

□Applicable ☑Not applicable

The Company had no use of raised funds during the reporting period.

VII. Sale of major assets and equity

1. Sale of major assets

□Applicable ☑Not applicable

The Company did not sell major assets during the reporting period.

2. Sale of significant equity

□Applicable ☑Not applicable

VIII. Analysis of major shareholding companies

☑Applicable □Not applicable

Major subsidiaries and shareholding companies with an impact of more than 10% on the Company's net profit

Unit: RMB

Company name	Type of company	Main business	Registered capital	Total assets	Net assets	Operating revenue	Operating profit	Net profit
Hangzhou Zhongmei Huadong Pharmaceutical Co., Ltd.	Subsidiary	Production of Traditional Chinese and Western APIs and formulations, and health care products	872,308,130	20,828,414,693.32	12,249,860,523.20	7,353,652,655.72	1,891,212,155.45	1,613,285,408.35

Acquisition and disposal of subsidiaries during the reporting period

☑Applicable □Not applicable

Company name	Method of acquisition and disposal of subsidiaries during the reporting period	Impact on overall production, operation, and performance
Huadong Pharmaceutical Sales (Zhejiang) Co., Ltd.	Incorporation	Pharmaceutical business development
Huadong Medicine International Trade (Zhejiang) Co., Ltd.	Incorporation	Pharmaceutical business development
Huadong Peiyuantang (Hangzhou) Comprehensive Clinic Co., Ltd.	Incorporation	Pharmaceutical business development
Wenzhou Huiren Health Food Co., Ltd.	Incorporation	Pharmaceutical business development

Description of major shareholding companies

IX. Structured entities controlled by the Company

□Applicable ☑Not applicable

X. Risks faced by the Company and countermeasures

1. Risks from industry policy changes and product price reductions

The pharmaceutical industry is a strategic sector strongly supported and promoted in China, as

it is closely related to public health and life safety. It is also a highly competitive and innovation-driven industry that must continuously adapt to market changes and policy adjustments. In recent years, with the ongoing advancement of policies such as volume-based procurement and medical insurance negotiations, the industry has been moving toward greater standardization, normalization, and systematization. In the meantime, external factors such as geopolitics and macroeconomic policies have intensified the volatility of corporate operations and market conditions, posing challenges to the production costs and profitability of the pharmaceutical industry. In addition, new drugs face the risk of price reductions.

Countermeasures: The Company has always paid great attention to national policies and industrial development, with corresponding adjustments made when necessary. In terms of R&D, the Company is increasing investment to further enrich its product pipeline in core therapeutic areas, thereby enhancing competitiveness and growth potential. At the same time, the Company is actively expanding into the aesthetic medicine and industrial microbiology sectors to foster new growth drivers. In addition, the Company is committed to strengthening its resilience through cost reduction, efficiency improvement, and lean management.

2. Risks in new drug R&D

In recent years, the Company has actively enriched its innovative drug pipeline and accelerated its presence in core therapeutic areas through independent R&D and licensed introductions. Generally, the R&D cycle of innovative drugs is lengthy. From pre-clinical research to clinical trials, regulatory registration, production approval, and final commercialization, the process is subject to numerous uncertainties, such as national policies, market dynamics, and regulatory approvals. In addition, the R&D of innovative drugs requires high-caliber talent with advanced academic and professional backgrounds, and the related labor costs and upfront R&D expenditures may put pressure on the Company’s short-term operational performance. Post-launch, market promotion and sales ramp-up also take time and may face risks such as price reductions, which could result in returns on R&D investment falling short of expectations.

Countermeasures: The Company focuses on its core therapeutic fields and continuously enhances its in-house R&D capabilities. In recent years, it has enriched and optimized its product pipelines through a combination of independent R&D and licensed introductions, thereby building a distinctive R&D ecosystem for Huadong Medicine, with specialized research matrices in oncology, endocrinology, and autoimmune diseases. The Company will continue to optimize its innovation mechanisms, improve its scientific evaluation and decision-making system for new drug research, and strengthen close collaborations with leading R&D institutions both in China and abroad. In the meantime, it will increase investment in attracting high-level research talent, enhance the training

and incentive mechanisms for its core technical staff, and develop a world-class innovation team capable of supporting the full cycle of innovative drug R&D.

3. Risk in investment and merger

External investment is one of the key approaches for enterprise development. In recent years, to advance its strategic transformation toward innovation, the Company has continuously engaged in investments and acquisitions in innovative drugs, aesthetic medicine, and industrial microbiology, leading to the recognition of goodwill. If acquired companies experience performance fluctuations in the future, goodwill may be impaired, which could adversely affect the Company's performance for the period. In addition, post-investment management and business integration of target companies place higher demands on the Company's management capabilities.

Countermeasures: The Company exercises oversight over acquired subsidiaries through control of the Board of Directors and by appointing management and financial personnel to participate in major decision-making and daily operations. Subsidiaries are required to comply with the listed company's internal control systems and to establish and implement comprehensive management systems. The management of acquired subsidiaries maintains efficient communication with the Company, while daily operations and major decisions are strictly carried out in accordance with relevant laws and regulations, the Company's Articles of Association, management rules, and the decision-making procedures stipulated by the Board of Directors and shareholders' meetings. In terms of acquisition risk prevention and control, the Company conducts business, financial, and tax due diligence on target companies by engaging external intermediaries, and regularly carries out specialized management audits of subsidiaries. Furthermore, the Company is committed to enhancing its capabilities in operational planning, management structure, and financial management, while continuously strengthening resource sharing and synergy with acquired subsidiaries, and improving business integration in consolidated operations and governance. It also conducts regular goodwill impairment tests and reinforces comprehensiveness, rigor, and timeliness in post-investment management.

4. Risk in exchange rate fluctuation

The Company has always been devoted to advancing its international development. In recent years, the Company has increasingly developed international cooperation and exchanges, expanded the sales network of aesthetic medicine in the world, and accelerated the development of its industrial microbiology segment, raising the proportion of foreign currency settlement business. The fluctuation in exchange rate will affect the price of the Company's export products, cause exchange gains and losses to the Company, and increase the operating costs, thus affecting the Company's assets, liabilities, and income, further affecting its operational ability, debt repayment

ability, and profitability.

Countermeasures: The Company will closely monitor fluctuations in exchange rates and promptly adjust its business strategies accordingly to mitigate adverse impacts. It will enhance awareness of exchange rate risks and continuously improve the foreign exchange risk management system. Meanwhile, the Company will strengthen training for financial personnel to improve professional skills and risk awareness, reinforce risk mitigation practices, and fully utilize financial instruments to hedge against exchange rate risks.

XI. Implementation of the market value management system and valuation enhancement plan

Has the Company established a market value management system?

☑Yes □No

Has the Company disclosed a valuation enhancement plan?

□Yes ☑No

To strengthen its market value management, further standardize its market value management practices, and practically safeguard the legitimate rights and interests of the Company, its investors, and other stakeholders, the Company has formulated its market value management system in compliance with relevant laws and regulations, including the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Several Opinions of the State Council on Strengthening Regulation, Guarding against Risks*, and *Promoting High-Quality Development of the Capital Market*, the *Administrative Measures for the Disclosure of Information of Listed Companies*, the *No. 10 Guideline for the Supervision of Listed Companies - Market Value Management*, as well as the *Articles of Association* and the Company's operational realities. The system was approved at the 32nd Meeting of the 10th Board of Directors. Detailed information and the full text of the system are available in the relevant announcement disclosed by the Company on CNINFO (https://www.cninfo.com) on April 18, 2025.

XII. Implementation status of the Action Plan for "Dual Enhancement of Quality and Return"

Has the Company disclosed the Action Plan for "Dual Enhancement of Quality and Return"?

☑Yes □No

The Company has formulated the Action Plan for "Dual Enhancement of Quality and Return" to implement the guiding principles of “Activating the capital market and boosting investors’ confidence” put forward by the Political Bureau of the CPC Central Committee, and of “Vigorously improving the quality and investment value of listed companies, taking more powerful and effective measures to stabilize the market and confidence” emphasized at the executive meeting of the State Council. The Plan aims to safeguard the interests of all shareholders, continuously strengthen the Company’s core competitiveness and investment value, and achieve high-quality, efficient, and sustainable development. For details, please refer to the *Announcement on Advancing the Implementation of the Action Plan for "Dual Enhancement of Quality and Return"* (Announcement No.: 2024-011) disclosed by the Company on CNINFO (http://www.cninfo.com) on March 9, 2024.

The Company is implementing the Action Plan for "Dual Enhancement of Quality and Return", focusing on its four major business segments—pharmaceutical industry, pharmaceutical business, aesthetic medicine, and industrial microbiology—to advance its innovation-driven transformation strategy, fully stimulate innovation vitality, improve operational quality and efficiency, and drive sustained high-quality development.

During the reporting period, the Company's R&D investment in the pharmaceutical industry (excluding equity investments) reached RMB 1.484 billion, a year-on-year increase of 33.75%, of which direct R&D expenditure was RMB 1.174 billion, a year-on-year increase of 54.21%, accounting for 15.97% of the pharmaceutical industry's revenue. The Company has filed a total of over 1,700 patent applications domestically and internationally over the years, including more than 550 authorized invention patents. During the reporting period, the Company’s patent applications and renewals progressed smoothly. A total of 169 patent applications were submitted, including 142 for inventions. Additionally, 33 patents were granted.

The Company conducted information disclosure and investor exchange activities in line with investor needs, enhanced its transparency, listened to and adopted investor opinions and suggestions, continuously improved corporate governance, strengthened internal control and risk management, and enhanced standardized operations. It further standardized the operations of the “Three Meetings”—the shareholders’ meeting, the Board of Directors, and the Board of

Supervisors—gave full play to the roles of board committees, independent directors, and external professional institutions, continuously improved decision-making, and safeguarded the interests of the Company and its stakeholders.

The Company has firmly upheld the philosophy of delivering returns to investors and remained committed to prudent operations. In the first half of 2025, the Company recorded total operating revenue of RMB 21.675 billion, representing a year-on-year increase of 3.39% (3.12% growth in Q1); net profit attributable to shareholders reached RMB 1.815 billion, up 7.01% year-on-year (6.06% growth in Q1); and net profit attributable to shareholders excluding non-recurring gains and losses amounted to RMB 1.762 billion, an 8.40% increase year-on-year (7.04% growth in Q1). The Company's overall operations maintained a stable and upward trend with quarterly improvements, laying a solid foundation for achieving the annual business targets.

In May 2025, the Company implemented the profit distribution plan for 2024, with a total cash dividend of RMB 1.017 billion. Additionally, the Company will carry out the profit distribution for the first half of 2025, with a total cash dividend of RMB 614 million. To date, the Company has distributed dividends 24 times since it was listed, with a cumulative amount of RMB 8.259 billion, which is 33.04 times the funds raised at the IPO (RMB 250 million). The Company provides shareholders with steady returns on investment.

Section IV Corporate Governance, Environment, and Society

I. Changes in directors, supervisors and senior managers of the Company

□Applicable ☑Not applicable

There were no changes in the Company's directors, supervisors, or senior managers during the reporting period. For details, please refer to the 2024 Annual Report.

II. Profit distribution and conversion of capital reserve into share capital during the reporting period

☑Applicable □Not applicable

Number of bonus shares issued per 10 shares (shares)	0
Dividend distribution per 10 shares (RMB) (tax inclusive)	3.50
Share capital base for distribution plan (shares)	1,754,021,048.00
Amount of cash dividends (RMB) (tax inclusive)	613,907,366.80
Amount of cash dividends in other ways (e.g., share repurchase) (RMB)	0.00
Total amount of cash dividends (including other ways) (RMB)	613,907,366.80
Distributable profits (RMB)	7,316,805,930.50
Proportion of total cash dividends (including other ways) to total profit distribution	100%

Current situation of cash dividends

For companies at a mature stage of development with significant capital expenditure plans, the cash dividends payout ratio shall account for no less than 40% in the current profit distribution.

Detailed description of the profit distribution or plan for the conversion of capital reserve into share capital

The Company's *2025 Interim Profit Distribution Plan* is as follows: based on a total share capital of 1,754,021,048.00 shares (calculated as the Company's current total of 1,754,077,048.00 shares minus 56,000.00 restricted stocks pending repurchase and cancellation), the Company will distribute a cash dividend of RMB 3.50 for every 10 shares (tax inclusive). No stock dividends will be issued, and no capital reserve will be converted into share capital. The total cash dividend to be distributed amounts to RMB 613,907,366.80 (tax inclusive), with the remaining retained earnings carried forward for distribution in subsequent years. If the share capital base changes before the implementation of this profit distribution plan, the distribution ratio per share will be adjusted under the principle of maintaining the total distribution amount unchanged.

The Company is in the process of repurchasing and canceling 56,000 restricted stocks involved in the *Restricted Stock Incentive Plan in 2022*. As of the disclosure date of the Report, the process has not been completed and is expected to be finalized before the implementation of the *2025 Interim Profit Distribution Plan*. For details, please refer to the Company's subsequent announcements.

This profit distribution plan takes into account the Company's current operating conditions and long-term development, fully takes into account investors' reasonable expectations and returns, is aligned with the Company's operating performance and future growth, and is in line with the Company's development strategy.

This profit distribution plan complies with the provisions and requirements of the *Company Law of the People's Republic of China*, the *CSRC's Notice on Further Implementation of Cash Dividends for Listed Companies*, the *No.3 Guideline for the Supervision of Listed Companies - Cash Dividend Distribution of Listed Companies*, and the *Articles of Association* of the Company. Accordingly, this interim dividend plan is legal, compliant, and reasonable.

At the 2024 Annual General Meeting, held on April 16, 2025, the Company approved the *Proposal on Authorizing the Board of Directors to Formulate the 2025 Interim Dividend Plan*, authorizing the Board of Directors to formulate specific dividend plans in accordance with the resolution of the general meeting of shareholders, subject to the fulfillment of the conditions for profit distribution. The preconditions for the 2025 interim dividend are as follows: (1) the Company achieves stable growth in net profit attributable to shareholders of the listed company in the current period; and (2) the Company's cash flow can meet the needs of

normal operations and sustainable development. The total amount of the interim dividend shall not exceed 50% of the net profit attributable to shareholders of the listed company for the corresponding period, and shall not be less than RMB 500 million (tax inclusive). This 2025 interim profit distribution scheme falls within the scope authorized by the 2024 Annual Shareholders' Meeting resolution to the Board of Directors and does not require further approval by the Shareholders' Meeting.

III. Implementation of the Company's equity incentive plan, employee stock ownership plan or other employee incentive measures

☑Applicable □Not applicable

1. Equity incentive

(1) On August 8, 2022, the Company convened the 2nd Meeting of the 10th Board of Directors and the 2nd Meeting of the 10th Board of Supervisors, which reviewed and approved the *Proposal on the Company's Restricted Stock Incentive Plan in 2022 (Draft) and Its Abstract*, the *Proposal on Management Rules for the Implementation and Assessment of the Company's Restricted Stock Incentive Plan in 2022*, the *Proposal on the Management Rules of the Company's Restricted Stock Incentive Plan in 2022*, and the *Proposal on Applying to the Shareholders' Meeting for Authorizing the Board of Directors to Handle Equity Incentive-related Matters*. Independent directors provided their independent opinions on whether this incentive plan is conducive to the Company's sustainable development and whether it may harm the interests of the Company and all shareholders. For specific details, please refer to the relevant announcement published by the Company on CNINFO on August 10, 2022.

