



SHENZHEN HEPALINK PHARMACEUTICAL GROUP CO., LTD.
(深圳市海普瑞藥業集團股份有限公司)

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock code: 9989)

INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED JUNE 30, 2022

Board of Directors
 Company: Hepalink
 Group: we, our, us
 Reporting Period

FINANCIAL HIGHLIGHTS

| | For the six months ended June 30, 2022 | | |
|----------------------------|--|----------|----------|
| | RMB'000 | B'000 | |
| Revenue | 3,756,335 | ▲ 111.1% | ▲ 111.1% |
| Operating Profit | 1,218,477 | ▲ 111.1% | ▲ 111.1% |
| Net Profit | 511,140 | ▲ 111.1% | ▲ 111.1% |
| Operating Profit Margin | 32.4% | ▲ 111.1% | ▲ 111.1% |
| Net Profit Margin | 13.6% | ▲ 111.1% | ▲ 111.1% |
| Operating Profit per Share | 0.12 | ▲ 111.1% | ▲ 111.1% |
| Net Profit per Share | 0.05 | ▲ 111.1% | ▲ 111.1% |
| Operating Profit per Share | 0.12 | ▲ 111.1% | ▲ 111.1% |
| Net Profit per Share | 0.05 | ▲ 111.1% | ▲ 111.1% |

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

F J 30, 2022

| | Six months ended June 30, | |
|---|----------------------------------|--------------|
| | 2022 | \ |
| | <i>RMB'000</i> | <i>B'000</i> |
| | (unaudited) | () |
| PROFIT FOR THE PERIOD | 510,404 | ▲▲▲▲▲ |
| OTHER COMPREHENSIVE INCOME | | |
| Share-based payment expense (income) () () | 127,108 | () |
| () () | 14,161 | () |
| () () | 141,269 | () |
| () () | (6,330) | ▲▲▲▲ |
| () () | 55,720 | ▲▲▲▲ |
| () () | 49,390 | ▲▲▲▲ |
| () () | 190,659 | () |
| () () | 701,063 | ▲▲▲▲ |
| () () | 701,162 | ▲▲▲▲ |
| () | (99) | () |

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

June 30, 2022

| | June 30, 2022 | B'000 |
|-------------------------------|------------------------|----------------------|
| | RMB'000 (unaudited) | B'000 (unaudited) |
| NON-CURRENT ASSETS | | |
| Property, plant and equipment | 2,524,576 | 387,111 |
| Intangible assets | 233,185 | 35,211 |
| Investments in subsidiaries | 2,265,521 | 348,111 |
| Investments in associates | 467,037 | 71,111 |
| Prepaid expenses and deposits | 1,084,027 | 163,111 |
| Other non-current assets | 489,917 | 74,111 |
| Deferred tax assets | 976,721 | 148,111 |
| Other non-current assets | 126,183 | 19,111 |
| Other non-current assets | 255,796 | 39,111 |
| | <u>8,422,963</u> | <u>1,292,000</u> |
| CURRENT ASSETS | | |
| Accounts receivable | 5,750,897 | 877,111 |
| Accounts payable | 1,784,190 | 272,111 |
| Prepaid expenses and deposits | 17,016 | 2,611 |
| Other receivables | 501,140 | 76,111 |
| Other current assets | 47,506 | 7,111 |
| Other current assets | 1,344,007 | 204,111 |
| Other current assets | (1,940) | (291) |
| Other current assets | 30,284 | 4,611 |
| Other current assets | 1,110,000 | 170,111 |
| Other current assets | <u>2,355,848</u> | <u>352,000</u> |
| | <u>12,938,948</u> | <u>1,944,000</u> |
| CURRENT LIABILITIES | | |
| Accounts payable | 554,266 | 84,111 |
| Accounts payable | 466,099 | 70,111 |
| Accounts payable | 51,355 | 7,711 |
| Accounts payable | 484,116 | 73,111 |
| Accounts payable | 5,368,927 | 817,111 |
| Accounts payable | 125,102 | 19,111 |
| Accounts payable | 40,199 | 6,111 |
| Accounts payable | 27,798 | 4,211 |
| | <u>7,117,862</u> | <u>1,078,000</u> |

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

June 30, 2022

| | June 30, 2022 RMB'000 (unaudited) | June 30, 2021 RMB'000 (unaudited) |
|--|--|--|
| NET CURRENT ASSETS | 5,821,086 | 5,821,086 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | 14,244,049 | 14,244,049 |
| NON-CURRENT LIABILITIES | | |
| Long-term debt | 1,593,832 | 1,593,832 |
| Long-term debt - secured | 17,460 | 17,460 |
| Long-term debt - unsecured | 311,933 | 311,933 |
| Long-term debt - convertible | 64,111 | 64,111 |
| Long-term debt - convertible - secured | 9,558 | 9,558 |
| Long-term debt - convertible - unsecured | 101,162 | 101,162 |
| | 2,098,056 | 2,098,056 |
| Net assets | 12,145,993 | 12,145,993 |
| EQUITY | | |
| Equity attributable to owners of the parent | 1,467,296 | 1,467,296 |
| Minority interest | 10,566,836 | 10,566,836 |
| | 12,034,132 | 12,034,132 |
| Reserves | 111,861 | 111,861 |
| | 12,145,993 | 12,145,993 |

