Our Vision

We strive to be a leading enterprise in the global pharmaceutical and healthcare markets.

Our Mission

Better health for families worldwide.

Contents

Corporate Information

Directors

Executive Director

Mr. Wu Yifang (吳以芳)
(Chairman and President)

Non-executive Directors

Mr. Chen Qiyu (陳啟宇)
Mr. Yao Fang (姚方)
Mr. Xu Xiaoliang (徐曉亮)
Mr. Gong Ping (龔平)
Mr. Pan Donghui (潘東輝)
Mr. Zhang Houlin (張厚林)

Independent Non-executive Directors

Mr. Li Ling (李玲)
Mr. Tang Guiliang (湯谷良)
Mr. Wang Quandi (王全弟)[1]
Mr. Yu Tze Shan Hailson (余梓山)[1]
Mr. Jiang Xian (江憲)[2]
Dr. Wong Tin Yau Kelvin (黃天祐)[2]

Supervisors

Mr. Ren Qian (任倩) *(Chairman)*
Mr. Cao Genxing (曹根興)
Mr. Guan Yimin (管一民)

Joint Company Secretaries

Mr. Dong Xiaoxian (董曉嫻)
Mr. Kam Mei Ha Wendy (甘美霞)

Authorized Representatives

Mr. Wu Yifang (吳以芳)
Mr. Kam Mei Ha Wendy (甘美霞)

Strategic Committee

Mr. Chen Qiyu (陳啟宇) *(Chairman)*
Mr. Wu Yifang (吳以芳)
Mr. Yao Fang (姚方)
Mr. Xu Xiaoliang (徐曉亮)
Mr. Li Ling (李玲)

Audit Committee

Mr. Tang Guiliang (湯谷良) *(Chairman)*
Mr. Wang Quandi (王全弟)[1]
Mr. Gong Ping (龔平)
Mr. Jiang Xian (江憲)[2]

Nomination Committee

Mr. Wang Quandi (王全弟)[1] *(Chairman)*
Mr. Li Ling (李玲)
Mr. Pan Donghui (潘東輝)
Mr. Jiang Xian (江憲)[2]

Remuneration and Appraisal Committee

Mr. Yu Tze Shan Hailson (余梓山)[1] *(Chairman)*
Mr. Tang Guiliang (湯谷良)
Mr. Wang Quandi (王全弟)[1]
Mr. Chen Qiyu (陳啟宇)
Mr. Pan Donghui (潘東輝)
Mr. Jiang Xian (江憲)[2]
Dr. Wong Tin Yau Kelvin (黃天祐)[2]

Environmental, Social and Governance Committee

Mr. Yu Tze Shan Hailson (余梓山)[1] *(Chairman)*
Mr. Li Ling (李玲)
Mr. Wu Yifang (吳以芳)
Dr. Wong Tin Yau Kelvin (黃天祐)[2]

Registered Office

9th Floor, No. 510 Caoyang Road
Putuo District
Shanghai, 200063, China

Principal Place of Business in the PRC

Building A
No. 1289 Yishan Road
Shanghai, 200233, China

[1] Appointed on 11 June 2021
[2] Retired on 11 June 2021

Principal Place of Business in Hong Kong

Le el 54, H e ell Cen e
183 Q' een'. R ad Ea
H ng K ng

Legal Advisers in Hong Kong

Reed Smi h Richa d B' le

Legal Advisers in the PRC

G andall La Fi m (Shanghai)

Auditors

E n & Y ' ng

Principal Banks

The E -Im Bank f China
China De el men Bank
The Ind' . ial and C mme cial Bank f China
Bank f China
China Me chan . Bank
HSBC

Company Name

Shanghai F . ' n Pha mace' ical (G ') C ., L d.*

Stock Abbreviation

FOSUN PHARMA

Share Listing

A Sha e: Shanghai S ck E change
S ck C de: 600196
H Sha e: The S ck E change f H ng K ng Limi ed
S ck C de: 02196

A Share Registrar and Transfer Office in the PRC

China Sec' i ie De . i & Clea ing C a i n Limi ed (CSDCC) Shanghai B anch
188 S ' h Yangga R ad
P' d ng Di ic
Shanghai, China

H Share Registrar and Transfer Office in Hong Kong

T ic In e Se ice Limi ed
Le el 54, H e ell Cen e
183 Q' een'. R ad Ea
H ng K ng

Company's Website

h :// .f . ' n ha ma.c m

Financial Highligh .