(2) On August 10, 2022, the Company disclosed the *Announcement on Independent Directors Publicly Soliciting Proxy Voting Rights* on CNINFO. Mr. Wang Ruwei, an Independent Director of the Company, acting as the convener and commissioned by other independent directors, publicly solicited proxy voting rights from all shareholders of the Company for the proposals related to the Restricted Stock Incentive Plan in 2022 to be reviewed at the 1st Extraordinary General Meeting in 2022, scheduled for August 31, 2022.

(3) From August 15 to 25, 2022, the Company posted on its intranet the list of the first batch of employees receiving incentives under the Restricted Stock Incentive Plan in 2022, for a total of 10 days. As of the end of the announcement on August 25, 2022, the Board of Supervisors had not received any objections against these employees. On the same day, the Board of Supervisors convened a meeting to review and approve the *Verification Opinions and Announcement Note on the List of the First Batch of Employees Receiving the Incentive under the Company's Restricted Stock Incentive Plan in 2022*. The Company then disclosed these Verification Opinions and Announcement Notes, along with a related announcement, on CNINFO.

(4) On August 31, 2022, the Company convened the 1st Extraordinary General Meeting in 2022, which reviewed and approved the Proposal on the *Company's Restricted Stock Incentive Plan in 2022 (Draft) and Its Abstract*, the *Proposal on Management Rules for the Implementation and Assessment of the Company's Restricted Stock Incentive Plan in 2022*, the *Proposal on the Management Rules of the Company's Restricted Stock Incentive Plan in 2022*, and the *Proposal on Applying to the Shareholders' Meeting for Authorizing the Board of Directors to Handle Equity Incentive-related Matters*. On the same day, the Company disclosed the *Self-Inspection Report on Insiders and Incentive Recipients Trading of Restricted Stock Incentive Plan in 2022* and related announcements on CNINFO. This incentive plan was approved in the Company's 1st Extraordinary General Meeting in 2022, and the Board of Directors was authorized to implement the Company's Restricted Stock Incentive Plan in 2022 and handle relevant matters according to the laws and regulations.

(5) On October 27, 2022, the Company convened the 4th Meeting of the 10th Board of Directors and the 5th Meeting of the 10th Board of Supervisors. During these two meetings, the *Proposal on Adjustments of the Company's Restricted Stock Incentive Plan in 2022*, and the *Proposal on Granting Restricted Stocks to the First Batch of Employees Receiving Incentive under the Restricted Stock Incentive Plan in 2022* were reviewed and approved. The Board of Directors confirmed that the conditions of the incentive plan for granting restricted stocks were fulfilled, and the Board of Supervisors re-verified the list of incentive recipients on the first grant date, and provided opinions on the grant. The Company's independent directors agreed on the above proposals, with related reports prepared by the lawyers and independent financial advisers. On October 28, 2022, the Company disclosed the relevant announcement on CNINFO.

(6) On November 9, 2022, the Company disclosed the *Announcement on Completion of Registration of the First Grant of Restricted Stocks under the Restricted Stock Incentive Plan in 2022*. The registration of the first grant was completed, and the listing date of the granted restricted stocks was November 15, 2022.

(7) On July 12, 2023, the Company convened the 12th Meeting of the 10th Board of Directors and the 8th Meeting of the 10th Board of Supervisors, where the *Proposal on Adjusting the Grant Price of Reserved Stocks under the Restricted Stock Incentive Plan in 2022* and the *Proposal on Granting Reserved Restricted Stocks to Incentive Recipients under the Restricted Stock Incentive Plan in 2022* were reviewed and approved. The Board of Directors confirmed that reserved conditions of the incentive plan for granting restricted stocks were fulfilled, and the Board of Supervisors re-verified the list of incentive recipients on the date of granting reserved stocks, and provided opinions on the grant. The Company's independent directors agreed on the above

proposals, with related reports prepared by the lawyers and independent financial advisers. On the same day, the Company disclosed the relevant announcement on CNINFO.

(8) From July 13 to 23, 2023, the Company publicly displayed the list of incentive recipients for the reserved restricted stocks under this incentive plan through its OA system, for a total of 10 days. As of the end of the announcement on July 23, 2023, the Board of Supervisors did not receive any objections against these employees. On July 26, 2023, the Board of Supervisors convened a meeting to review and approve the *Verification Opinions and Announcement Note on the List of Employees Receiving the Reserved Restricted Stock Incentive under the Company's Restricted Stock Incentive Plan in 2022*. On the same day, the Company disclosed these Verification Opinions and Announcement Note, along with a related announcement, on CNINFO.

(9) On September 27, 2023, the Company disclosed the *Announcement on Completion of Registration of the Reserved Grant of Restricted Stocks under the Restricted Stock Incentive Plan in 2022*. The registration of the reserved grant was completed, and the listing date of the granted restricted stocks was September 28, 2023.

(10) On November 21, 2023, the Company convened the 18th Meeting of the 10th Board of Directors and the 12th Meeting of the 10th Board of Supervisors, during which the following proposals were reviewed and approved: *Proposal on Achievement of the Release of Restriction Conditions during the First Restriction Period of First Grant of Restricted Stocks under the Restricted Stock Incentive Plan in 2022*, the *Proposal on Adjusting the Repurchase Price of the Restricted Stock Incentive Plan in 2022* and the *Proposal on Repurchase and Cancellation of Certain Restricted Stocks*. The Board of Directors confirmed that the conditions for releasing restrictions during the first restriction period of the first grant of restricted stocks under the Restricted Stock Incentive Plan in 2022 had been satisfied. Pursuant to the authorization granted by the Company's 1st Extraordinary General Meeting in 2022, the Board of Directors approved the completion of the procedures for releasing the restrictions on 1,220,940 restricted stocks under the first restriction period for 108 incentive recipients. The Board of Directors also approved the repurchase and cancellation of a total of 97,800 restricted stocks that had been granted but not yet released, corresponding to 4 incentive recipients who were no longer eligible due to resignation and 2 incentive recipients who failed to fully meet the individual performance assessment criteria for the first restriction release period. The Company's independent directors issued concurring independent opinions on the relevant matters, and the Board of Supervisors provided verification opinions, with related reports prepared by the lawyers and independent financial advisers. On the same day, the Company disclosed the relevant announcement on CNINFO.

(11) On December 1, 2023, the Company disclosed the *Hint on Circulation of Restricted Stocks Released during the First Restriction Period of the First Grant of Restricted Stocks under the Restricted Stock Incentive Plan in 2022*. The restricted stocks released from the first restriction period of the first grant under the Restricted Stock Incentive Plan in 2022 became tradable on December 5, 2023.

(12) On December 8, 2023, the Company convened its 2nd Extraordinary General Meeting in 2023, where the *Proposal on Repurchase and Cancellation of Certain Restricted Stocks* and the *Proposal on Altering the Registered Capital and Amending the Articles of Association* were reviewed and approved. On the same day, the Company disclosed the *Announcement on Repurchase and Cancellation of Certain Restricted Stocks to Reduce Registered Capital and Notify the Creditors*. As of January 24, 2024, the benchmark date for capital verification, i.e., within forty-five days from the date when the Company announced the reduction of capital, no creditor requested the Company to pay off its debts or provide corresponding guarantees.

(13) On March 28, 2024, the Company disclosed the *Announcement on the Completion of the Repurchase and Cancellation of Certain Restricted Stocks*. On March 26, 2024, the Company completed the procedures for repurchase and cancellation of 97,800 restricted stocks in Shenzhen Branch of China Securities Depository and Clearing Corporation Limited.

(14) On May 30, 2024, the Company convened the 24th Meeting of the 10th Board of Directors and the 16th Meeting of the 10th Board of Supervisors, during which the *Proposal on Adjusting the Repurchase Price of the Restricted Stock Incentive Plan in 2022* and the *Proposal on Repurchase and Cancellation of Certain Restricted Stocks* were reviewed and approved. The Board of Directors agreed to repurchase and cancel a total of 65,000 restricted stocks that had been granted but not yet released from restrictions, corresponding to 5 incentive recipients who were no longer eligible due to resignation. The Board of Supervisors provided verification opinions on the relevant matters, with related reports prepared by the lawyers and independent financial advisers. On the same day, the Company disclosed the relevant announcement on CNINFO.

(15) On June 18, 2024, the Company convened its 1st Extraordinary General Meeting in 2024, where the *Proposal on Repurchase and Cancellation of Certain Restricted Stocks* and the *Proposal on Increasing the Business Scope, Altering the Registered Capital and Amending the Articles of Association* were reviewed and approved. On the same day, the Company disclosed the *Announcement on Repurchase and Cancellation of Certain Restricted Stocks to Reduce Registered Capital and Notify the Creditors*. As of August 05, 2024, the benchmark date for capital verification, i.e., within forty-five days from the date when the Company announced the reduction of capital, no creditor requested the Company to pay off its debts or provide corresponding guarantees.

(16) On August 29, 2024, the Company disclosed the *Announcement on the Completion of the Repurchase and Cancellation of Certain Restricted Stocks*. On August 27, 2024, the Company completed the procedures for repurchase and cancellation of 65,000 restricted stocks in Shenzhen Branch of China Securities Depository and Clearing Corporation Limited.

(17) On October 10, 2024, the Company convened the 28th Meeting of the 10th Board of Directors and the 18th Meeting of the 10th Board of Supervisors. During these two meetings, the *Proposal on Achievement of the Release of Restriction Conditions during the First Restriction Period of Reserved Grant of Restricted Stocks under the Restricted Stock Incentive Plan in 2022* was reviewed and approved. The Board of Directors confirmed that the conditions for releasing restrictions during the first restriction period of the reserved grant of restricted stocks under the *Restricted Stock Incentive Plan in 2022* had been satisfied. Pursuant to the authorization granted by the Company's 1st Extraordinary General Meeting in 2022, the Board of Directors approved the completion of the procedures for releasing the restrictions on 192,500 restricted stocks under the first restriction period for 18 incentive recipients. The Board of Supervisors provided verification opinions on the relevant matters, with related reports prepared by the lawyers and independent financial advisers. On the same day, the Company disclosed the relevant announcement on CNINFO.

(18) On October 24, 2024, the Company disclosed the *Hint on Circulation of Restricted Stocks Released during the First Restriction Period of Reserved Grant of Restricted Stocks under the Restricted Stock Incentive Plan in 2022*. The restricted stocks released from the first restriction period of the reserved grant under the Restricted Stock Incentive Plan in 2022 became tradable on October 28, 2024.

(19) On November 25, 2024, the Company convened the 30th Meeting of the 10th Board of Directors and the 20th Meeting of the 10th Board of Supervisors, during which the following proposals were reviewed and approved: *Proposal on Achievement of the Release of Restriction Conditions during the Second Restriction Period of First Grant of Restricted Stocks under the Restricted Stock Incentive Plan in 2022*, the *Proposal on Adjusting the Repurchase Price of the Restricted Stock Incentive Plan in 2022* and the *Proposal on Repurchase and Cancellation of Certain Restricted Stocks*. The Board of Directors confirmed that the conditions for releasing restrictions during the second restriction period of the first grant of restricted stocks under the Restricted Stock Incentive Plan in 2022 had been satisfied. Pursuant to the authorization granted by the Company's 1st Extraordinary General Meeting in 2022, the Board of Directors approved the completion of the procedures for releasing the restrictions on 1,063,740 restricted stocks under the second restriction period for 90 incentive recipients. The Board of Directors also approved the

repurchase and cancellation of a total of 185,500 restricted stocks that had been granted but not yet released from restrictions, corresponding to 1 incentive recipient who was no longer eligible due to resignation, 16 incentive recipients whose individual performance assessment results for the second restriction release period were unqualified, and 1 reserved incentive recipient whose individual performance assessment results for the first restriction release period were unqualified. The Board of Supervisors provided verification opinions on the relevant matters, with related reports prepared by the lawyers and independent financial advisers. On November 27, 2024, the Company disclosed the relevant announcement on CNINFO.

(20) On December 13, 2024, the Company disclosed the *Hint on Circulation of Restricted Stocks Released during the Second Restriction Period of First Grant of Restricted Stocks under the Restricted Stock Incentive Plan in 2022*. The restricted stocks released from the second restriction period of the first grant under the Restricted Stock Incentive Plan in 2022 became tradable on December 16, 2024.

(21) On December 20, 2024, the Company convened its 2nd Extraordinary General Meeting in 2024, where the *Proposal on Repurchase and Cancellation of Certain Restricted Stocks* and the *Proposal on Increasing the Business Scope, Altering the Registered Capital and Amending the Articles of Association* were reviewed and approved. On the same day, the Company disclosed the *Announcement on Repurchase and Cancellation of Certain Restricted Stocks to Reduce Registered Capital and Notify the Creditors*. As of February 5, 2025, the benchmark date for capital verification, i.e., within forty-five days from the date when the Company announced the reduction of capital, no creditor requested the Company to pay off its debts or provide corresponding guarantees.

(22) On March 28, 2025, the Company disclosed the *Announcement on the Completion of the Repurchase and Cancellation of Certain Restricted Stocks*. On March 26, 2025, the Company completed the procedures for repurchase and cancellation of 185,500 restricted stocks in Shenzhen Branch of China Securities Depository and Clearing Corporation Limited.

(23) On June 27, 2025, the Company convened the 34th Meeting of the 10th Board of Directors and the 24th Meeting of the 10th Board of Supervisors, where the *Proposal on Adjusting the Repurchase Price of the Restricted Stock Incentive Plan in 2022* and the *Proposal on Repurchase and Cancellation of Certain Restricted Stocks and Reduction of the Company's Registered Capital* were reviewed and approved. The Board of Directors agreed to repurchase and cancel a total of 56,000 restricted stocks that had been granted but not yet released from restrictions, corresponding to 6 incentive recipients who were no longer eligible due to resignation, and to reduce the Company's registered capital accordingly. The Board of Supervisors provided verification opinions

on the relevant matters, with related reports prepared by the lawyers and independent financial advisers. On July 01, 2025, the Company disclosed the relevant announcement on CNINFO.

(24) On July 16, 2025, the Company convened its 1st Extraordinary General Meeting in 2025, where the *Proposal on Repurchase and Cancellation of Certain Restricted Stocks and Reduction of the Company's Registered Capital* and the *Proposal on Amending the Articles of Association* were reviewed and approved. On the same day, the Company disclosed the *Announcement on Repurchase and Cancellation of Certain Restricted Stocks to Reduce Registered Capital and Notify the Creditors*.