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MANAGEMENT DISCUSSION AND ANALYSIS

Overview

Our business is organized into three main segments: **CDMO**, **API**, and **R&D**. Each segment is supported by a robust infrastructure of manufacturing facilities and R&D centers. The CDMO segment focuses on providing contract development and manufacturing services for pharmaceutical clients. The API segment is dedicated to the production of active pharmaceutical ingredients. The R&D segment is involved in the research and development of new pharmaceutical products. Our primary markets are in North America, Europe, and Asia, where we have a strong presence and a diverse client base. We are committed to providing high-quality products and services, and we are continuously investing in research and development to stay at the forefront of the pharmaceutical industry.

The CDMO segment is a key driver of our growth, with a strong focus on providing end-to-end services to our clients. We have a proven track record of delivering high-quality products and services, and we are continuously expanding our capabilities to meet the growing demand for contract development and manufacturing services. The API segment is also a significant contributor to our revenue, with a focus on producing high-quality active pharmaceutical ingredients. We have a strong presence in the API market, and we are continuously investing in research and development to improve our manufacturing processes and product quality. The R&D segment is a critical component of our business, as it allows us to develop new pharmaceutical products and improve our existing ones. We have a strong focus on research and development, and we are continuously investing in new technologies and equipment to enhance our R&D capabilities. Our primary markets are in North America, Europe, and Asia, where we have a strong presence and a diverse client base. We are committed to providing high-quality products and services, and we are continuously investing in research and development to stay at the forefront of the pharmaceutical industry.

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1. The first part of the document discusses the importance of maintaining accurate records of all transactions and activities. It emphasizes that this is crucial for ensuring transparency and accountability in the organization's operations.

API Business

API Business is a leading provider of API services, offering a wide range of solutions for businesses of all sizes. Our services are designed to help businesses improve their efficiency, reduce costs, and increase their revenue. We have a proven track record of success, with a long history of providing high-quality services to our clients. Our team of experts is dedicated to providing the best possible service to our clients, and we are committed to staying up-to-date on the latest industry trends and technologies. Our services are available in a variety of formats, including on-premise, cloud-based, and hybrid solutions. We also offer a range of support and training services to help our clients get the most out of our solutions. Our API Business is a leading provider of API services, offering a wide range of solutions for businesses of all sizes. Our services are designed to help businesses improve their efficiency, reduce costs, and increase their revenue. We have a proven track record of success, with a long history of providing high-quality services to our clients. Our team of experts is dedicated to providing the best possible service to our clients, and we are committed to staying up-to-date on the latest industry trends and technologies. Our services are available in a variety of formats, including on-premise, cloud-based, and hybrid solutions. We also offer a range of support and training services to help our clients get the most out of our solutions.

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CDMO Business

CDMO Business (continued)

Revenue (in millions of dollars):

| Year | Revenue |
|------|---------|
| 2011 | 1,100 |
| 2012 | 1,200 |
| 2013 | 1,300 |
| 2014 | 1,400 |
| 2015 | 1,500 |
| 2016 | 1,600 |
| 2017 | 1,700 |
| 2018 | 1,800 |
| 2019 | 1,900 |
| 2020 | 2,000 |
| 2021 | 2,100 |
| 2022 | 2,200 |

Operating income (in millions of dollars):

| Year | Operating Income |
|------|------------------|
| 2011 | 150 |
| 2012 | 180 |
| 2013 | 210 |
| 2014 | 240 |
| 2015 | 270 |
| 2016 | 300 |
| 2017 | 330 |
| 2018 | 360 |
| 2019 | 390 |
| 2020 | 420 |
| 2021 | 450 |
| 2022 | 480 |

Operating margin (in %):

| Year | Operating Margin |
|------|------------------|
| 2011 | 13.6% |
| 2012 | 15.0% |
| 2013 | 16.2% |
| 2014 | 17.1% |
| 2015 | 18.0% |
| 2016 | 18.8% |
| 2017 | 19.4% |
| 2018 | 20.0% |
| 2019 | 20.5% |
| 2020 | 21.0% |
| 2021 | 21.4% |
| 2022 | 21.8% |

Operating margin (in %):

| Year | Operating Margin |
|------|------------------|
| 2011 | 13.6% |
| 2012 | 15.0% |
| 2013 | 16.2% |
| 2014 | 17.1% |
| 2015 | 18.0% |
| 2016 | 18.8% |
| 2017 | 19.4% |
| 2018 | 20.0% |
| 2019 | 20.5% |
| 2020 | 21.0% |
| 2021 | 21.4% |
| 2022 | 21.8% |

Progress of Innovative Drugs

AR-301 (Salvecin)

AR-301 (Salvecin) (continued)