	For the six months ended 30 June	
	2021	2020
	RMB million	RMB milli n
Operating results		
Re en e	**16,878**	13,965
G .. fi	**8,767**	7,749
O e a ing fi	**1,343**	1,292
P fi bef e a	**3,304**	2,302
P fi f he e i d a ib able ne . f he a en	**2,482**	1,715
EBITDA	**4,670**	3,566
Profitability		
G .. ma gin	**51.94%**	55.49%
O e a ing fi ma gin	**7.96%**	9.25%
Ne fi ma gin	**16.32%**	13.67%
Earnings per share (RMB Y an)		
Ea ning e . ha e ba ic	**0.97**	0.67
Ea ning e . ha e di ed	**0.97**	0.67
Of which: Pharmaceutical manufacturing segment		
Re en e	**12,179**	9,952
G .. fi	**7,072**	6,198
Segmen e l.	**1,353**	1,116
Segmen fi f he e i d	**1,257**	1,115

	30 June	31 Decembe
	2021	2020
	RMB million	RMB milli n
Assets		
T al a . e .	**88,422**	83,629
E i a ib able ne . f he a en	**37,804**	36,939
T al liabili ie	**41,383**	37,702
Ca h and bank balance	**10,489**	9,962
Deb - -a . e a i	**46.80%**	45.08%

FINANCIAL REVIEW

D ing he Re ing Pe i d, he na di ed in e im e l . and he . mma f ba ic financial e l . e a ed b he G in acc dance i h HKFRS a e a f ll . :

D ing he Re ing Pe i d, he e en e f he G am n ed RMB16,878 milli n, e e en ing a e i d- n- e i d inc ea e f 20.86%.

D ing he Re ing Pe i d, he G ec ded he fi f he e i d a ib able ne . f he a en am n ed RMB2,482 milli n, e e en ing a e i d- n- e i d inc ea e f 44.77%. Ne ca h fl f m e a ing ac i ie am n ed RMB1,707 milli n, e e en ing a e i d- n- e i d inc ea e f 16.79%. The al R&D e endi e am n ed RMB1,954 milli n, e e en ing a e i d- n- e i d inc ea e f 15.69%. In a i la , he R&D e en e am n ed RMB1,562 milli n, e e en ing a e i d- n- e i d inc ea e f RMB358 milli n 29.73%. The inc ea e in fi a ib able ne . f he a en a mainl d e he f ll ing ea n : (1) e en e . ained g h and d c . c e c n in ed be imi ed in he fi . half f he ea ; ne d c . , . ch a Han Q Y (a mab injec i n), S Ke Xin (a a mb ag malea e able .) and Han Li Kang (i imab injec i n), e e la nched in he ma ke i h inc ea ing . ale an i ie . , he e en e f Gland Pha ma ec ded a . ignifican e i d- n- e i d inc ea e, and Sin ha m, an a . cia e, ec ded a . ignifican e i d- n- e i d g h in e f mance; (2) he fai al e f financial a . e . . ch a Bi NTech held d ing he Re ing Pe i d inc ea ed.

D ing he Re ing Pe i d, ea ning e . ha e f he G inc ea ed b 44.78% RMB0.97 a c m a ed he c e nding e i d f 2020.

REVENUE

D ing he Re ing Pe i d, he e en e f he G am n ed RMB16,878 milli n, e e en ing a e i d- n- e i d inc ea e f 20.86%. The G ec ded e en e f m Chine e Mainland in he am n f RMB11,680 milli n. Re en e f an e i alen f RMB5,198 milli n a ec ded f m he c n ie egi n . The i n f he G ' . e en e f m he c n ie egi n a 30.80%.