2. Implementation of employee stock ownership plan (ESOP)

□Applicable ☑Not applicable

3. Other employee incentives

□Applicable ☑Not applicable

IV. Disclosure of environmental information

Whether the listed company and its major subsidiaries are included in the list of enterprises legally required to disclose environmental information

☑Yes □No

Number of enterprises included in the list of enterprises legally required to disclose environmental information (unit)		6
No.	Enterprise name	Index for accessing the environmental information disclosure report
1	Hangzhou Zhongmei Huadong Pharmaceutical Co., Ltd.	Enterprise Environmental Information Disclosure System (Zhejiang): https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-more?code=91330100609120774J&uniqueCode=f07f08c3e871f665&date=2024&type=true&isSearch=true National Pollutant Discharge Permit Management Information Platform (Public Access): https://permit.mee.gov.cn/perxxgkinfo/xkgkAction!xkgk.action?xkgk=getxxgkContent&dataid=a5f5b10f26bc474aa8b56eeed6e8aaf5
2	Hangzhou Zhongmei Huadong Pharmaceutical Jiangdong Co., Ltd.	Enterprise Environmental Information Disclosure System (Zhejiang): https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-more?code=91330100067858685O&uniqueCode=06bcf781a9a3946f&date=2024&type=true&isSearch=true National Pollutant Discharge Permit Management Information Platform

		(Public Access): https://permit.mee.gov.cn/perxxgkinfo/xkgkAction!xkgk.action?xkgk=getxxgkContent&dataid=1d7a321cefe745c99140308e0eea1fa4
3	Joyang Laboratories	Jiangsu "Environmental Profile" (One Enterprise, One File) Enterprise Environmental Information Disclosure Reporting: http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/viewRunner.html?viewId=http%3A%2F%2Fywxt.sthjt.jiangsu.gov.cn%3A18181%2Fspsarchive-webapp%2Fweb%2Fsps%2Fviews%2Ffpl%2Fviews%2FyfplEntInfo%2Findex.js&year=2024&ticket=09ac06b6b3074bec899dcaf1fbc9c4df&versionId=3F96B243074B4BB1B484CE62B5C70A64&spCode=3209240200002612 National Pollutant Discharge Permit Management Information Platform (Public Access): https://permit.mee.gov.cn/perxxgkinfo/xkgkAction!xkgk.action?xkgk=getxxgkContent&dataid=40175a71fada4866a256047dc4e460ed
4	Anhui Meihua Hi-Tech Pharmaceutical Co., Ltd.	Enterprise Environmental Information Disclosure System (Anhui): https://39.145.37.16:8081/zhhb/yfplpub_html/#/searchPage?keyWord=%E7%BE%8E%E5%8D%8E%E9%AB%98%E7%A7%91&hy=%5B%5D National Pollutant Discharge Permit Management Information Platform (Public Access): https://permit.mee.gov.cn/perxxgkinfo/xkgkAction!xkgk.action?xkgk=getxxgkContent&dataid=8159494acc9847248285d17188e6e3a6
5	Wuhu Huaren Science and Technology Co., Ltd.	Enterprise Environmental Information Disclosure System (Anhui): https://39.145.37.16:8081/zhhb/yfplpub_html/#/searchPage?keyWord=%E8%8A%9C%E6%B9%96%E5%8D%8E%E4%BB%81%E7%A7%91%E6%8A%80&hy=%5B%5D National Pollutant Discharge Permit Management Information Platform (Public Access): https://permit.mee.gov.cn/perxxgkinfo/xkgkAction!xkgk.action?xkgk=getxxgkContent&dataid=2d3193013f4e4b438a69c394d54a2344
6	Huadong Medicine (Xi'an) Bodyguard Pharmaceutical Co., Ltd.	National Pollutant Discharge Permit Management Information Platform (Public Access): https://permit.mee.gov.cn/perxxgkinfo/xk

		gkAction!xkgk.action?xkgk=getxxgkContent&dataid=705a3ed5d89b462b89647fdb73373bfa Enterprise Environmental Information Disclosure System (Shaanxi): http://113.140.66.227:11077/#/noLogin/index

V. Social responsibility

In the process of its strategic transformation, the Company strictly fulfills its corporate social responsibilities, addressing the needs of all stakeholders, including shareholders, governments and regulatory agencies, employees, customers and patients, suppliers, communities, the public, as well as partners The Company continues to deepen its efforts in public health education, expanding access to medical services for broader populations and providing affordable healthcare solutions for patients. Meanwhile, the Company remains committed to social welfare initiatives, uniting diverse forces to deliver warmth and care. By sharing cutting-edge technologies and collaborating with leading experts and industry partners, the Company drives progress in both industry development and societal advancement.

Section V Important Matters

I. Commitments that have been fulfilled by the commitment-related parties, such as actual controllers, shareholders, related parties, acquirers and the Company, during the reporting period, and those that have not been fulfilled as of the end of the reporting period

□Applicable ☑Not applicable

During the reporting period, the company did not have any commitments made by the actual controller, shareholders, related parties, acquirers, or the Company itself that were fulfilled during the reporting period or remained overdue as of the end of the reporting period.

II. Non-operational appropriation of funds of the listed company by controlling shareholders and other related parties

□Applicable ☑Not applicable

During the reporting period, there was no non-operational appropriation of funds of the listed company by controlling shareholders and other related parties

III. Violations of external guarantees

□Applicable ☑Not applicable

There was no violation of external guarantee during the reporting period.

IV. Appointment and dismissal of accounting firms

Whether the semi-annual financial report has been audited

□Yes ☑No

The Company's semi-annual report has not been audited.

V. Explanations by the Board of Directors and the Board of Supervisors on the “Non-standard Audit Report” during the reporting period

□Applicable ☑Not applicable

VI. Explanation of the Board of Directors on the situation relating to the “Non-standard Audit Report” of the prior year

□Applicable ☑Not applicable

VII. Matters related to bankruptcy and reorganization

□Applicable ☑Not applicable

The Company was not involved in matters related to bankruptcy and reorganization during the reporting period.

VIII. Litigation matters

Significant litigation and arbitration matters

□Applicable ☑Not applicable

During the reporting period, the company was not involved in major litigation or arbitration matters.

Other litigation matters

☑Applicable □Not applicable

Basic information of litigation (arbitration)	Amount involved (RMB 10,000)	Whether an estimated liability is formed	Progress of litigation (arbitration)	Adjudication result and impact of litigation (arbitration)	Execution of litigation (arbitration) judgments	Disclosure date	Disclosure index
Summary of matters not meeting the thresholds for disclosure of major litigations (arbitrations) (China)	38,069.55	No	Some cases are under trial and some adjudications have come into force (with adjudicated amount reaching RMB 42,532,391.69, and the unenforced balance amounting to RMB 17,367,321)	The summary of the litigation matters has no significant impact on the Company	Some cases have been executed, some adjudicated cases are under enforcement, some cases are not adjudicated	/	/
Summary of matters not meeting the thresholds for disclosure of major litigations (arbitrations) (overseas)	2,539.5	No	All cases are under trial	The summary of the litigation matters has no significant impact on the Company	All cases are under trial	/	/
Hangzhou Zhongmei Huadong Pharmaceutical Co., Ltd., the Company's wholly-owned subsidiary, demanded that Qinghai Everest Cordyceps Sinensis Raw	11,137.58	No	As of the disclosure date of the Report, the litigation has undergone two court hearings at the first instance before the Zhejiang Provincial High People's	None	None	January 3, 2024	For details, please refer to the *Announcement on the Wholly-owned Subsidiary Receiving the Notice of Case Acceptance from Zhejiang Provincial*

Materials Co., Ltd. (Defendant 1) and Qinghai Everest Cordyceps Sinensis Pharmaceutical Co., Ltd. (Defendant 2) immediately cease all acts of infringement of relevant invention patents of Zhongmei Huadong and compensate for damages.			Court, with no judgment yet rendered in the first instance.				*Higher People's Court* (Announcement No.: 2024-001) disclosed by the Company on CNINFO (http://www.cninfo.com.cn) on January 3, 2024.

Note: During the reporting period, the Company made positive progress in initiating administrative rulings and lawsuits against 16 infringing enterprises for violating the invention patent "Indobufen Crystal form D and Its Preparation Method" (Patent No.: ZL202211596913.5) owned by Hangzhou Zhongmei Huadong Pharmaceutical Co., Ltd. (hereinafter referred to as "Zhongmei Huadong"), one of its wholly-owned subsidiaries. The Company also actively defended against the patent invalidation request filed by the accused infringing enterprises. As of the disclosure date of the Report, relevant progress is as follows:

1. Administrative rulings: Zhongmei Huadong has submitted administrative ruling applications to the Hangzhou Intellectual Property Office, Huzhou Intellectual Property Office, Chengdu Intellectual Property Office, Nanjing Intellectual Property Office, and Zunyi Intellectual Property Office regarding patent infringement by 16 companies, demanding an immediate cessation of the infringing activities. As of the disclosure date of the Report, the Hangzhou Intellectual Property Office has issued 3 administrative rulings, confirming the existence of infringement and ordering the involved companies to immediately cease the infringing activities. Some of the involved companies, dissatisfied with the rulings, filed administrative lawsuits with the Hangzhou Intermediate People's Court. The Court has issued an administrative judgment upholding the original ruling in one case, while another case was concluded by the appellant voluntarily withdrawing the appeal. The remaining administrative ruling applications are under trial by the respective intellectual property offices and have not yet been adjudicated.

2. Judicial litigation: In addition to the administrative ruling applications, Zhongmei Huadong has also filed a patent infringement lawsuit with the Hangzhou Intermediate People's Court, demanding an immediate cessation of the infringing activities and compensation for damages. The case has resulted in a judgment confirming the existence of infringement and ordering the involved company to immediately cease the infringing activities.

3. Patent invalidation proceedings: As of the disclosure date of the Report, the Company has received patent invalidation requests filed by 13 petitioners with the China National Intellectual Property Administration (CNIPA). The CNIPA issued a Case Closure Notice for the withdrawal of invalidation requests by one petitioner on January 7, 2025, rendered the *Invalidation Decision Notice* maintaining the full validity of the involved patent for 5 petitioners on March 12, 2025, issued Case Closure Notice for the withdrawal of invalidation requests by one petitioner each on June 11, 2025, and June 18, 2025, respectively. The remaining cases are currently under review.

IX. Penalties and rectification

□Applicable ☑Not applicable

The Company had no penalties or rectifications during the reporting period.

X. Integrity of the Company and its controlling shareholders and actual controllers

☑Applicable □Not applicable

During the reporting period, neither the Company, its controlling shareholders, nor its actual controller has failed to comply with any effective court judgment, nor defaulted on any material debt obligations that had become due.

XI. Significant related-party transactions

1. Related party transactions related to daily operations

☑Applicable □Not applicable

Related party	Related party relationship	Type of related party transaction	Contents of related party transaction	Pricing policy for related party transactions	Price of related party transaction	Related party transaction amount (RMB 10,000)	Proportion of the amount of similar transactions	Approved transaction amount (RMB 10,000)	Whether it exceeds the approved amount	Settlement method for related party transactions	Available market price of similar transactions	Disclosure date	Disclosure index
Hangzhou Grand Biologic Pharmaceutical Inc.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for related-party transactions	Market price	3,425.6	0.24%	6,130	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO
Beijing Grand Johamu Pharmaceutical Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for related-party transa	Market price	2,032.18	0.14%	10,082.06	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO

				ctions								
Lei Yunshang Pharmaceutical Group Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for related-party transactions	Market price	1,499.26	0.10%	3,266.97	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO
Grand Life Sciences (Shandong) Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for related-party transactions	Market price	1,136.8	0.08%	3,100	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO
Grand Shuyang Life Sciences (Chengdu) Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures	Market price	1,098.47	0.08%	2,900	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO

				for related-party transactions								
Wuhan Grand Pharmaceutical Group Sales Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for related-party transactions	Market price	1,044.98	0.07%	10,082.06	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO
Grand Medical Nutrition Science (Wuhan) Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for related-party transactions	Market price	974.23	0.07%	2,612	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO
Yunnan Leiyunshang Pharmaceutical Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decisi	Market price	840.11	0.06%	1,600	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO

				on-making procedures for related-party transactions								
Grand Life Science (Liaoning) Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for related-party transactions	Market price	772.63	0.05%	1,269	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO
Grand Pharmaceutical (China) Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for related-party transactions	Market price	713.12	0.05%	10,082.06	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO
Qingdao Norsen Biotec	Subsidiary of controlling	Procurement of drugs	Procurement of drugs	Market price determined accor	Market price	179.14	0.01%	6,130	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO

hnology Co., Ltd.	shareholder of the Company			ding to the Company's decision-making procedures for related-party transactions								
Shenyang Yaoda Leiyunshang Pharmaceutical Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for related-party transactions	Market price	162.3	0.01%	781	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO
Grand Pharmaceutical (Tianjin) Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for related-party transactions	Market price	141.72	0.01%	10,082.06	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO

Xi'an Grand Deten Pharmaceutical Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for related-party transactions	Market price	134.62	0.01%	300	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO
Xi'an Grand Chang'an Pharmaceutical Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for related-party transactions	Market price	129.4	0.01%	10,082.06	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO
Grand Life Sciences (Anshan) Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for	Market price	125.72	0.01%	781	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO

				related-party transactions								
Chongqing Peg-Bio Biopharm Co., Ltd.	Associate of the Company's subsidiary	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for related-party transactions	Market price	97.65	0.01%	140	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO
Anhui Leiyunshang Pharmaceutical Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for related-party transactions	Market price	60.42	0.00%	3,266.97	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO
Changshu Lei Yun Shang Pharmaceutical Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-	Market price	56.23	0.00%	3,266.97	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO

				making procedures for related-party transactions								
Beijing Yuanda Changsheng Pharmaceutical Sales Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for related-party transactions	Market price	48.68	0.00%	10,082.06	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO
Guangdong Leiyunshang Pharmaceutical Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for related-party transactions	Market price	48.46	0.00%	781	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO
Hubei Grand Tianianming Pharm	Subsidiary of controlling shareh	Procurement of drugs	Procurement of drugs	Market price determined according	Market price	33.31	0.00%	10,082.06	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO

aceutical Co., Ltd.	older of the Company			to the Company's decision-making procedures for related-party transactions									
Changchun Lei Yun Shang Pharmaceutical Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for related-party transactions	Market price	31.55	0.00%	781	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO
Hubei Bafeng Pharmaceuticals & Chemicals Share Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for related-party transactions	Market price	14.87	0.00%	10,082.06	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO
Grand	Subsi	Procu	Procu	Marke	Marke	11.94	0.00%	10,08	No	Cash,	Marke	April	CNIN

Jiu He (Jiangxi) Pharmaceutical Co., Ltd.	diary of controlling shareholder of the Company	rement of drugs	rement of drugs	t price determined according to the Company's decision-making procedures for related-party transactions	t price			2.06		bank acceptance bill	t price	18, 2025	FO
Cangzhou Huachen Biotechnology Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for related-party transactions	Market price	10.8	0.00%	10,082.06	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO
Huangshi Feiyun Pharmaceutical Co., Ltd. (a subsidiary of Grand Pharmaceutical	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for relate	Market price	5.75	0.00%	10,082.06	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO

Group)				d-party transactions								
Wuhan Grand Hoyo Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for related-party transactions	Market price	5.66	0.00%	10,082.06	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO
Beijing Huajin Pharmaceutical Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-making procedures for related-party transactions	Market price	2.84	0.00%	10,082.06	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO
Lei Yun Shang Pharmaceutical Group Sales Co., Ltd.	Subsidiary of controlling shareholder of the Company	Procurement of drugs	Procurement of drugs	Market price determined according to the Company's decision-makin	Market price	2.53	0.00%	3,266.97	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO

				g procedures for related-party transactions								
Grand Life Sciences (Shandong) Co., Ltd.	Subsidiary of controlling shareholder of the Company	Contract manufacturing and other services	Contract manufacturing and other services	Market price determined according to the Company's decision-making procedures for related-party transactions	Market price	1,179.1	0.08%	2,031.44	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO
Grand Bay Hotel Beijing	Subsidiary of controlling shareholder of the Company	Conference fee	Conference fee	Market price determined according to the Company's decision-making procedures for related-party transactions	Market price	7.28	0.00%	0	Yes	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO
Grand Bay Hotel Beijing	Subsidiary of controlling shareholder	Service fee	Service fee	Market price determined according to the	Market price	31.94	0.00%	0	Yes	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO

	of the Company			Company's decision-making procedures for related-party transactions									
Chongqing Peg-Bio Biopharm Co., Ltd.	Associate of the Company's subsidiary	Inspection fee	Inspection fee	Market price determined according to the Company's decision-making procedures for related-party transactions	Market price	34.91	0.00%	150	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO
Beijing Grand Innovation Property Management Co., Ltd.	Subsidiary of controlling shareholder of the Company	Property management fee	Property management fee	Market price determined according to the Company's decision-making procedures for related-party transactions	Market price	33.94	0.00%	0	Yes	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO
Xi'an Grand	Subsidiary	Contract	Contract	Market price	Market price	18.08	0.00%	0	Yes	Cash, bank	Market price	April 18,	CNINFO