Revenue (in millions of dollars):

| Year | Revenue |
|------|---------|
| 2011 | 10 |
| 2012 | 20 |
| 2013 | 30 |
| 2014 | 40 |
| 2015 | 50 |
| 2016 | 60 |
| 2017 | 70 |
| 2018 | 80 |
| 2019 | 90 |
| 2020 | 100 |
| 2021 | 110 |
| 2022 | 120 |

Operating income (in millions of dollars):

| Year | Operating Income |
|------|------------------|
| 2011 | 1 |
| 2012 | 2 |
| 2013 | 3 |
| 2014 | 4 |
| 2015 | 5 |
| 2016 | 6 |
| 2017 | 7 |
| 2018 | 8 |
| 2019 | 9 |
| 2020 | 10 |
| 2021 | 11 |
| 2022 | 12 |

Operating margin (in %):

| Year | Operating Margin |
|------|------------------|
| 2011 | 10.0% |
| 2012 | 10.0% |
| 2013 | 10.0% |
| 2014 | 10.0% |
| 2015 | 10.0% |
| 2016 | 10.0% |
| 2017 | 10.0% |
| 2018 | 10.0% |
| 2019 | 10.0% |
| 2020 | 10.0% |
| 2021 | 10.0% |
| 2022 | 10.0% |

Operating margin (in %):

| Year | Operating Margin |
|------|------------------|
| 2011 | 10.0% |
| 2012 | 10.0% |
| 2013 | 10.0% |
| 2014 | 10.0% |
| 2015 | 10.0% |
| 2016 | 10.0% |
| 2017 | 10.0% |
| 2018 | 10.0% |
| 2019 | 10.0% |
| 2020 | 10.0% |
| 2021 | 10.0% |
| 2022 | 10.0% |

(AR-301-002)

Oregovomab

(OncoQuest)-
FDA, EMA)-
%

RVX-208 (Apabetalone)

H1710

1. The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that proper record-keeping is essential for the success of any business or organization. This section also covers the various methods used to collect and analyze data, highlighting the need for consistency and reliability in the information gathered.

2. The second part of the document focuses on the challenges faced by organizations in the current market environment. It discusses the impact of economic fluctuations and the need for strategic planning to navigate these uncertainties. The text also touches upon the importance of innovation and adaptability in staying competitive.

Outlook

3. The outlook section provides a forward-looking perspective on the industry. It identifies key trends and opportunities that will shape the future of the sector. The text also discusses the role of technology in driving growth and the importance of collaboration between different stakeholders to achieve long-term success.

4. The final part of the document concludes with a summary of the main points discussed. It reiterates the importance of a proactive approach to business management and the need for continuous learning and improvement. The text ends with a call to action, encouraging readers to take the insights provided and apply them to their own organizations.

The first part of the paper discusses the importance of the data in the model. It is shown that the data is essential for the model to be able to generate realistic results. The second part of the paper discusses the importance of the model. It is shown that the model is essential for the data to be able to generate realistic results. The third part of the paper discusses the importance of the results. It is shown that the results are essential for the model to be able to generate realistic results. The fourth part of the paper discusses the importance of the conclusions. It is shown that the conclusions are essential for the model to be able to generate realistic results.

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Financial Review

Revenue

For the six months ended June 30,

| | 2022 | 2022 | 2021 | 2021 | Year-on-year |
|-------------------|------------------|---------------|------------------|---------------|---------------------------|
| | Sales amount | % of Revenue | Sales amount | % of Revenue | increase/ decrease (%) |
| | RMB'000 | | RMB'000 | | |
| | (unaudited) | | (unaudited) | | |
| Product Sales | 3,268,855 | 87.0% | 2,911,164 | 93.3% | (11.5)% |
| License fees | 1,601,941 | 42.6% | 1,111,164 | 35.7% | 44.1% |
| Other sales | 1,610,312 | 42.9% | 1,088,672 | 35.0% | 48.1% |
| Other income | 56,602 | 1.5% | 37,000 | 1.2% | 52.7% |
| Government grants | 468,180 | 12.5% | 411,164 | 13.2% | 14.1% |
| Other income | 19,300 | 0.5% | 11,164 | 0.4% | 72.1% |
| Total | 3,756,335 | 100.0% | 3,111,164 | 100.0% | 20.7% |

(1) Product Sales

(2) License fees

(3) Other sales

| | 2022 | 2021 |
|---------------------|-------------|-------------|
| Revenue | 3,750,000 | 3,750,000 |
| Cost of sales | (2,526,356) | (2,526,356) |
| Gross profit | 1,223,644 | 1,223,644 |
| Gross profit margin | 32.9% | 32.9% |
| Operating Costs | (899,000) | (899,000) |
| Gross profit | 324,644 | 324,644 |
| Gross profit margin | 8.7% | 8.7% |

Cost of sales

| | 2022 | 2021 |
|---------------------|-------------|-------------|
| Revenue | 3,750,000 | 3,750,000 |
| Cost of sales | (2,526,356) | (2,526,356) |
| Gross profit | 1,223,644 | 1,223,644 |
| Gross profit margin | 32.9% | 32.9% |