Deten Pharmaceutical Co., Ltd.	of controlling shareholder of the Company	manufacturing services	manufacturing services	determined according to the Company's decision-making procedures for related-party transactions						acceptance bill		2025	
Suzhou Leiyunshang Sinopharm Chain Store Co., Ltd.	Subsidiary of controlling shareholder of the Company	Sales of drugs	Sales of drugs	Market price determined according to the Company's decision-making procedures for related-party transactions	Market price	145.09	0.01%	500	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO
Guangdong Leiyunshang Pharmaceutical Co., Ltd.	Subsidiary of controlling shareholder of the Company	Sales of drugs	Sales of drugs	Market price determined according to the Company's decision-making procedures for related-party transactions	Market price	87.58	0.00%	250	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO

				party transactions								
Grand Theravac Life Science (Hangzhou) Co., Ltd.	Subsidiary of controlling shareholder of the Company	Sales of drugs	Sales of drugs	Market price determined according to the Company's decision-making procedures for related-party transactions	Market price	78.05	0.00%	250	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO
Hubei Grand Life Science & Technology Co., Ltd.	Subsidiary of controlling shareholder of the Company	Sales of drugs	Sales of drugs	Market price determined according to the Company's decision-making procedures for related-party transactions	Market price	41.24	0.00%	945.15	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO
Lei Yunshang Pharmaceutical Group Co., Ltd.	Subsidiary of controlling shareholder of the Company	Sales of drugs	Sales of drugs	Market price determined according to the Company's decision-making	Market price	26.09	0.00%	500	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO

				procedures for related-party transactions								
Anhui Leiyunshang Pharmaceutical Co., Ltd.	Subsidiary of controlling shareholder of the Company	Sales of drugs	Sales of drugs	Market price determined according to the Company's decision-making procedures for related-party transactions	Market price	13.98	0.00%	500	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO
Hangzhou Grand Biologic Pharmaceutical Inc.	Subsidiary of controlling shareholder of the Company	Sales of drugs	Sales of drugs	Market price determined according to the Company's decision-making procedures for related-party transactions	Market price	7.3	0.00%	165	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO
Pingnan Shuyang Plasma Collection	Subsidiary of controlling shareholder of the	Sales of drugs	Sales of drugs	Market price determined according to the Comp	Market price	6.19	0.00%	57	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO

Co., Ltd.	Company			any's decision-making procedures for related-party transactions								
Guiping Shuyang Plasma Collection Co., Ltd.	Subsidiary of controlling shareholder of the Company	Sales of drugs	Sales of drugs	Market price determined according to the Company's decision-making procedures for related-party transactions	Market price	6.19	0.00%	57	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO
Xi'an Beilin Pharmaceutical Co., Ltd.	Subsidiary of controlling shareholder of the Company	Sales of drugs	Sales of drugs	Market price determined according to the Company's decision-making procedures for related-party transactions	Market price	3.94	0.00%	945.15	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO
Kunming Shang	Subsidiary of	Sales of drugs	Sales of drugs	Market price deter	Market price	1.89	0.00%	0	Yes	Cash, bank accept	Market price	April 18, 2025	CNINFO

xin Real Estate Development Co., Ltd.	controlling shareholder of the Company			mined according to the Company's decision-making procedures for related-party transactions					ance bill			
Xi'an Grand KeChuang Pharmaceutical Technology Co., Ltd.	Subsidiary of controlling shareholder of the Company	Sales of drugs	Sales of drugs	Market price determined according to the Company's decision-making procedures for related-party transactions	Market price	0.81	0.00%	250	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO
Shehong Shuyang Plasma Collection Station Co., Ltd.	Subsidiary of controlling shareholder of the Company	Sales of drugs	Sales of drugs	Market price determined according to the Company's decision-making procedures for related-party	Market price	0.8	0.00%	57	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO

				transactions								
Guanghan Shuyang Plasma Collection Co., Ltd.	Subsidiary of controlling shareholder of the Company	Sales of drugs	Sales of drugs	Market price determined according to the Company's decision-making procedures for related-party transactions	Market price	0.69	0.00%	57	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO
Danleng Shuyang Plasma Collection Co., Ltd.	Subsidiary of controlling shareholder of the Company	Sales of drugs	Sales of drugs	Market price determined according to the Company's decision-making procedures for related-party transactions	Market price	0.53	0.00%	57	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO
Sichuan Grand Biotechnology Co., Ltd.	Subsidiary of controlling shareholder of the Company	Sales of drugs	Sales of drugs	Market price determined according to the Company's decision-making proce	Market price	0.42	0.00%	250	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO

				dures for related-party transactions								
Grand Life Sciences (Hangzhou) Pharmaceutical Co., Ltd.	Subsidiary of controlling shareholder of the Company	Sales of drugs	Sales of drugs	Market price determined according to the Company's decision-making procedures for related-party transactions	Market price	0.2	0.00%	165	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO
Xi'an Grand Deten Pharmaceutical Co., Ltd.	Subsidiary of controlling shareholder of the Company	Agency services	Agency services	Market price determined according to the Company's decision-making procedures for related-party transactions	Market price	2,591.79	0.12%	3,879	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO
Chongqing Peg-Bio Biopharm Co., Ltd.	Associate of the Company's subsidiary	Formulation filling service	Formulation filling service	Market price determined according to the Company's	Market price	226.97	0.01%	380	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO

				decision-making procedures for related-party transactions								
Hangzhou Grand Biologic Pharmaceutical Inc.	Subsidiary of controlling shareholder of the Company	Technical services	Technical services	Market price determined according to the Company's decision-making procedures for related-party transactions	Market price	38.68	0.00%	200	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO
Grand Shuyang Life Sciences (Chengdu) Co., Ltd.	Subsidiary of controlling shareholder of the Company	Transportation and warehousing service	Transportation and warehousing service	Market price determined according to the Company's decision-making procedures for related-party transactions	Market price	5.91	0.00%	15	No	Cash, bank acceptance bill	Market price	April 18, 2025	CNINFO
Beijing Yanhuang	Subsidiary of contro	Houses and buildings	Houses and buildings	Market price determined	Market price	124.88	0.01%	70	Yes	Cash, bank acceptance	Market price	April 18, 2025	CNINFO

Real Estate Co., Ltd.	lling shareholder of the Company			according to the Company's decision-making procedures for related-party transactions					bill			
Total				--	--	19,555.45	--	40,823.62	--	--	--	--	--	--
Details of significant sales returns				Not applicable								
Estimated total amount of daily related party transactions expected to occur in the current period by category, and the actual fulfillment during the reporting period (if any)				The daily related party transactions between the Company and its subsidiaries and related parties are expected to be RMB 408,986,200 in 2025, of which transactions with affiliated company of China Grand Enterprises amount to RMB 402,286,200, and transactions with other related parties amount to RMB 6.7 million (for details, please refer to the *Announcement on the Expected Daily Related Party Transactions for 2025* disclosed by the Company on CNINFO on April 18, 2025). In the first half of 2025, the total amount of daily related party transactions between the Company and its subsidiaries and related parties was RMB 195,554,500, which did not exceed the expected total amount.								
Reasons for significant differences between transaction prices and market prices (if applicable)				Not applicable								

2. Related party transactions arising from the acquisition or sale of assets or equity interests

□Applicable ☑Not applicable

During the reporting period, the company did not have any related party transactions arising from the acquisition or sale of assets or equity interests.

3. Related party transactions of joint investments abroad

□Applicable ☑Not applicable

The company did not have any related party transactions of joint investments abroad during the reporting period.

4. Related credit and debt transactions

□Applicable ☑Not applicable

The company did not have any related credit and debt transactions during the reporting period.

5. Transactions with related finance companies

□Applicable ☑Not applicable

There was no deposit, loan, credit or other financial business among the Company, the finance company with which the Company has established a relationship, and the related parties.

6. Transactions between financial companies controlled by the Company and related parties

□Applicable ☑Not applicable

There was no deposit, loan, credit facility or other financial transactions between the finance companies controlled by the Company and related parties.

7. Other significant related party transactions

□Applicable ☑Not applicable

The Company did not have other significant related party transactions during the reporting period.

XII. Significant contracts and fulfillment

1. Trusteeship, contracting and leasing matters

(1) Trusteeship

□Applicable ☑Not applicable

The company did not have trusteeship during the reporting period.

(2) Contracting

□Applicable ☑Not applicable

The company did not have any contracts during the reporting period.

(3) Leasing

☑Applicable □Not applicable

Lease description

Refer to the relevant content in "Section VIII Financial Report - VII. Notes to consolidated financial statement items, 82. Leasing"

Items that brought gains and losses to the Company amounting to more than 10% of the Company's total profit during the reporting period

□Applicable ☑Not applicable

There was no leasing item that brought gains and losses to the Company amounting to more than 10% of the Company's total profit during the reporting period.

2. Significant guarantees

☑Applicable □Not applicable

Unit: RMB 10,000

External guarantees by the Company and its subsidiaries (excluding guarantees for subsidiaries)										
Name of guarantee recipient	Disclosure date of announcement	Guarantee quota	Actual occurrence date	Actual guaranteed amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Guarantee period	Whether it has been fulfilled	Whether it is a guarantee for related

	regarding the guarantee quota									parties
The company's guarantees for its subsidiaries										
Name of guarantee recipient	Disclosure date of announcement regarding the guarantee quota	Guarantee quota	Actual occurrence date	Actual guaranteed amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Guarantee period	Whether it has been fulfilled	Whether it is a guarantee for related parties
Hangzhou Zhongmei Huadong Pharmaceutical Co., Ltd.	April 18, 2024	155,000	July 04, 2024	164	Joint and several liability guarantee	None	None	1 year	No	No
Hangzhou Zhongmei Huadong Pharmaceutical Co., Ltd.	April 18, 2024	155,000	August 06, 2024	248	Joint and several liability guarantee	None	None	1 year	No	No
Hangzhou Zhongmei Huadong Pharmaceutical Co., Ltd.	April 18, 2024	155,000	August 26, 2024	500	Joint and several liability guarantee	None	None	1 year	No	No
Hangzhou Zhongmei Huadong Pharmaceutical Co., Ltd.	April 18, 2024	155,000	March 13, 2025	13,540	Joint and several liability guarantee	None	None	1 year	No	No
Hangzhou Zhongmei Huadong Pharmac	April 18, 2024	155,000	January 20, 2025	10,829	Joint and several liability guarantee	None	None	1 year	No	No

eutical Co., Ltd.										
Hangzhou Zhongmei Huadong Pharmaceutical Co., Ltd.	April 18, 2024	155,000	April 15, 2025	6,937	Joint and several liability guarantee	None	None	1 year	No	No
Hangzhou Zhongmei Huadong Pharmaceutical Co., Ltd.	April 18, 2025	155,000	April 25, 2025	3,277	Joint and several liability guarantee	None	None	1 year	No	No
Hangzhou Zhongmei Huadong Pharmaceutical Co., Ltd.	April 18, 2025	155,000	May 15, 2025	9,054	Joint and several liability guarantee	None	None	1 year	No	No
Hangzhou Zhongmei Huadong Pharmaceutical Co., Ltd.	April 18, 2025	155,000	June 17, 2025	3,021	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine Supply Chain Management (Jinhua) Co., Ltd.	April 19, 2019	20,000						10 years	No	No
Huadong Medicine (Xi'an) Bodyguard Pharmaceutical Co., Ltd.	July 22, 2024	5,285	July 19, 2024	5,285	Joint and several liability guarantee	None	None	2 years	No	No
Huadon	April 18,	37,000	June 23,	28,537	Joint and	None	None	3 years	No	No

g Medicine (Xi'an) Bodyguard Pharmaceutical Co., Ltd.	2025		2025		several liability guarantee					
Huadong Medicine Ningbo Sales Co., Ltd.	April 18, 2024	16,000	October 21, 2024	2,000	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine Ningbo Sales Co., Ltd.	April 18, 2024	16,000	March 17, 2025	2,850	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine Ningbo Sales Co., Ltd.	April 18, 2024	16,000	March 19, 2025	3,000	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine Ningbo Sales Co., Ltd.	April 18, 2025	16,000	May 15, 2025	2,850	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine Ningbo Sales Co., Ltd.	April 18, 2025	16,000	June 27, 2025	950	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine Ningbo Sales Co., Ltd.	April 18, 2025	16,000	June 27, 2025	950	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine Jinhua Co., Ltd.	April 18, 2025	15,000	June 13, 2025	3,800	Joint and several liability guarantee	None	None	1 year	No	No
Huadong	April 18, 2024	19,300	January 17, 2025	4,750	Joint and several	None	None	1 year	No	No

Medicine Huzhou Co., Ltd.					liability guarantee					
Huadong Medicine Huzhou Co., Ltd.	April 18, 2025	19,300	May 15, 2025	2,850	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine Huzhou Co., Ltd.	April 18, 2025	19,300	June 12, 2025	1,900	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine Huzhou Co., Ltd.	April 18, 2025	19,300	June 12, 2025	2,000	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine Shaoxing Co., Ltd.	April 18, 2024	20,000	March 13, 2025	2,850	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine Shaoxing Co., Ltd.	April 18, 2024	20,000	March 19, 2025	3,000	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine Shaoxing Co., Ltd.	April 18, 2025	20,000	May 20, 2025	2,850	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine Shaoxing Co., Ltd.	April 18, 2025	20,000	June 27, 2025	950	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine Shaoxing Co., Ltd.	April 18, 2025	20,000	June 27, 2025	950	Joint and several liability guarantee	None	None	1 year	No	No

Huadong Medicine (Hangzhou) Biological Product Co., Ltd.	April 18, 2024	5,000	January 13, 2025	23	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine (Hangzhou) Biological Product Co., Ltd.	April 18, 2024	5,000	January 14, 2025	36	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine (Hangzhou) Biological Product Co., Ltd.	April 18, 2025	5,000	May 26, 2025	100	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine (Hangzhou) Biological Product Co., Ltd.	April 18, 2025	5,000	May 27, 2025	32	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine (Hangzhou) Biological Product Co., Ltd.	April 18, 2025	5,000	May 30, 2025	17	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine (Hangzhou) Biological	April 18, 2025	5,000	June 03, 2025	34	Joint and several liability guarantee	None	None	1 year	No	No

Product Co., Ltd.										
Huadong Medicine (Hangzhou) Biological Product Co., Ltd.	April 18, 2025	5,000	June 06, 2025	21	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine (Hangzhou) Biological Product Co., Ltd.	April 18, 2025	5,000	June 09, 2025	39	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine (Hangzhou) Biological Product Co., Ltd.	April 18, 2025	5,000	June 10, 2025	2	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine (Hangzhou) Biological Product Co., Ltd.	April 18, 2025	5,000	June 13, 2025	134	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine (Hangzhou) Biological Product Co., Ltd.	April 18, 2025	5,000	June 16, 2025	35	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine (Hangzhou)	April 18, 2025	5,000	June 19, 2025	36	Joint and several liability guarantee	None	None	1 year	No	No