Operating Costs

Gross profit

| | For the six months ended June 30, | | | |
|-----------------|-----------------------------------|--------------|----------------|--------------|
| | 2022 | 2022 | 2021 | 2021 |
| | Gross profit | Gross profit | Gross profit | Gross profit |
| | RMB'000 | margin | RMB'000 | margin |
| | (unaudited) | (%) | (unaudited) | (%) |
| Revenue | 1,023,644 | 31.3% | 1,023,644 | 31.3% |
| Cost of sales | 545,970 | 34.1% | 545,970 | 34.1% |
| Gross profit | 479,295 | 29.8% | 479,295 | 29.8% |
| Operating Costs | (1,621) | (2.9%) | (1,621) | (2.9%) |
| Gross profit | 176,030 | 37.6% | 176,030 | 37.6% |
| Gross profit | 18,803 | 97.4% | 18,803 | 97.4% |
| Total | 1,218,477 | 32.4% | 976,907 | 31.4% |

(1) Revenue is derived from the sale of goods and services.

(2) Cost of sales includes the cost of goods sold and the cost of services provided.

Earnings per Share

... () ...

... %-

Liquidity and Financial Resources

Treas ry Policies

... () ...

Indebtedness

| | As at June 30, 2022 RMB'000 (unaudited) | B'000 (unaudited) |
|---------------------------------|--|------------------------------|
| Long-term debt | 6,962,759 | 1,041,100 |
| Short-term debt | 128,960 | 19,330 |
| Other financial liabilities | 7,091,719 | 1,060,430 |
| Less: Cash and cash equivalents | (30,287) | (4,500) |
| Less: Other assets | 7,061,432 | 1,055,930 |
| Net indebtedness | <u>6,962,759</u> | <u>1,041,100</u> |

| | As at June 30, 2022 RMB'000 (unaudited) | B'000 (unaudited) |
|------------------------|--|------------------------------|
| Bank deposits | 5,368,927 | 795,000 |
| Accounts receivable | 483,803 | 72,000 |
| Accounts payable | 630,692 | 94,000 |
| Other assets | 479,337 | 71,500 |
| Other financial assets | 6,962,759 | 1,041,100 |

As at June 30, 2022, the net indebtedness of the Company is RMB6,962,759 thousand (US\$1,041,100 thousand), of which RMB6,962,759 thousand (US\$1,041,100 thousand) is long-term debt, RMB128,960 thousand (US\$19,330 thousand) is short-term debt, RMB7,091,719 thousand (US\$1,060,430 thousand) is other financial liabilities, RMB(30,287) thousand (US\$(4,500) thousand) is cash and cash equivalents, and RMB7,061,432 thousand (US\$1,055,930 thousand) is other assets.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

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J 30, 2022

1. Corporate Information

The Group is a company incorporated in the PRC. The Group is a public company listed on the Hong Kong Stock Exchange. The Group's principal activities are the provision of information technology solutions and services. The Group is a wholly owned subsidiary of the parent company. The Group's financial statements are prepared in accordance with the accounting standards applicable in Hong Kong. The Group's financial statements are prepared in accordance with the accounting standards applicable in Hong Kong. The Group's financial statements are prepared in accordance with the accounting standards applicable in Hong Kong.

2.1 Basis of Preparation

The financial statements are prepared in accordance with the accounting standards applicable in Hong Kong. The financial statements are prepared in accordance with the accounting standards applicable in Hong Kong. The financial statements are prepared in accordance with the accounting standards applicable in Hong Kong. The financial statements are prepared in accordance with the accounting standards applicable in Hong Kong. The financial statements are prepared in accordance with the accounting standards applicable in Hong Kong.

(c) $\frac{1}{2} \frac{d}{dt} (x^2 + y^2) = x \dot{x} + y \dot{y}$

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(d) $\frac{d}{dt} (x^2 + y^2) = 2x \dot{x} + 2y \dot{y}$

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$\frac{d}{dt} (x^2 + y^2) = 2x \dot{x} + 2y \dot{y}$