Biological Product Co., Ltd.										
Huadong Medicine (Hangzhou) Biological Product Co., Ltd.	April 18, 2025	5,000	June 20, 2025	10	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine (Hangzhou) Biological Product Co., Ltd.	April 18, 2025	5,000	June 23, 2025	120	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine (Hangzhou) Biological Product Co., Ltd.	April 18, 2025	5,000	June 25, 2025	6	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine (Hangzhou) Biological Product Co., Ltd.	April 18, 2025	5,000	June 27, 2025	5	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine (Hangzhou) Biological Product Co., Ltd.	April 18, 2025	5,000	June 30, 2025	51	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine	April 18, 2024	5,000	February 17, 2025	16	Joint and several liability guarante	None	None	1 year	No	No

(Hangzhou) Biological Product Co., Ltd.					e					
Huadong Medicine (Hangzhou) Biological Product Co., Ltd.	April 18, 2024	5,000	February 27, 2025	68	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine Lishui Co., Ltd.	April 18, 2025	15,000	May 23, 2025	3,750	Joint and several liability guarantee	None	Proportional guarantee	1 year	No	No
Huadong Medicine Lishui Co., Ltd.	April 18, 2025	15,000	June 27, 2025	3,000	Joint and several liability guarantee	None	Proportional guarantee	1 year	No	No
Huadong Medicine Daishan Co., Ltd.	April 18, 2025	2,500	April 29, 2025	475	Joint and several liability guarantee	None	Equity pledge	1 year	No	No
Huadong Medicine Cunde (Zhoushan) Co., Ltd.	April 18, 2025	7,600	April 29, 2025	950	Joint and several liability guarantee	None	None	1 year	No	No
Huadong Medicine Cunde (Zhoushan) Co., Ltd.	April 18, 2025	7,600	June 13, 2025	2,000	Joint and several liability guarantee	None	None	1 year	No	No
Hangzhou Huadong Medicine Chain Co., Ltd.	April 18, 2025	10,000	June 12, 2025	1,900	Joint and several liability guarantee	None	None	1 year	No	No
Hangzhou Huadong	April 18, 2025	10,000	June 13, 2025	2,000	Joint and several liability guarante	None	None	1 year	No	No

Medicine Chain Co., Ltd.					e					
Huadong Medicine (Jiaxing) Co., Ltd.	April 18, 2025	10,000						1 year	No	No
Zhejiang Yiqun Biological Pharmaceutical Trading Co., Ltd.	April 18, 2025	2,000						1 year	No	No
Hangzhou Huayi Pharmacy Co., Ltd.	April 18, 2025	3,000						1 year	No	No
Hangzhou Huadong Wulin Pharmacy Co., Ltd.	April 18, 2025	1,000						1 year	No	No
Huadong Medicine International Trade (Zhejiang) Co., Ltd.	April 18, 2025	10,000						1 year	No	No
Huadong Pharmaceutical Sales (Zhejiang) Co., Ltd.	April 18, 2025	5,000						1 year	No	No
Huadong Medicine Wenzhou Co., Ltd.	April 18, 2024	24,000	August 06, 2024	1,000	Joint and several liability guarantee	None	Providing financial loans in proportion to equity	1 year	No	No
Huadong Medicin	April 18, 2024	24,000	August 08, 2024	1,000	Joint and several liability	None	Providing financial	1 year	No	No

e Wenzhou Co., Ltd.					guarantee		loans in proportion to equity			
Huadong Medicine Wenzhou Co., Ltd.	April 18, 2024	24,000	September 04, 2024	1,000	Joint and several liability guarantee	None	Providing financial loans in proportion to equity	1 year	No	No
Huadong Medicine Wenzhou Co., Ltd.	April 18, 2024	24,000	September 10, 2024	1,000	Joint and several liability guarantee	None	Providing financial loans in proportion to equity	1 year	No	No
Huadong Medicine Wenzhou Co., Ltd.	April 18, 2024	24,000	September 13, 2024	1,000	Joint and several liability guarantee	None	Providing financial loans in proportion to equity	1 year	No	No
Huadong Medicine Wenzhou Co., Ltd.	April 18, 2024	24,000	October 09, 2024	1,000	Joint and several liability guarantee	None	Providing financial loans in proportion to equity	1 year	No	No
Huadong Medicine Wenzhou Co., Ltd.	April 18, 2024	24,000	October 16, 2024	1,000	Joint and several liability guarantee	None	Providing financial loans in proportion to equity	1 year	No	No
Huadong Medicine Wenzhou Co., Ltd.	April 18, 2024	24,000	January 08, 2025	3,050	Joint and several liability guarantee	None	Providing financial loans in proportion to equity	1 year	No	No
Huadong Medicine Wenzhou Co., Ltd.	April 18, 2025	24,000	April 23, 2025	2,350	Joint and several liability guarantee	None	Providing financial loans in proportion to equity	1 year	No	No
Hangzhou Zhongmei	April 18, 2024	60,000	September 13, 2024	196	Joint and several liability guarante	None	None	1 year	No	No

Huadong Pharmaceutical Jiangdong Co., Ltd.					e					
Hangzhou Zhongmei Huadong Pharmaceutical Jiangdong Co., Ltd.	April 18, 2024	60,000	September 24, 2024	222	Joint and several liability guarantee	None	None	1 year	No	No
Hangzhou Zhongmei Huadong Pharmaceutical Jiangdong Co., Ltd.	April 18, 2024	60,000	February 27, 2025	173	Joint and several liability guarantee	None	None	1 year	No	No
Hangzhou Zhongmei Huadong Pharmaceutical Jiangdong Co., Ltd.	April 18, 2025	60,000						1 year	No	No
Hubei Magic Health Technology Co., Ltd.	April 18, 2024	9,000	July 26, 2024	361	Joint and several liability guarantee	None	Proportional guarantee	1 year	No	No
Hubei Magic Health Technology Co., Ltd.	April 18, 2024	9,000	August 05, 2024	224	Joint and several liability guarantee	None	Proportional guarantee	1 year	No	No
Hubei Magic Health Technology Co., Ltd.	April 18, 2024	9,000	September 27, 2024	30	Joint and several liability guarantee	None	Proportional guarantee	1 year	No	No

Hubei Magic Health Technology Co., Ltd.	April 18, 2024	9,000	October 25, 2024	64	Joint and several liability guarantee	None	Proportional guarantee	1 year	No	No
Hubei Magic Health Technology Co., Ltd.	April 18, 2024	9,000	February 28, 2025	10	Joint and several liability guarantee	None	Proportional guarantee	1 year	No	No
Hubei Magic Health Technology Co., Ltd.	April 18, 2024	9,000	March 28, 2025	67	Joint and several liability guarantee	None	Proportional guarantee	1 year	No	No
Hubei Magic Health Technology Co., Ltd.	April 18, 2025	3,600	April 28, 2025	147	Joint and several liability guarantee	None	Proportional guarantee	1 year	No	No
Hubei Magic Health Technology Co., Ltd.	April 18, 2025	3,600	June 27, 2025	124	Joint and several liability guarantee	None	Proportional guarantee	1 year	No	No
Joyang Laboratories	April 18, 2025	5,000						1 year	No	No
Anhui Meihua Hi-Tech Pharmaceutical Co., Ltd.	April 18, 2025	5,000	June 27, 2025	347	Joint and several liability guarantee	None	None	1 year	No	No
Gongwei Lianchuang (Shanghai) Biotechnology Co., Ltd.	April 18, 2025	2,000						1 year	No	No
Wuhu Huaren Science and Technology Co., Ltd.	April 18, 2025	3,000						1 year	No	No
Huadong	April 18, 2025	20,000						1 year	No	No

Medicine (Guizhou) Pharmaceutical Co., Ltd.										
Bailing Health Science (Hangzhou) Co., Ltd.	April 18, 2025	1,200						1 year	No	No
Jiangsu Nanjing Nongda Animal Pharmaceutical Co., Ltd.	April 18, 2025	1,000						1 year	No	No
Total approved guarantee quota for subsidiaries during the reporting period (B1)		458,200		Total actual guarantee amount for subsidiaries during the reporting period (B2)						132,824
Total approved guarantee quota for subsidiaries at the end of the reporting period (B3)		791,785		Total actual guarantee balance for subsidiaries at the end of the reporting period (B4)						149,118
Guarantees provided by subsidiaries to other subsidiaries										
Name of guarantee recipient	Disclosure date of announcement regarding the guarantee quota	Guarantee quota	Actual occurrence date	Actual guaranteed amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Guarantee period	Whether it has been fulfilled	Whether it is a guarantee for related parties
Chongqing Peg-Bio Biopharm Co., Ltd.	April 18, 2024	1,396	May 07, 2024	120	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes
Chongqing Peg-Bio Biopharm Co., Ltd.	April 18, 2024	1,396	July 26, 2024	64	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes
Chongqing Peg-Bio	April 18, 2024	1,396	August 21, 2024	34	Joint and several liability	None	Proportional guarante	3 years	No	Yes

Biopharm Co., Ltd.					guarantee		e			
Chongqing Peg-Bio Biopharm Co., Ltd.	April 18, 2024	1,396	August 23, 2024	50	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes
Chongqing Peg-Bio Biopharm Co., Ltd.	April 18, 2024	1,396	September 02, 2024	53	Joint and several liability guarantee	None	Proportional guarantee	3 years	No	Yes
Chongqing Peg-Bio Biopharm Co., Ltd.	April 18, 2025	1,396						1 year	No	Yes
Total approved guarantee quota for subsidiaries during the reporting period (C1)		1,396		Total actual guarantee amount for subsidiaries during the reporting period (C2)						0
Total approved guarantee quota for subsidiaries at the end of the reporting period (C3)		2,793		Total actual guarantee balance for subsidiaries at the end of the reporting period (C4)						321
Total Company guarantees (sum of the fore-mentioned three major items)										
Total approved guarantee quota during the reporting period (A1 + B1 + C1)		459,596		Total actual guarantee amount during the reporting period (A2 + B2 + C2)						132,824
Total approved guarantee quota at the end of the reporting period (A3 + B3 + C3)		794,578		Total actual guarantee balance at the end of the reporting period (A4 + B4 + C4)						149,439
Proportion of total actual guarantees (i.e., A4 + B4 + C4) in the Company's net assets										6.29%
Incl.:										
Outstanding debt guarantees provided directly or indirectly to guarantee recipients with an asset liability ratio exceeding 70% (E)										39,075
Total of the above three guaranteed amounts (D + E + F)										39,075

Explanation of specific situations for composite guarantee

3. Entrusted wealth management

□Applicable ☑Not applicable

The Company did not have any entrusted wealth management during the reporting period.

4. Other significant contracts

□Applicable ☑Not applicable

The Company did not have any other significant contracts during the reporting period.

XIII. Explanation for other significant matters

□Applicable ☑Not applicable

The Company had no other significant matters requiring explanation during the reporting period.

XIV. Significant matters of the Company's subsidiaries

☑Applicable □Not applicable

As of the date of the Report, the liquidation of Huadong Ningbo Medicine Co., Ltd. has reached a stage under the supervision of the court where the major assets have been disposed of, with only the collection of remaining receivables pending. The Company will actively advance the subsequent liquidation. During this reporting period, the Company recognized an investment income of RMB -6,672,178.39 using the equity method.

Section VI Changes in Shares and Shareholders

I. Changes in shares

1. Changes in shares

Unit: Shares

	Before this change		Increase or decrease in this change (+, -)					After this change	
	Quantity	Proportion	Issuance of new shares	Issuance of additional shares as dividends	Conversion of provident fund into shares	Others	Subtotal	Quantity	Proportion
I. Shares with restricted sale conditions	2,321,320	0.13%	0	0	0	-185,500	-185,500	2,135,820	0.12%
1. Shares held by the State	0	0.00%	0	0	0	0	0	0	0.00%
2. Shares held by the state-owned legal person	0	0.00%	0	0	0	0	0	0	0.00%
3. Other shares held by domestic capital	2,253,320	0.13%	0	0	0	-185,500	-185,500	2,067,820	0.12%
Incl.: Shares held by domestic legal persons	0	0.00%	0	0	0	0	0	0	0.00%
Shares held by domestic natural persons	2,253,320	0.13%	0	0	0	-185,500	-185,500	2,067,820	0.12%
4. Shares held by overseas	68,000	0.00%	0	0	0	0	0	68,000	0.00%

capital									
Incl.: shares held by overseas legal persons	0	0.00%	0	0	0	0	0	0	0.00%
Shares held by overseas natural persons	68,000	0.00%	0	0	0	0	0	68,000	0.00%
II. Shares without restricted sale conditions	1,751,941,228	99.87%	0	0	0	0	0	1,751,941,228	99.88%
1. RMB common shares	1,751,941,228	99.87%	0	0	0	0	0	1,751,941,228	99.88%
2. Foreign capital shares listed in China	0	0.00%	0	0	0	0	0	0	0.00%
3. Foreign capital shares listed overseas	0	0.00%	0	0	0	0	0	0	0.00%
4. Others	0	0.00%	0	0	0	0	0	0	0.00%
III. Total number of shares	1,754,262,548	100.00%	0	0	0	-185,500	-185,500	1,754,077,048	100.00%

Reason for changes in shares

☑Applicable □Not applicable

During the reporting period, the Company repurchased and canceled a portion of restricted stock under the *Restricted Stock Incentive Plan in 2022*. The number of restricted stocks repurchased and canceled was 185,500, resulting in a decrease of 185,500 shares in the Company's total share count, including a reduction of 185,500 shares with restricted sale conditions.

Approval of changes in shares

☑Applicable □Not applicable

(1) On November 25, 2024, the Company convened the 30th Meeting of the 10th Board of Directors and the 20th Meeting of the 10th Board of Supervisors, during which the *Proposal on Adjusting the Repurchase Price of the Restricted Stock Incentive Plan in 2022* and the *Proposal on Repurchase and Cancellation of Certain Restricted Stocks* were reviewed and approved. The Board of Directors agreed to repurchase and cancel a total of 185,500 restricted stocks that had been granted but not yet released from restrictions, and these shares corresponding to an incentive recipient who was no longer eligible due to resignation, 16 incentive recipients whose individual performance assessment results for the second restriction release period were deemed unqualified, and an incentive recipient of the reserved shares whose individual performance assessment results for the first restriction release period were deemed unqualified. The Board of Supervisors provided verification opinions on the relevant matters, with related reports prepared by the lawyers and independent financial advisers. On November 27, 2024, the Company disclosed the relevant announcement on CNINFO.

(2) On December 20, 2024, the Company convened its 2nd Extraordinary General Meeting in 2024, where the *Proposal on Repurchase and Cancellation of Certain Restricted Stocks* and the *Proposal on Increasing the Business Scope, Altering the Registered Capital and Amending the Articles of Association* were reviewed and approved. On the same day, the Company disclosed the *Announcement on Repurchase and Cancellation of Certain Restricted Stocks to Reduce Registered Capital and Notify the Creditors*. As of February 5, 2025, the benchmark date for capital verification, i.e., within forty-five days from the date when the Company announced the reduction of capital, no creditor requested the Company to pay off its debts or provide corresponding guarantees.

(3) On March 28, 2025, the Company disclosed the *Announcement on the Completion of the Repurchase and Cancellation of Certain Restricted Stocks*. On March 26, 2025, the Company completed the procedures for repurchase and cancellation of 185,500 restricted stocks in Shenzhen Branch of China Securities Depository and Clearing Corporation Limited.

Transfer of changed shares

☑Applicable □Not applicable

In March 2025, the Company submitted the relevant registration materials to the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited for the repurchase and cancellation of 185,500 shares involved in the equity incentive plan. In the same month, the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited issued the *Confirmation for Registration of Securities Transfer* to the Company, and the total share capital of the Company was reduced from 1,754,262,548.00 shares to 1,754,077,048.00 shares.

Progress of implementation of share repurchase

□Applicable ☑Not applicable

Progress in the implementation of the reduction of repurchased shares via centralized bidding

□Applicable ☑Not applicable

Impact of share changes on financial indicators such as basic and diluted earnings per share, and net assets per share attributable to common shareholders of the Company in the last year and the latest period

☑Applicable □Not applicable

Based on the total shares of 1,754,262,548.00 before changes in share capital, the Company's basic and diluted earnings per share for the first half of 2025 are RMB 1.0293/share and RMB 1.0345/share, respectively, and net assets per share attributable to common shareholders are RMB 13.59/share. After changes in share capital, with total shares of 1,754,077,048.00, the basic earnings per share remain RMB 1.0293/share, the diluted earnings per share are RMB 1.0346/share, and net assets per share attributable to common shareholders remain RMB 13.59/share.

Overall, the aforementioned changes in share capital did not have a significant impact on the Company's financial indicators for the first half of 2025, including basic and diluted earnings per share, as well as net assets per share attributable to common shareholders.

Other contents deemed necessary by the Company or required to be disclosed by securities regulatory authorities

□Applicable ☑Not applicable

2. Changes in restricted shares

☑Applicable □Not applicable

Unit: Shares

Name of shareholder	Number of shares subject to sale restrictions at the beginning of the period	Number of shares released from sales restriction in the current period	Number of shares newly restricted in the current period	Number of shares subject to sale restrictions at the end of the period	Reasons for restricted sale	Release date of restricted sale
Zhang Jianfei	60,000	0	0	60,000	Restricted shares held by senior managers	In accordance with regulations on the management of shares held by senior managers
Zhang Jianfei	60,000	0	0	60,000	Restricted shares under the equity incentive plan	In accordance with the relevant provisions of the Company's *Restricted Stock Incentive Plan in 2022*
Zhang Jianfei	52,500	0	0	52,500	Restricted	In accordance

					shares held by senior managers	with regulations on the management of shares held by senior managers
Lv Liang	80,000	0	0	80,000	Restricted shares under the equity incentive plan	In accordance with the relevant provisions of the Company's *Restricted Stock Incentive Plan in 2022*
Lv Liang	70,000	0	0	70,000	Restricted shares held by senior managers	In accordance with regulations on the management of shares held by senior managers
Zhu Li	22,500	0	0	22,500	Restricted shares held by senior managers	In accordance with regulations on the management of shares held by senior managers
Zhu Li	60,000	0	0	60,000	Restricted shares under the equity incentive plan	In accordance with the relevant provisions of the Company's *Restricted Stock Incentive Plan in 2022*
Zhu Li	52,500	0	0	52,500	Restricted shares held by senior managers	In accordance with regulations on the management of shares held by senior managers
Chen Bo	40,000	0	0	40,000	Restricted shares under the equity incentive plan	In accordance with the relevant provisions of the Company's *Restricted Stock Incentive Plan in 2022*
Chen Bo	35,000	0	0	35,000	Restricted shares held by	In accordance with

					senior managers	regulations on the management of shares held by senior managers
Qiu Renbo	40,000	0	0	40,000	Restricted shares under the equity incentive plan	In accordance with the relevant provisions of the Company's *Restricted Stock Incentive Plan in 2022*
Qiu Renbo	35,000	0	0	35,000	Restricted shares held by senior managers	In accordance with regulations on the management of shares held by senior managers
Wu Hui	105,000	0	-45,000	60,000	Restricted shares under the equity incentive plan	In accordance with the relevant provisions of the Company's *Restricted Stock Incentive Plan in 2022*
Wu Hui	7,500	0	0	7,500	Restricted shares held by senior managers	In accordance with regulations on the management of shares held by senior managers
Xu Junfang	60,000	0	0	60,000	Restricted shares under the equity incentive plan	In accordance with the relevant provisions of the Company's *Restricted Stock Incentive Plan in 2022*
LIU DONGZHOU JEFFERY	60,000	0	0	60,000	Restricted shares under the equity incentive plan	In accordance with the relevant provisions of the Company's *Restricted Stock Incentive Plan in 2022*
Zhang Yun	40,000	0	0	40,000	Restricted shares under the equity	In accordance with the relevant

					incentive plan	provisions of the Company's *Restricted Stock Incentive Plan in 2022*
Yang Chu	40,000	0	0	40,000	Restricted shares under the equity incentive plan	In accordance with the relevant provisions of the Company's *Restricted Stock Incentive Plan in 2022*
Other directors, mid-level management, and core technical (business) personnel of the Company	1,401,320	0	-140,500	1,260,820	Restricted shares under the equity incentive plan, restricted shares held by senior managers	In accordance with the relevant provisions of the Company's *Restricted Stock Incentive Plan in 2022* and the regulations on the management of shares held by senior managers
Total	2,321,320	0	-185,500	2,135,820	--	--

II. Offering and listing of securities

□Applicable ☑Not applicable

III. Number of shareholders and shareholding

Unit: Shares

Total number of common shareholders at the end of the reporting period	69,844	Total number of preferred shareholders with restored voting rights at the end of the reporting period (if any)	0

Shareholdings of shareholders holding more than 5% of shares or the top 10 shareholders (excluding shares lent through refinancing)

Name of shareholder	Nature of shareholder	Shareholding ratio	Number of shares held at the end of the reporting period	Increase/decrease during the reporting period	Number of shares held with restricted sale conditions	Number of shares held without restricted sale conditions	Pledged, marked or frozen status	
							Status of shares	Quantity
China Grand Enterprises, INC.	Domestic non-state-owned legal person	41.67%	730,938,157	0	0	730,938,157	Pledged	143,880,000
Hangzhou	State-	16.42%	288,000,00	0	0	288,000,00	Not	0

Huadong Medicine Group Co., Ltd.	owned legal person		0			0	applicable	
Hong Kong Securities Clearing Company Limited	Overseas legal person	2.27%	39,838,369	-6,800,259	0	39,838,369	Not applicable	0
Industrial and Commercial Bank of China Limited - Zhong Ou AMC Medical and Health Hybrid Securities Investment Fund	Others	1.39%	24,439,484	5,289,841	0	24,439,484	Not applicable	0
China Securities Finance Corporation Limited	Domestic non-state-owned legal person	1.26%	22,186,818	-	0	22,186,818	Not applicable	0
National Social Security Fund - Portfolio 112	Others	1.00%	17,589,744	17,589,744	0	17,589,744	Not applicable	0
Industrial and Commercial Bank of China Limited - Huatai-PB CSI 300 Open-ended Index Fund	Others	0.89%	15,583,245	527,400	0	15,583,245	Not applicable	0
China Construction Bank Corporation - E Fund CSI 300 Medical and Health Trading Open Index Securities Investment Fund	Others	0.82%	14,412,410	-1,790,722	0	14,412,410	Not applicable	0

New China Life Insurance Co., Ltd. - Dividend - Individual Dividend - 018L-FH002 Shenzhen	Others	0.80%	14,055,881	9,421,740	0	14,055,881	Not applicable	0
China Construction Bank Corporation - ICBC Credit Suisse Frontier Medical Equity Securities Investment Fund	Others	0.68%	12,000,000	-2,500,000	0	12,000,000	Not applicable	0

Strategic investors or general legal persons becoming top 10 shareholders due to placing new shares (if any)	Not applicable
Description of affiliation or concerted action of the above shareholders	The Company did not know whether there was any relationship among the above shareholders, or whether they were parties acting in concert.
Explanation of the above shareholders involved in proxy/trusted voting rights and waiver of voting rights	Not applicable
Special notes on the existence of repurchase special accounts among the top 10 shareholders (if any)	Not applicable

Shareholdings of top 10 shareholders without restricted sale conditions (excluding shares lent through refinancing and restricted shares held by senior managers)

Name of shareholder	Number of shares held without restricted sale conditions at the end of the reporting period	Type of shares	
		Type of shares	Quantity
China Grand Enterprises, INC.	730,938,157	RMB common shares	730,938,157
Hangzhou Huadong Medicine Group Co., Ltd.	288,000,000	RMB common shares	288,000,000
Hong Kong Securities Clearing Company	39,838,369	RMB common	39,838,369

Limited		shares	
Industrial and Commercial Bank of China Limited - Zhong Ou AMC Medical and Health Hybrid Securities Investment Fund	24,439,484	RMB common shares	24,439,484
China Securities Finance Corporation Limited	22,186,818	RMB common shares	22,186,818
National Social Security Fund - Portfolio 112	17,589,744	RMB common shares	17,589,744
Industrial and Commercial Bank of China Limited - Huatai-PB CSI 300 Open-ended Index Fund	15,583,245	RMB common shares	15,583,245
China Construction Bank Corporation - E Fund CSI 300 Medical and Health Trading Open Index Securities Investment Fund	14,412,410	RMB common shares	14,412,410
New China Life Insurance Co., Ltd. - Dividend - Individual Dividend - 018L-FH002 Shenzhen	14,055,881	RMB common shares	14,055,881
China Construction Bank Corporation - ICBC Credit Suisse Frontier Medical Equity Securities Investment Fund	12,000,000	RMB common shares	12,000,000
Description of the related party relationship or concerted action among the top 10 shareholders holding unrestricted shares, and between the top 10 shareholders holding unrestricted shares and the top 10 shareholders.	The Company did not know whether there was any relationship among the above shareholders, or whether they were parties acting in concert.		
Description of the participation in securities margin trading business of the top 10 common shareholders (if any)	As of the end of the current reporting period, none of the top 10 common shareholders of the Company held shares of the Company through securities margin trading accounts.		

Participation in the lending of shares through refinancing business of shareholders holding more than 5% of shares, the top 10 shareholders and the top 10 shareholders holding tradable shares without restricted sale conditions

□Applicable ☑Not applicable

Change in top 10 shareholders and top 10 shareholders holding tradable shares without restricted sale conditions due to lending/returning of shares through refinancing, as compared to the previous period

□Applicable ☑Not applicable

Whether the top 10 common shareholders and the top 10 common shareholders with unrestricted shares in the Company engage in

the agreed repurchase transactions during the reporting period

□Yes ☑No

The top 10 common shareholders and the top 10 common shareholders with unrestricted shares in the Company did not engage in any agreed repurchase transactions during the reporting period.

IV. Changes in shareholdings of directors, supervisors, and senior managers

☑Applicable □Not applicable

Name	Position	Position status	Number of shares held at the beginning of the period (Unit: share)	Number of shares increased in the current period (Unit: share)	Number of shares decreased in the current period (Unit: share)	Number of shares held at the end of the period (Unit: share)	Number of restricted stocks granted at the beginning of the period (Unit: share)	Number of restricted stocks granted in the current period (Unit: share)	Number of restricted stocks granted at the end of the period (Unit: share)
Wu Hui	Deputy General Manager	Incumbent	150,000	0	45,000	105,000	105,000	0	60,000
Total	--	--	150,000	0	45,000	105,000	105,000	0	60,000

Note: In March 2025, the Company canceled 45,000 restricted stocks held by Wu Hui, the Deputy General Manager of the Company, in accordance with relevant regulations of the *Restricted Stock Incentive Plan in 2022*.

V. Changes in controlling shareholders or actual controllers

Change in controlling shareholder during the reporting period

□Applicable ☑Not applicable

There was no change in the controlling shareholder of the Company during the reporting period.

Change in actual controller during the reporting period

□Applicable ☑Not applicable

There was no change in the actual controller of the Company during the reporting period.

VI. Relevant situation of preferred shares

□Applicable ☑Not applicable

The Company did not have preferred shares during the reporting period.

Section VII. Relevant Situation of Bonds

□Applicable ☑Not applicable

Section VIII. Financial Reports

I. Audit report

Whether the semi-annual financial report has been audited

□Yes ☑No

The Company's semi-annual financial report has not been audited.

II. Financial statements

The unit in the notes to financial statements is: RMB

1. Consolidated balance sheet

Prepared by: Huadong Medicine Co., Ltd.

June 30, 2025

Unit: RMB

Item	Closing balance	Opening balance
Current assets:		
Monetary funds	5,160,515,681.60	5,276,440,245.36
Deposit reservation for balance		
Lendings to banks and other financial institutions		
Trading financial assets		
Derivative financial assets		
Notes receivable	10,757,495.21	10,696,341.24
Accounts receivable	9,130,033,608.54	8,425,358,862.23
Receivables financing	1,248,881,871.60	1,677,636,420.09
Prepayments	383,679,254.50	400,291,510.71
Premium receivable		
Reinsurance accounts receivable		
Reinsurance contract reserve receivable		
Other receivables	597,030,042.88	402,870,356.31
Incl.: Interest receivable		
Dividends receivable	1,874,730.60	223,608.84
Financial assets purchased for resale		
Inventory	5,029,505,978.33	4,776,397,278.01
Incl.: Data resources		
Contract assets		
Assets held for sale		
Non-current assets due within one year		
Other current assets	75,925,015.51	82,099,747.34

Total current assets	21,636,328,948.17	21,051,790,761.29
Non-current assets:		
Loans and advances issued		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investment	1,511,055,130.79	1,543,646,404.76
Investment in other equity instruments	665,880,883.04	603,232,766.22
Other non-current financial assets		
Investment property	11,394,409.57	11,842,042.67
Fixed assets	4,282,121,438.14	4,422,300,775.01
Construction in progress	1,037,144,674.62	836,739,481.60
Productive biological assets		
Oil and gas assets		
Right-of-use assets	157,830,603.00	149,504,562.99
Intangible assets	3,830,341,782.22	3,644,956,428.71
Incl.: Data resources		
Development expenditure	1,235,542,745.11	1,033,392,377.69
Incl.: Data resources		
Goodwill	2,949,911,243.09	2,913,334,523.63
Long-term deferred expenses	19,556,817.98	22,601,572.13
Deferred income tax assets	257,271,959.07	221,848,889.06
Other non-current assets	1,221,068,305.98	1,423,855,781.39
Total non-current assets	17,179,119,992.61	16,827,255,605.86
Total assets	38,815,448,940.78	37,879,046,367.15
Current liabilities:		
Short-term borrowings	1,872,106,049.23	2,312,339,143.21
Borrowings from the central bank		
Borrowings from other banks and other financial institutions		
Trading financial liabilities		
Derivative financial liabilities		
Notes payable	2,501,133,508.87	2,576,685,923.31
Accounts payable	5,572,220,540.67	4,467,770,810.96
Advance receipts	1,480,523.27	1,115,173.00
Contract liabilities	122,763,179.08	173,609,109.58
Expense for financial assets sold for repurchase		
Deposits taken and interbank deposits		
Receivings from vicariously traded securities		
Receivings from vicariously sold securities		