3. Operating Segment Information

$\frac{d}{dt} (x^2 + y^2) = 2x \dot{x} + 2y \dot{y}$

$\frac{d}{dt} (x^2 + y^2) = 2x \dot{x} + 2y \dot{y}$

(a) $\frac{d}{dt} (x^2 + y^2) = 2x \dot{x} + 2y \dot{y}$

(b) $\frac{d}{dt} (x^2 + y^2) = 2x \dot{x} + 2y \dot{y}$

(c) $\frac{d}{dt} (x^2 + y^2) = 2x \dot{x} + 2y \dot{y}$

(d) $\frac{d}{dt} (x^2 + y^2) = 2x \dot{x} + 2y \dot{y}$

Segment revenue and results

| Segment | Finished dose pharmaceutical products | Active pharmaceutical ingredients | CDMO | Others | Total |
|--------------------|---------------------------------------|-----------------------------------|----------------|----------------|------------------|
| | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 |
| China (100%) | 1,601,941 | 1,610,312 | 468,180 | 75,902 | 3,756,335 |
| Overseas (100%) | 1,079,759 | 1,633,576 | 1,361 | 222,999 | 2,937,694 |
| | <u>2,681,700</u> | <u>3,243,888</u> | <u>469,541</u> | <u>298,901</u> | <u>6,694,029</u> |
| Total (100%) | | | | | (2,937,694) |
| | | | | | <u>3,756,335</u> |
| China (100%) | 453,645 | 576,233 | 177,455 | 51,446 | 1,258,778 |
| Overseas (100%) | | | | | (40,301) |
| | | | | | 140,353 |
| Total (100%) | | | | | (243,563) |
| | | | | | (298,078) |
| China (100%) | | | | | (9,252) |
| Overseas (100%) | | | | | (892) |
| | | | | | (123,014) |
| Total (100%) | | | | | (54,990) |
| | | | | | <u>629,041</u> |

Geographical information

()

| | For the six months ended June 30, | |
|--------------------|--|--------------------|
| | 2022 | 2021 |
| | RMB'000 | B'000 |
| | (unaudited) | (unaudited) |
| Revenue | 61,857 | 61,857 |
| Cost of sales | 675,882 | 675,882 |
| Operating expenses | 1,906,724 | 1,906,724 |
| Other income | 319,804 | 319,804 |
| Other expenses | 792,068 | 792,068 |
| | 3,756,335 | 3,756,335 |

()

| | As at June 30, | |
|-------------------------------|---------------------------|--------------------|
| | 2022 | 2021 |
| | RMB'000 | B'000 |
| | (unaudited) | (unaudited) |
| Property, plant and equipment | 2,863,063 | 2,863,063 |
| Intangible assets | 3,506,849 | 3,506,849 |
| Goodwill | 131,054 | 131,054 |
| Other non-current assets | 329,177 | 329,177 |

Information about major customers

| |
|--|
| For the six months ended June 30, 2022, the revenue from the top five customers was RMB1,000,000,000 (2021: RMB1,000,000,000), which accounted for 26.9% (2021: 26.9%) of the total revenue. |
| For the six months ended June 30, 2022, the revenue from the top five customers was RMB1,000,000,000 (2021: RMB1,000,000,000), which accounted for 26.9% (2021: 26.9%) of the total revenue. |

4. Revenue

Revenue from contracts with customers

(1) Revenue from contracts with customers

For the six months ended June 30, 2022 (unaudited)

| Segment | Finished dose pharmaceutical products RMB'000 | Active pharmaceutical ingredients RMB'000 | CDMO RMB'000 | Others RMB'000 | Total RMB'000 |
|---------------------------------------|--|--|-----------------|-------------------|------------------|
| Type of goods or services | | | | | |
| Finished dose pharmaceutical products | 1,601,941 | 1,610,312 | - | 56,602 | 3,268,855 |
| Active pharmaceutical ingredients | - | - | 468,180 | - | 468,180 |
| CDMO | - | - | - | 19,300 | 19,300 |
| | <u>1,601,941</u> | <u>1,610,312</u> | <u>468,180</u> | <u>75,902</u> | <u>3,756,335</u> |
| Timing of revenue recognition | | | | | |
| Finished dose pharmaceutical products | 1,601,941 | 1,610,312 | - | 56,602 | 3,268,855 |
| Active pharmaceutical ingredients | - | - | 107,029 | 5,837 | 112,866 |
| CDMO | - | - | 361,151 | 13,463 | 374,614 |
| | <u>1,601,941</u> | <u>1,610,312</u> | <u>468,180</u> | <u>75,902</u> | <u>3,756,335</u> |

... ()

| | B'000 | B'000 | B'000 | B'000 | B'000 |
|--|-------|-------|-------|-------|-------|
|--|-------|-------|-------|-------|-------|

Type of goods or services

| | | | | | |
|--|--|--|--|--|--|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

Timing of revenue recognition

| | | | | | |
|--|--|--|--|--|--|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

2022年6月30日止六個月，本公司並無任何可供出售金融資產。2021年6月30日止六個月，本公司亦無任何可供出售金融資產。

**For the six months
ended June 30,**
2022
RMB'000 **US\$'000**
(unaudited) **(unaudited)**

可供出售金融資產的賬面價值如下：

| | | |
|--|----------------|--|
| <input checked="" type="checkbox"/> 可供出售金融資產 | 5,407 | |
| | 259,409 | |
| | 264,816 | |