Employee compensation payable	290,032,508.97	417,133,101.11
Taxes and dues payable	425,207,395.26	645,950,867.22
Other payables	2,976,576,533.11	2,849,833,595.48
Incl.: Interests payable		
Dividends payable	134,138,219.60	125,024,219.60
Handling charges and commissions payable		
Reinsurance accounts payable		
Liabilities held for sale		
Non-current liabilities due within one year	101,669,786.32	330,528,920.89
Other current liabilities	16,118,197.92	19,268,728.25
Total current liabilities	13,879,308,222.70	13,794,235,373.01
Non-current liabilities:		
Provision for insurance contracts		
Long-term borrowings	299,738,501.52	14,262,841.05
Bonds payable		
Incl.: Preferred share		
Perpetual bonds		
Lease liabilities	85,626,580.16	71,857,938.46
Long-term payables	26,053,251.06	24,715,073.51
Long-term employee compensation payable		
Estimated liabilities	32,347,741.22	28,985,982.19
Deferred revenue	175,663,921.73	183,855,718.48
Deferred income tax liabilities	201,704,224.30	197,378,528.33
Other non-current liabilities		
Total non-current liabilities	821,134,219.99	521,056,082.02
Total liabilities	14,700,442,442.69	14,315,291,455.03
Owners' equity:		
Share capital	1,754,077,048.00	1,754,262,548.00
Other equity instruments		
Incl.: Preferred share		
Perpetual bonds		
Capital reserve	2,416,978,493.26	2,550,780,602.69
Less: Treasury share	42,168,791.67	46,804,116.67
Other comprehensive income	-26,842,092.12	-50,598,204.17
Special reserves		
Surplus reserves	1,395,568,477.98	1,395,568,477.98
General risk reserves		
Retained earnings	18,254,304,262.55	17,456,842,089.53
Total owners' equity attributable to the parent company	23,751,917,398.00	23,060,051,397.36
Minority interests	363,089,100.09	503,703,514.76
Total owners' equity	24,115,006,498.09	23,563,754,912.12
Total liabilities and owners' equity	38,815,448,940.78	37,879,046,367.15

Legal representative: Lv Liang Person in charge of accounting: Lv Liang Person in charge of the accounting department:

Qiu Renbo

2. Balance sheet of the parent company

Unit: RMB

Item	Closing balance	Opening balance
Current assets:		
Monetary funds	3,953,981,327.21	3,983,448,123.02
Trading financial assets		
Derivative financial assets		
Notes receivable	10,757,495.21	10,696,341.24
Accounts receivable	4,804,218,091.41	4,662,202,972.85
Receivables financing	292,875,429.70	541,117,016.27
Prepayments	84,815,482.40	188,207,568.34
Other receivables	5,533,018,905.96	3,038,802,968.09
Incl.: Interest receivable		
Dividends receivable	2,092,686,000.00	83,200,000.00
Inventory	3,024,597,267.38	2,503,932,187.23
Incl.: Data resources		
Contract assets		
Assets held for sale		
Non-current assets due within one year		
Other current assets		
Total current assets	17,704,263,999.27	14,928,407,177.04
Non-current assets:		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investment	6,171,412,409.45	6,006,736,952.86
Investment in other equity instruments	10,080,000.00	10,080,000.00
Other non-current financial assets		
Investment property	6,027,529.66	6,260,645.98
Fixed assets	140,125,410.17	145,702,063.07
Construction in progress	1,480,617.86	1,191,031.68
Productive biological assets		
Oil and gas assets		
Right-of-use assets	3,652,972.88	5,766,631.35
Intangible assets	121,014,462.84	133,847,061.52
Incl.: Data resources		
Development expenditure		
Incl.: Data resources		
Goodwill		
Long-term deferred expenses	3,893,090.71	3,873,974.93

Deferred income tax assets	61,984,737.57	57,148,901.05
Other non-current assets	288,514,253.60	309,896,009.87
Total non-current assets	6,808,185,484.74	6,680,503,272.31
Total assets	24,512,449,484.01	21,608,910,449.35
Current liabilities:		
Short-term borrowings	990,492,967.93	1,281,604,281.83
Trading financial liabilities		
Derivative financial liabilities		
Notes payable	1,266,619,985.33	1,017,985,699.91
Accounts payable	3,897,839,081.08	2,957,801,912.13
Advance receipts		
Contract liabilities	71,808,441.84	74,839,113.94
Employee compensation payable	5,756,850.29	13,536,480.77
Taxes and dues payable	74,396,503.49	84,182,562.88
Other payables	5,277,746,386.19	4,502,104,700.45
Incl.: Interests payable		
Dividends payable	224,219.60	224,219.60
Liabilities held for sale		
Non-current liabilities due within one year	42,677,475.91	51,064,784.14
Other current liabilities	9,182,071.89	9,618,803.23
Total current liabilities	11,636,519,763.95	9,992,738,339.28
Non-current liabilities:		
Long-term borrowings		
Bonds payable		
Incl.: Preferred share		
Perpetual bonds		
Lease liabilities		
Long-term payables		
Long-term employee compensation payable		
Estimated liabilities		
Deferred revenue	29,152,473.81	30,435,411.27
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	29,152,473.81	30,435,411.27
Total liabilities	11,665,672,237.76	10,023,173,750.55
Owners' equity:		
Share capital	1,754,077,048.00	1,754,262,548.00
Other equity instruments		
Incl.: Preferred share		
Perpetual bonds		
Capital reserve	2,344,638,822.00	2,346,443,494.22
Less: Treasury share	42,168,791.67	46,804,116.67
Other comprehensive income		

Special reserves		
Surplus reserves	1,473,424,237.42	1,473,424,237.42
Retained earnings	7,316,805,930.50	6,058,410,535.83
Total owners' equity	12,846,777,246.25	11,585,736,698.80
Total liabilities and owners' equity	24,512,449,484.01	21,608,910,449.35

3. Consolidated profit statement

Unit: RMB

Item	First half of 2025	First half of 2024
I. Total operating revenue	21,674,928,965.21	20,965,065,605.67
Incl.: Operating revenue	21,674,928,965.21	20,965,065,605.67
Interest income		
Premiums earned		
Handling charges and commissions revenue		
II. Total operating costs	19,418,419,774.58	18,876,799,219.53
Incl.: Operating costs	14,327,396,132.90	14,109,803,647.16
Interest expenditure		
Handling charges and commissions expenditure		
Surrender value		
Net payments for insurance claims		
Net provision for insurance liabilities		
Expense for insurance policy dividends		
Reinsurance expenses		
Taxes and surcharges	114,585,169.40	111,008,570.22
Selling expenses	3,229,044,236.81	3,274,822,873.39
Management expenses	725,296,086.80	714,633,116.91
R&D expenses	999,673,972.93	643,106,566.65
Financial expenses	22,424,175.74	23,424,445.20
Incl.: Interest expense	56,147,464.39	55,550,660.47
Interest income	45,613,834.96	53,142,421.17
Plus: Other incomes	144,290,664.93	93,707,046.82
Investment income (loss expressed with "-")	-67,265,820.65	-47,845,863.81
Incl.: Investment income in associates and joint ventures	-35,365,772.99	-25,256,184.91
Income from derecognition of financial assets measured on the basis of amortized costs		
Exchange gains (loss expressed with "-")		
Net exposure hedging gains (loss		

expressed with " - ")		
Gains from changes in fair value (loss expressed with "-")		
Credit impairment loss (loss expressed with "-")	-83,959,366.71	-57,939,915.37
Asset impairment loss (loss expressed with "-")		
Gains from disposal of assets (loss expressed with "-")	-6,201,002.36	4,927,280.24
III. Operating profit (loss expressed with "-")	2,243,373,665.84	2,081,114,934.02
Plus: Non-operating revenue	4,157,614.19	5,221,955.01
Less: Non-operating expenses	54,367,929.24	37,784,277.75
IV. Total profit (total loss expressed with "-")	2,193,163,350.79	2,048,552,611.28
Less: Income tax expense	389,834,341.82	360,337,560.24
V. Net profit (net loss expressed with "-")	1,803,329,008.97	1,688,215,051.04
(I) Classification by continuity of operation		
1. Net profit from continuing operations (net loss expressed with "-")	1,803,329,008.97	1,688,215,051.04
2. Net profit from discontinued operations (net loss expressed with "-")		
(II) Classification by ownership		
1. Net profit attributable to shareholders of the parent company (net loss expressed with "-")	1,814,826,860.86	1,696,020,589.20
2. Profit or loss attributable to minority interests (net loss expressed with "-")	-11,497,851.89	-7,805,538.16
VI. Net of tax of other comprehensive income	23,756,112.05	-6,285,502.28
Net of tax of other comprehensive income attributable to the owner of the parent company	23,756,112.05	-6,285,502.28
(I) Other comprehensive income that cannot be reclassified into the profits and losses	-171,215.68	
1. Change from re-measurement of defined benefit plan		
2. Other comprehensive income that cannot be included into the profits and losses under the equity method		
3. Changes in fair value of investment in other equity instruments	-171,215.68	
4. Changes in fair value by the enterprise's credit risks		
5. Others		
(II) Other comprehensive income that will be reclassified into the profits and losses	23,927,327.73	-6,285,502.28
1. Other comprehensive income that can be included into the profits and losses under the equity method		1,326,766.89

2. Changes in fair value of other debt investment		
3. Financial assets reclassified into other comprehensive income		
4. Provision for credit impairment of other debt investments		
5. Cash flow hedging reserves		
6. Differences in translation of foreign currency financial statements	23,927,327.73	-7,612,269.17
7. Others		
Net of tax of other comprehensive income attributable to minority shareholders		
VII. Total comprehensive income	1,827,085,121.02	1,681,929,548.76
Total comprehensive income attributable to the owner of the parent company	1,838,582,972.91	1,689,735,086.92
Total comprehensive income attributable to minority shareholders	-11,497,851.89	-7,805,538.16
VIII. Earnings per share:		
(I) Basic earnings per share	1.0293	0.9675
(II) Diluted earnings per share	1.0346	0.9686

If there is a business combination under common control in this period, the net profit of the combined party before the combination is RMB 0.00, and the net profit of the combined party in the previous period is RMB 0.00.

Legal representative: Lv Liang Person in charge of accounting: Lv Liang Person in charge of the accounting department: Qiu Renbo

4. Profit statement of the parent company

Unit: RMB

Item	First half of 2025	First half of 2024
I. Operating revenue	11,924,816,596.23	11,394,995,446.30
Less: Operating cost	11,319,964,972.46	10,768,645,517.84
Taxes and surcharges	12,340,230.92	14,643,641.79
Selling expenses	236,318,613.02	204,454,181.04
Management expenses	84,584,023.83	91,647,034.58
R&D expenses		
Financial expenses	-119,960,930.02	-12,375,772.11
Incl.: Interest expense	17,223,303.45	29,281,312.24
Interest income	5,044,375.26	44,142,368.81
Plus: Other incomes	10,728,229.03	9,058,950.35
Investment income (loss expressed with "-")	2,206,749,733.14	1,067,439,548.33
Incl.: Investment income in associates and joint ventures	977,686.70	-12,860,749.73
Income from derecognition of financial assets measured on the basis of amortized cost (loss expressed with "-")		
Net exposure hedging gains (loss		

expressed with " - ")		
Gains from changes in fair value (loss expressed with "-")		
Credit impairment loss (loss expressed with "-")	-223,466,792.26	-84,295,275.84
Asset impairment loss (loss expressed with "-")		
Gains from disposal of assets (loss expressed with "-")	-278,243.93	1,434,977.91
II. Operating profit (loss expressed with "-")	2,385,302,612.00	1,321,619,043.91
Plus: Non-operating revenue	17,931.33	41,123.57
Less: Non-operating expenses	12,363,241.49	6,248,443.03
III. Total profit (total loss expressed with "-")	2,372,957,301.84	1,315,411,724.45
Less: Income tax expense	97,197,219.33	94,448,009.36
IV. Net profit (net loss expressed with "-")	2,275,760,082.51	1,220,963,715.09
(I) Net profits from continuing operations (net loss expressed with "-")	2,275,760,082.51	1,220,963,715.09
(II) Net profit from discontinued operations (net loss expressed with "-")		
V. Net of tax of other comprehensive income		
(I) Other comprehensive income that cannot be reclassified into the profits and losses		
1. Change from re-measurement of defined benefit plan		
2. Other comprehensive income that cannot be included into the profits and losses under the equity method		
3. Changes in fair value of investment in other equity instruments		
4. Changes in fair value by the enterprise's credit risks		
5. Others		
(II) Other comprehensive income that will be reclassified into the profits and losses		
1. Other comprehensive income that can be included into the profits and losses under the equity method		
2. Changes in fair value of other debt investment		
3. Financial assets reclassified into other comprehensive income		
4. Provision for credit impairment of other debt investments		
5. Cash flow hedging reserves		
6. Differences in translation of foreign currency financial statements		
7. Others		
VI. Total comprehensive income	2,275,760,082.51	1,220,963,715.09

VII. Earnings per share:		
(I) Basic earnings per share		
(II) Diluted earnings per share		

5. Consolidated cash flow statement

Unit: RMB

Item	First half of 2025	First half of 2024
I. Cash flows from operating activities:		
Cash received from selling goods and providing services	23,043,949,397.08	21,640,152,875.03
Net increase in deposits from customers as well as banks and other financial institutions		
Net increase in borrowings from the central bank		
Net increase in borrowings from other financial institutions		
Cash received from the original insurance contract premium		
Net cash received from reinsurance business		
Net increase in deposits and investments from policyholders		
Cash received from interests, handling charges and commissions		
Net increase in borrowings from banks and other financial institutions		
Net increase in funds from repurchase business		
Net cash received from securities trading agency		
Refund of taxes and fees received	5,110,647.25	8,235,381.72
Receipt of other cash relating to operating activities	311,722,673.58	239,783,680.99
Subtotal of cash inflows from operating activities	23,360,782,717.91	21,888,171,937.74
Cash paid for purchase of goods and receipt of labor services	13,943,183,727.91	13,604,550,741.22
Net increase in customer loans and advance payments		
Net increase in deposits with the central bank and interbank		
Cash for payment of the original insurance contract		
Net increase in lendings to banks and other financial institutions		
Cash paid for interests, handling charges and commissions		
Cash for payment of dividends on policies		
Cash paid to and for employees	2,692,040,129.25	2,323,118,629.52

Various taxes and fees paid	1,576,435,543.90	1,477,481,035.41
Payment of other cash relating to operating activities	2,692,274,806.75	2,207,765,050.15
Subtotal of cash outflows from operating activities	20,903,934,207.81	19,612,915,456.30
Net cash flow from operating activities	2,456,848,510.10	2,275,256,481.44
II. Cash flows from investing activities:		
Cash received from investment recovery		3,000,000.00
Cash received from obtaining investment income	47,347,567.67	27,900,000.00
Net cash recovered from disposal of fixed assets, intangible assets and other long-term assets	10,814,966.49	6,946,255.32
Net cash received from disposal of subsidiaries and other business units		
Receipt of other cash relating to investing activities		255,959,940.22
Subtotal of cash inflows from investing activities	58,162,534.16	293,806,195.54
Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets	788,358,827.36	658,042,086.97
Cash paid for investment	61,560,775.00	147,660,247.99
Net increase in pledged loans		
Net cash paid for the acquisition of subsidiaries and other business entities		
Payments of other cash relating to investing activities		157,607,933.95
Subtotal of cash outflows from investing activities	849,919,602.36	963,310,268.91
Net cash flows from investing activities	-791,757,068.20	-669,504,073.37
III. Cash flows from financing activities:		
Cash received by absorbing investment		
Incl.: Cash received by subsidiaries from minority shareholders' investment		
Cash received from obtaining borrowings	1,720,372,646.92	2,552,138,017.63
Receipt of other cash relating to financing activities	217,401,111.10	291,490,536.33
Subtotal of cash inflows from financing activities	1,937,773,758.02	2,843,628,553.96
Cash paid for debt repayment	1,728,740,028.90	1,988,027,915.09
Cash paid to distribute dividends, profits or pay interest	1,057,608,222.25	1,082,542,915.33
Incl.: Dividends and profits paid by subsidiaries to minority shareholders		2,760,660.00
Payment of other cash relating to financing activities	684,856,705.37	260,287,332.28
Subtotal of cash outflows from financing activities	3,471,204,956.52	3,330,858,162.70
Net cash flow from financing activities	-1,533,431,198.50	-487,229,608.74
IV. Effect of exchange rate changes on cash and cash equivalents	-116,843,004.40	-5,787,341.62
V. Net increase in cash and cash	14,817,239.00	1,112,735,457.71

equivalents		
Plus: Opening balance of cash and cash equivalents	4,990,151,186.68	4,208,160,010.91
VI. Closing balance of cash and cash equivalents	5,004,968,425.68	5,320,895,468.62