(c) 可供出售金融資產

本公司可供出售金融資產的賬面價值如下：

CD

本公司可供出售金融資產的賬面價值如下（以美元計）：

本公司可供出售金融資產的賬面價值如下：

本公司可供出售金融資產的賬面價值如下：

**As at
June 30,
2022**
RMB'000 **US\$'000**
(unaudited) **(unaudited)**

| | | |
|--|------------------|--|
| | 1,020,314 | |
|--|------------------|--|

本公司可供出售金融資產的賬面價值如下：

5. Other Income and Gains

| | For the six months ended June 30, | |
|---|-----------------------------------|---------------------|
| | 2022 | 2021 |
| | RMB'000 | B'000 |
| | (unaudited) | (unaudited) |
| Other income | | |
| Interest income | 29,000 | 1,717 |
| Dividend income | 1,036 | 1,212 |
| Income from financial assets at fair value through profit or loss | 13,358 | 1,212 |
| Income from investment properties | 4,843 | 1,212 |
| Income from other sources | - | 1,212 |
| | <u>48,237</u> | <u>7,165</u> |
| Other gains | | |
| Gain on disposal of subsidiaries | 102,886 | (1,212) |
| Gain on disposal of investment properties | 2,255 | 1,212 |
| Gain on disposal of financial assets at fair value through profit or loss | (12,155) | 1,212 |
| Gain on disposal of other assets | (2,194) | (1,212) |
| Gain on disposal of other financial assets | (62) | 1,212 |
| Gain on disposal of other sources | - | 1,212 |
| | <u>1,386</u> | <u>1,212</u> |
| | <u>92,116</u> | <u>(1,212)</u> |
| | <u><u>140,353</u></u> | <u><u>4,953</u></u> |

☒ The above table represents the consolidated financial statements of the Group. The amounts are in RMB'000 unless otherwise specified.

☒ The above table represents the consolidated financial statements of the Group. The amounts are in RMB'000 unless otherwise specified.

6. Finance Costs

For the six months ended June 30, 2022

For the six months ended June 30,

2022
RMB'000
(unaudited)

2021
B'000
(unaudited)

Interest expense on bank borrowings

68,995

71,100

Interest expense on other borrowings

40,433

41,100

Interest expense on financial assets

1,902

1,900

Other finance costs

11,684

11,684

123,014

125,784

7. Profit before Tax

| | For the six months ended June 30, | |
|---|--|--------------------|
| | 2022 | 2021 |
| | RMB'000 | B'000 |
| | (unaudited) | (unaudited) |
| Revenue | 2,224,286 | 1,771,177 |
| Cost of sales | (313,572) | (241,100) |
| Gross profit | 1,910,714 | 1,530,077 |
| Selling expenses | (107,863) | (107,863) |
| Administrative expenses | (19,045) | (19,045) |
| Finance expenses | (25,559) | (25,559) |
| Government grants | 79,104 | 79,104 |
| Other income | 4,987 | 4,987 |
| Profit before income tax | 320,423 | 320,423 |
| Income tax expense | (57,449) | (57,449) |
| Profit after income tax | 262,974 | 262,974 |
| Other comprehensive income | 3,189 | 3,189 |
| Profit for the period | (29,000) | (29,000) |
| Other comprehensive loss | 123,014 | 123,014 |
| Change in fair value of financial assets | (4,843) | (4,843) |
| Change in fair value of financial liabilities | - | - |
| Change in fair value of investment properties | (102,886) | (102,886) |
| Change in fair value of equity investments | (2,255) | (2,255) |
| Change in fair value of other financial assets | 2,194 | 2,194 |
| Change in fair value of other financial liabilities | 12,155 | 12,155 |
| Change in fair value of other financial liabilities | (47) | (47) |
| Change in fair value of other financial assets | - | - |
| Change in fair value of other financial liabilities | 9,252 | 9,252 |
| Change in fair value of other financial assets | 3,793 | 3,793 |

Other comprehensive loss for the period represents the change in fair value of financial assets and liabilities, and the change in fair value of investment properties.

8. Income Tax Expense

| | For the six months ended June 30, | |
|-----------------------------|--|------------------------|
| | 2022 | 2021 |
| | <i>RMB'000</i> | <i>B'000</i> |
| | (unaudited) | (unaudited) |
| Income tax expense | 36,810 | (11,111) |
| Deferred income tax expense | 57,684 | (1,211) |
| Income tax expense | 9,141 | (12,322) |
| Income tax expense | 7,667 | (1,111) |
| | <u>111,302</u> | <u>(25,755)</u> |
| Income tax expense | 12,387 | (1,111) |
| Deferred income tax expense | (5,421) | (1,111) |
| Income tax expense | 369 | (1,111) |
| | <u>7,335</u> | <u>(3,333)</u> |
| | <u><u>118,637</u></u> | <u><u>(29,088)</u></u> |

9. Dividends

| | For the six months ended June 30, | |
|-----------|--|--------------------|
| | 2022 | 2021 |
| | <i>RMB'000</i> | <i>B'000</i> |
| | (unaudited) | (unaudited) |
| Dividends | 51,355 | (11,111) |

For the six months ended June 30, 2022, the Company's income tax expense was RMB36,810,000 (unaudited), compared with RMB11,111,000 (unaudited) for the same period in 2021. The increase was primarily due to the increase in the Company's taxable income.

For the six months ended June 30, 2022, the Company's income tax expense was RMB7,667,000 (unaudited), compared with RMB1,111,000 (unaudited) for the same period in 2021. The increase was primarily due to the increase in the Company's taxable income.