6. Cash flow statement of the parent company

Unit: RMB

Item	First half of 2025	First half of 2024
I. Cash flows from operating activities:		
Cash received from selling goods and providing services	12,852,057,702.55	12,022,456,324.57
Refund of taxes and fees received		
Receipt of other cash relating to operating activities	81,235,533.54	112,386,980.37
Subtotal of cash inflows from operating activities	12,933,293,236.09	12,134,843,304.94
Cash paid for the purchase of goods and the receipt of labor services	11,701,705,674.97	11,234,484,512.22
Cash paid to and for employees	152,400,783.19	181,096,779.79
Various taxes and fees paid	154,375,654.03	261,460,389.34
Payment of other cash relating to operating activities	259,455,509.87	109,374,865.51
Subtotal of cash outflows from operating activities	12,267,937,622.06	11,786,416,546.86
Net cash flow from operating activities	665,355,614.03	348,426,758.08
II. Cash flows from investing activities:		
Cash received from investment recovery		
Cash received from obtaining investment income	197,347,567.67	1,028,373,340.00
Net cash recovered from disposal of fixed assets, intangible assets and other long-term assets	60,172.90	1,779,570.00
Net cash received from disposal of subsidiaries and other business units		
Receipt of other cash relating to investing activities	646,911,010.54	927,233,012.13
Subtotal of cash inflows from investing activities	844,318,751.11	1,957,385,922.13
Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets	104,186,490.92	82,128,743.63
Cash paid for investment	160,000,000.00	35,000,000.00
Net cash paid for the acquisition of subsidiaries and other business entities		
Payments of other cash relating to investing activities	1,108,831,020.00	829,431,410.00
Subtotal of cash outflows from investing activities	1,373,017,510.92	946,560,153.63
Net cash flows from investing activities	-528,698,759.81	1,010,825,768.50
III. Cash flows from financing activities:		
Cash received by absorbing investment		
Cash received from obtaining	849,998,846.92	1,819,976,876.04

borrowings		
Receipt of other cash relating to financing activities	7,420,914,030.58	4,325,139,018.15
Subtotal of cash inflows from financing activities	8,270,912,877.50	6,145,115,894.19
Cash paid for debt repayment	899,998,846.92	1,574,976,876.04
Cash paid to distribute dividends, profits or pay interest	1,035,935,768.08	1,046,668,681.07
Payment of other cash relating to financing activities	6,479,986,464.74	3,648,651,342.87
Subtotal of cash outflows from financing activities	8,415,921,079.74	6,270,296,899.98
Net cash flow from financing activities	-145,008,202.24	-125,181,005.79
IV. Effect of exchange rate changes on cash and cash equivalents		
V. Net increase in cash and cash equivalents	-8,351,348.02	1,234,071,520.79
Plus: Opening balance of cash and cash equivalents	3,940,066,700.23	2,946,999,653.10
VI. Closing balance of cash and cash equivalents	3,931,715,352.21	4,181,071,173.89

7. Consolidated statement of changes in owners' equity

Amount in the current period

Unit: RMB

Item	First half of 2025													
	Owner's equity attributable to the parent company												Minority interests	Total owners' equity
	Share capital	Other equity instruments			Capital reserve	Less: Treasury share	Other comprehensive income	Special reserves	Surplus reserves	General risk reserves	Retained earnings	Others	Subtotal		
		Preferred share	Perpetual bonds	Others											
I. Closing balance of the prior year	1,754,262,548.00				2,550,780,602.69	46,804,116.67	-50,598,204.17		1,395,568,477.98		17,456,842,089.53		23,060,051,397.36	503,703,514.76	23,563,754,912.12
Plus: Changes in accounting policies															
Correction of prior period errors															
Others															
II. Opening balance of	1,754,262,54				2,550,780,60	46,804,116.6	-50,598,2		1,395,568,47		17,456,842,0		23,060,051,3	503,703,514.	23,563,754,9

the current year	8.00				2.69	7	04.17		7.98		89.53		97.36	76	12.12
III. Increase or decrease in the current period (decrease expressed with "-")	-185,500.00				-133,802,109.43	-4,635,325.00	23,756,112.05				797,462,173.02		691,866,000.64	-140,614,414.67	551,251,585.97
(I) Total comprehensive income							23,756,112.05				1,814,826,860.86		1,838,582,972.91	-11,497,851.89	1,827,085,121.02
(II) Owner's investment and reduction of capital	-185,500.00				-1,775,711.44	-4,635,325.00							2,674,113.56	-28,960.77	2,645,152.79
1. Common stocks invested by the owner	-185,500.00												-185,500.00		-185,500.00
2. Capital invested by holders of other equity instruments															
3. Amount of share-based payment included in owner's equity					2,674,113.56								2,674,113.56	-28,960.77	2,645,152.79
4. Others					-4,449,825.00	-4,635,325.00							185,500.00		185,500.00
(III) Profit distribution											-1,017,364,687.84		-1,017,364,687.84	-9,114,000.00	-1,026,478,687.84
1. Provision for surplus reserves															
2. Provision for general risk reserves															
3. Distribution to owners (or shareholders)											-1,017,364,687.84		-1,017,364,687.84	-9,114,000.00	-1,026,478,687.84
4. Others															

(IV) Internal carry-over of owners' equity															
1. Conversion of capital reserve to capital (or share capital)															
2. Conversion of surplus reserve to capital (or share capital)															
3. Losses covered by surplus reserve															
4. Changes in the defined benefit plan transferred to retained earnings															
5. Other comprehensive income carried forward to retained earnings															
6. Others															
(V) Special reserves															
1. Amount withdrawn in the current period															
2. Amount utilized in the current period															
(VI) Others					-132,026,397.99								-132,026,397.99	-119,973,602.01	-252,000,000.00
IV. Closing balance in the current period	1,754,077,048.00				2,416,978,493.26	42,168,791.67	-26,842,092.1		1,395,568,477.98		18,254,304,262.5		23,751,917,398.09	363,089,100.09	24,115,006,498.0

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Amount of the prior year

Unit: RMB

Item	First half of 2024														
	Owner's equity attributable to the parent company													Minority interests	Total owners' equity
	Share capital	Other equity instruments			Capital reserve	Less: Treasury share	Other comprehensive income	Special reserves	Surplus reserves	General risk reserves	Retained earnings	Others	Subtotal		
		Preferred share	Perpetual bonds	Others											
I. Closing balance of the prior year	1,754,425,348.00				2,446,313,774.82	84,519,369.07	-40,341,544.18		1,277,779,972.18		15,693,951,574.91		21,047,609,756.66	534,654,969.44	21,582,264,726.10
Plus: Changes in accounting policies															
Correction of prior period errors															
Others															
II. Opening balance of the current year	1,754,425,348.00				2,446,313,774.82	84,519,369.07	-40,341,544.18		1,277,779,972.18		15,693,951,574.91		21,047,609,756.66	534,654,969.44	21,582,264,726.10
III. Increase or decrease in the current period (decrease expressed with "-")	-97,800.00				38,084,060.00	-2,445,000.00	-6,285,502.28				678,538,973.36		712,684,731.08	-13,678,624.87	699,006,106.21
(I) Total comprehensive income							-6,285,502.28				1,696,020,589.20		1,689,735,086.92	-7,805,538.16	1,681,929,548.76
(II) Owner's investment and reduction of capital	-97,800.00				8,015,848.21	-2,445,000.00							10,363,048.21	121,573.29	10,484,621.50
1. Common stocks invested by the owner	-97,800.00				-2,347,200.00								-2,445,000.00		-2,445,000.00

2. Capital invested by holders of other equity instruments															
3. Amount of share-based payment included in owner's equity					10,363,048.21								10,363,048.21	121,573.29	10,484,621.50
4. Others						-2,445,000.00							2,445,000.00		2,445,000.00
(III) Profit distribution											-1,017,481,615.84		-1,017,481,615.84	-5,994,660.00	-1,023,476,275.84
1. Provision for surplus reserves															
2. Provision for general risk reserves															
3. Distribution to owners (or shareholders)											-1,017,481,615.84		-1,017,481,615.84	-5,994,660.00	-1,023,476,275.84
4. Others															
(IV) Internal carry-over of owners' equity															
1. Conversion of capital reserve to capital (or share capital)															
2. Conversion of surplus reserve to capital (or share capital)															
3. Losses covered by surplus reserve															
4. Changes in the															

defined benefit plan transferred to retained earnings															
5. Other comprehensive income carried forward to retained earnings															
6. Others															
(V) Special reserves															
1. Amount withdrawn in the current period															
2. Amount utilized in the current period															
(VI) Others					30,068,211.79								30,068,211.79		30,068,211.79
IV. Closing balance in the current period	1,754,327,548.00				2,484,397,834.82	82,074,369.07	-46,627,046.46		1,277,779,972.18		16,372,490,548.27		21,760,294,487.74	520,976,344.57	22,281,270,832.31

8. Statement of changes in owner’s equity of the parent company

Amount in the current period

Unit: RMB

Item	First half of 2025											
	Share capital	Other equity instruments			Capital reserve	Less: Treasury share	Other comprehensive income	Special reserves	Surplus reserves	Retained earnings	Others	Total owners' equity
		Preferred share	Perpetual bonds	Others								
I. Closing balance of the prior year	1,754,262,548.00				2,346,443,494.22	46,804,116.67			1,473,424,237.42	6,058,410,535.83		11,585,736,698.80
Plus: Changes in accounting policies												
Co												

rrection of prior period errors												
Others												
II. Opening balance of the current year	1,754,262,548.00				2,346,443,494.22	46,804,116.67			1,473,424,237.42	6,058,410,535.83		11,585,736,698.80
III. Increase or decrease in the current period (decrease expressed with "-")	-185,500.00				-1,804,672.22	-4,635,325.00				1,258,395,394.67		1,261,040,547.45
(I) Total comprehensive income										2,275,760,082.51		2,275,760,082.51
(II) Owner's investment and reduction of capital	-185,500.00				-1,804,672.22	-4,635,325.00						2,645,152.78
1. Common stocks invested by the owner	-185,500.00											-185,500.00
2. Capital invested by holders of other equity instruments												
3. Amount of share-based payment included in owner's equity					-1,804,672.22							-1,804,672.22
4. Others						-4,635,325.00						4,635,325.00
(III) Profit distribution										-1,017,364,687.84		-1,017,364,687.84
1. Provision for surplus reserves												
2. Distribution to owners (or shareholders)										-1,017,364,687.84		-1,017,364,687.84

3. Others												
(IV) Internal carry-over of owners' equity												
1. Conversion of capital reserve to capital (or share capital)												
2. Conversion of surplus reserve to capital (or share capital)												
3. Losses covered by surplus reserve												
4. Changes in the defined benefit plan transferred to retained earnings												
5. Other comprehensive income carried forward to retained earnings												
6. Others												
(V) Special reserves												
1. Amount withdrawn in the current period												
2. Amount utilized in the current period												
(VI) Others												
IV. Closing balance in the current period	1,754,077,048.00				2,344,638,822.00	42,168,791.67			1,473,424,237.42	7,316,805,930.50		12,846,777,246.25

Amount of the prior year

Unit: RMB

Item	First half of 2024											
	Share capital	Other equity instruments			Capital reserve	Less: Treasury share	Other comprehensive income	Special reserves	Surplus reserves	Retained earnings	Others	Total owners' equity
		Preferred share	Perpetual bonds	Others								
I. Closing balance of the prior year	1,754,425,348.00				2,329,361,969.66	84,519,369.07			1,355,635,731.62	6,629,739,641.30		11,984,643,321.51
Plus: Changes in accounting policies												
Correction of prior period errors												
Others												
II. Opening balance of the current year	1,754,425,348.00				2,329,361,969.66	84,519,369.07			1,355,635,731.62	6,629,739,641.30		11,984,643,321.51
III. Increase or decrease in the current period (decrease expressed with "-")	-97,800.00				8,137,421.50	-2,445,000.00				203,482,099.25		213,966,720.75
(I) Total comprehensive income										1,220,963,715.09		1,220,963,715.09
(II) Owner's investment and reduction of capital	-97,800.00				8,137,421.50	-2,445,000.00						10,484,621.50
1. Common stocks invested by the owner	-97,800.00				-2,347,200.00							-2,445,000.00
2. Capital invested by holders of other equity instruments												
3. Amount of share-based payment included in					10,484,621.50							10,484,621.50

owner's equity												
4. Others						-2,445,000.00						2,445,000.00
(III) Profit distribution										-1,017,481,615.84		-1,017,481,615.84
1. Provision for surplus reserves												
2. Distribution to owners (or shareholders)										-1,017,481,615.84		-1,017,481,615.84
3. Others												
(IV) Internal carry-over of owners' equity												
1. Conversion of capital reserve to capital (or share capital)												
2. Conversion of surplus reserve to capital (or share capital)												
3. Losses covered by surplus reserve												
4. Changes in the defined benefit plan transferred to retained earnings												
5. Other comprehensive income carried forward to retained earnings												
6. Others												
(V) Special												

reserves												
1. Amount withdrawn in the current period												
2. Amount utilized in the current period												
(VI) Others												
IV. Closing balance in the current period	1,754,327,548.00				2,337,499,391.16	82,074,369.07			1,355,635,731.62	6,833,221,740.55		12,198,610,042.26

III. Basic information of the Company

Huadong Medicine Co., Ltd. (hereinafter referred to as the "Company") was formerly known as Hangzhou Medicine Station Co., Ltd., established as a directed share issuance company in March 1993. It was registered with the Zhejiang Provincial Administration for Industry and Commerce on March 31, 1993, with its headquarters located in Hangzhou, Zhejiang. The Company currently holds a business license with the Unified Social Credit Code of 91330000143083157E, a registered capital of RMB 1,754,077,048.00, and a total of 1,754,077,048.00 shares (par value of RMB 1 per share). As of June 30, 2025, the tradable shares with restricted sale conditions were 2,135,820.00 A-shares, while the tradable shares without restricted sale conditions were 1,751,941,228.00 A-shares. The Company's shares were listed on the Shenzhen Stock Exchange on January 27, 2000.

The Company operates in the pharmaceutical industry, and the main business activities include the research, development, manufacturing, and sales of pharmaceutical products.

These financial statements were approved by the second meeting of the eleventh session of the Board of Directors on August 18, 2025.

Lv Liang, Chairman

August 20, 2025