10. Earnings per Share Attributable to Ordinary Equity Holders of the Parent

For the six months ended June 30, 2022, the Company's earnings per share attributable to ordinary equity holders of the parent is calculated as follows:

| | | |
|--|---|--------------------|
| | For the six months ended June 30, 2022 | |
| | <i>RMB'000</i> | <i>B'000</i> |
| | (unaudited) | (unaudited) |
| Profit attributable to ordinary equity holders of the parent | 511,140 | 74,245 |
| | <u>511,140</u> | <u>74,245</u> |

| | | |
|--|---|----------------------|
| | For the six months ended June 30, 2022 | |
| | (unaudited) | (unaudited) |
| Weighted average number of ordinary shares outstanding | 1,467,296,204 | 1,467,296,204 |
| | <u>1,467,296,204</u> | <u>1,467,296,204</u> |

11. Trade and Bills Receivables

| | | |
|------------------------------------|--------------------------------|--------------------|
| | As at June 30, 2022 | |
| | <i>RMB'000</i> | <i>B'000</i> |
| | (unaudited) | (unaudited) |
| Trade receivables | 1,865,656 | 279,757 |
| Bills receivable | 12,937 | 1,937 |
| Less: provision for doubtful debts | (94,403) | (13,331) |
| | <u>1,784,190</u> | <u>268,363</u> |

12. Trade Payables

| | | |
|------------------|-------------|---------|
| | As at | |
| | June 30, | |
| | 2022 | |
| | RMB'000 | B'000 |
| | (unaudited) | (1,151) |
| Accounts payable | 554,266 | 1,151 |

Accounts payable are primarily due within 90 days. The carrying amount of accounts payable is denominated in the functional currency of the entities.

| | | |
|---|-------------|-----------|
| | As at | |
| | June 30, | |
| | 2022 | |
| | RMB'000 | B'000 |
| | (unaudited) | (1,151) |
| Accounts receivable | 551,662 | 1,151 |
| Accounts receivable - related parties | 1,457 | 1,457 |
| Accounts receivable - non-related parties | 287 | 1,457 |
| Accounts receivable - government entities | 860 | 860 |
| | 554,266 | 1,467,296 |

Accounts receivable are primarily due within 90 days. The carrying amount of accounts receivable is denominated in the functional currency of the entities.

13. Share Capital

| | | |
|--------------|-------------|-----------|
| | As at | |
| | June 30, | |
| | 2022 | |
| | RMB'000 | B'000 |
| | (unaudited) | (1,151) |
| Common stock | 1,467,296 | 1,467,296 |

Use of Proceeds from the H Share Listing of the Company

Listing Date, Prospectus, %

Use of proceeds

| Use of proceeds (RMB million) | Net proceeds from Global Offering | Utilised as at June 30, 2022 | Remaining amount | Expected time of use |
|----------------------------------|---|---------------------------------|---------------------|-------------------------|
| 11 | 1,234 | 1,234 | 0 | Completed |
| 12 | 1,234 | 1,234 | 0 | Completed |
| 13 | 1,234 | 1,234 | 0 | Completed |
| 14 | 1,234 | 1,234 | 0 | Completed |
| 15 | 1,234 | 1,234 | 0 | Completed |
| 16 | 1,234 | 1,234 | 0 | Completed |
| 17 | 1,234 | 1,234 | 0 | Completed |
| 18 | 1,234 | 1,234 | 0 | Completed |
| 19 | 1,234 | 1,234 | 0 | Completed |
| 20 | 1,234 | 1,234 | 0 | Completed |
| 21 | 1,234 | 1,234 | 0 | Completed |
| 22 | 1,234 | 1,234 | 0 | Completed |
| 23 | 1,234 | 1,234 | 0 | Completed |
| 24 | 1,234 | 1,234 | 0 | Completed |
| 25 | 1,234 | 1,234 | 0 | Completed |
| 26 | 1,234 | 1,234 | 0 | Completed |
| 27 | 1,234 | 1,234 | 0 | Completed |
| 28 | 1,234 | 1,234 | 0 | Completed |
| 29 | 1,234 | 1,234 | 0 | Completed |
| 30 | 1,234 | 1,234 | 0 | Completed |
| 31 | 1,234 | 1,234 | 0 | Completed |
| 32 | 1,234 | 1,234 | 0 | Completed |
| 33 | 1,234 | 1,234 | 0 | Completed |
| 34 | 1,234 | 1,234 | 0 | Completed |
| 35 | 1,234 | 1,234 | 0 | Completed |
| 36 | 1,234 | 1,234 | 0 | Completed |
| 37 | 1,234 | 1,234 | 0 | Completed |
| 38 | 1,234 | 1,234 | 0 | Completed |
| 39 | 1,234 | 1,234 | 0 | Completed |
| 40 | 1,234 | 1,234 | 0 | Completed |
| 41 | 1,234 | 1,234 | 0 | Completed |
| 42 | 1,234 | 1,234 | 0 | Completed |
| 43 | 1,234 | 1,234 | 0 | Completed |
| 44 | 1,234 | 1,234 | 0 | Completed |
| 45 | 1,234 | 1,234 | 0 | Completed |
| 46 | 1,234 | 1,234 | 0 | Completed |
| 47 | 1,234 | 1,234 | 0 | Completed |
| 48 | 1,234 | 1,234 | 0 | Completed |
| 49 | 1,234 | 1,234 | 0 | Completed |
| 50 | 1,234 | 1,234 | 0 | Completed |
| 51 | 1,234 | 1,234 | 0 | Completed |
| 52 | 1,234 | 1,234 | 0 | Completed |
| 53 | 1,234 | 1,234 | 0 | Completed |
| 54 | 1,234 | 1,234 | 0 | Completed |
| 55 | 1,234 | 1,234 | 0 | Completed |
| 56 | 1,234 | 1,234 | 0 | Completed |
| 57 | 1,234 | 1,234 | 0 | Completed |
| 58 | 1,234 | 1,234 | 0 | Completed |
| 59 | 1,234 | 1,234 | 0 | Completed |
| 60 | 1,234 | 1,234 | 0 | Completed |
| 61 | 1,234 | 1,234 | 0 | Completed |
| 62 | 1,234 | 1,234 | 0 | Completed |
| 63 | 1,234 | 1,234 | 0 | Completed |
| 64 | 1,234 | 1,234 | 0 | Completed |
| 65 | 1,234 | 1,234 | 0 | Completed |
| 66 | 1,234 | 1,234 | 0 | Completed |
| 67 | 1,234 | 1,234 | 0 | Completed |
| 68 | 1,234 | 1,234 | 0 | Completed |
| 69 | 1,234 | 1,234 | 0 | Completed |
| 70 | 1,234 | 1,234 | 0 | Completed |
| 71 | 1,234 | 1,234 | 0 | Completed |
| 72 | 1,234 | 1,234 | 0 | Completed |
| 73 | 1,234 | 1,234 | 0 | Completed |
| 74 | 1,234 | 1,234 | 0 | Completed |
| 75 | 1,234 | 1,234 | 0 | Completed |
| 76 | 1,234 | 1,234 | 0 | Completed |
| 77 | 1,234 | 1,234 | 0 | Completed |
| 78 | 1,234 | 1,234 | 0 | Completed |
| 79 | 1,234 | 1,234 | 0 | Completed |
| 80 | 1,234 | 1,234 | 0 | Completed |
| 81 | 1,234 | 1,234 | 0 | Completed |
| 82 | 1,234 | 1,234 | 0 | Completed |
| 83 | 1,234 | 1,234 | 0 | Completed |
| 84 | 1,234 | 1,234 | 0 | Completed |
| 85 | 1,234 | 1,234 | 0 | Completed |
| 86 | 1,234 | 1,234 | 0 | Completed |
| 87 | 1,234 | 1,234 | 0 | Completed |
| 88 | 1,234 | 1,234 | 0 | Completed |
| 89 | 1,234 | 1,234 | 0 | Completed |
| 90 | 1,234 | 1,234 | 0 | Completed |
| 91 | 1,234 | 1,234 | 0 | Completed |
| 92 | 1,234 | 1,234 | 0 | Completed |
| 93 | 1,234 | 1,234 | 0 | Completed |
| 94 | 1,234 | 1,234 | 0 | Completed |
| 95 | 1,234 | 1,234 | 0 | Completed |
| 96 | 1,234 | 1,234 | 0 | Completed |
| 97 | 1,234 | 1,234 | 0 | Completed |
| 98 | 1,234 | 1,234 | 0 | Completed |
| 99 | 1,234 | 1,234 | 0 | Completed |
| 100 | 1,234 | 1,234 | 0 | Completed |

Significant Investments

During the reporting period, the Company has not made any significant investments. The Company's investments are primarily in the form of equity investments in its subsidiaries and associates.

Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

The Company has not made any material acquisitions or disposals of subsidiaries, associates or joint ventures during the reporting period.

Events after the Reporting Period

There are no events after the reporting period that have a material effect on the financial statements of the Company.

Employee and Remuneration Policy

The Company's remuneration policy is designed to attract, retain and motivate key employees. The policy is based on performance and is subject to the approval of the Board of Directors. The remuneration of key employees is disclosed in the remuneration report. The Company's remuneration policy is consistent with the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (SEBI) Listing Regulations, 2015.

Purchase, Sale or Redemption of Listed Securities

The Company has not purchased, sold or redeemed any listed securities during the reporting period.

Compliance with Corporate Governance Code

The Company is committed to high standards of corporate governance and is in compliance with the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (SEBI) Listing Regulations, 2015. The Company has adopted the Corporate Governance Code prescribed by SEBI. The Company's compliance with the Corporate Governance Code is disclosed in the Corporate Governance Report.

The Company's Corporate Governance Report is available on the Company's website. The Company's Corporate Governance Report is also available in the form of a CD to all the shareholders of the Company. The Company's Corporate Governance Report is also available in the form of a CD to all the shareholders of the Company.

Compliance with the Model Code for Securities Transactions by Directors of Listed Issuers

... (Model Code) ...

Review of Interim Results by the Audit Committee

... (Audit Committee) ...

...

Interim Dividends

...

Publication of Interim Results Announcement and Interim Report 2022

...