D ing he Re ing Pe i d, he ha mace ical man fac ing . egmen f he G gene a ed e en e f RMB12,179 milli n, e e en ing a e i d- n- e i d inc ea e f 22.38%. The . egmen e l . am n ed RMB1,353 milli n, e e en ing a e i d- n- e i d inc ea e f 21.24%. The . egmen fi am n ed RMB1,257 milli n (e cl ding he gain f m change in he fai al e f he . ha e f Bi NTech), hich inc ea ed b 12.74% e i d- n- e i d.

COST OF SALES

D ing he Re ing Pe i d, c . f . ale f he G inc ea ed b 30.49% RMB8,111 milli n f m RMB6,216 milli n f he c e nding e i d f 2020.

GROSS PROFIT

Ba ed n he ab e ea n , d ing he Re ing Pe i d, he g . . fi f he G inc ea ed b 13.14% RMB8,767 milli n f m RMB7,749 milli n f he c e nding e i d f 2020. The g . . ma gin f he G f he Re ing Pe i d and he c e nding e i d f 2020 e e 51.94% and 55.49%, e ec i el .

Management
Di. o. . i n and Anal . i.

SELLING AND DISTRIBUTION EXPENSES

D ing he Re ing Pe i d, . elling and di. ib i n e en. e f he G inc ea. ed b 10.84% RMB4,357 milli n f m RMB3,931 milli n f he c e nding e i d f 2020.

R&D EXPENSES AND R&D EXPENDITURE

D ing he Re ing Pe i d, he G c n in ed inc ea. e R&D e endi e. The al R&D e endi e am n ed RMB1,954 milli n, e e. en ing a e i d- n- e i d inc ea. e f 15.69%. In a io la , he R&D e en. e am n ed RMB1,562 milli n, e e. en ing a e i d- n- e i d inc ea. e f RMB358 milli n 29.73%. D ing he Re ing Pe i d, he R&D e endi e in he ha mace ical man fac ing . egmen am n ed RMB1,777 milli n, e e. en ing a e i d- n- e i d inc ea. e f RMB236 milli n 15.31%, acc n ing f 14.51% f he e. en e f m he ha mace ical man fac ing . egmen . In a io la , R&D e en. e am n ed RMB1,385 milli n, e e. en ing a e i d- n- e i d inc ea. e f RMB326 milli n 30.78%, acc n ing f 11.31% f he e. en e f m, he ha mace ical man fac ing . egmen , hich a mainl d e he inc ea. e in R&D e endi e in bi ha mace ical d g , . mall m lec la inn a i. e d g and im ed inn a i. e d g , and he inc ea. e in in. e men in inn a i n ino ba i n la f m d ing he Re ing Pe i d.

SHARE OF PROFITS OF ASSOCIATES

D ing he Re ing Pe i d, he . ha. e f fi. f a. cia. e f he G inc ea. ed b 32.47% RMB926 milli n f m RMB699 milli n f he c e nding e i d f 2020.

PROFIT FOR THE PERIOD

D e he ab e ea n , d ing he Re ing Pe i d, he fi f he e i d f he G inc ea. ed b 44.19% RMB2,754 milli n f m RMB1,910 milli n f he c e nding e i d f 2020. The ne fi ma gin f he e i d f he G d ing he Re ing Pe i d and he c e nding e i d f 2020 e e 16.32% and 13.67%, e ec i el .

PROFIT FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE PARENT

D ing he Re ing Pe i d, he fi f he e i d a ib able ne. f he a en f he G am n ed RMB2,482 milli n, e e. en ing an inc ea. e f 44.77% a c m a ed RMB1,715 milli n f he c e nding e i d f 2020. The inc ea. e in fi a ib able ne. f he a en a mainl d e he f ll ing ea n : (1) e en e. ained g h and d c . c e c n in ed be imi ed in he fi. half f he ea ; ne d c . , ch a Han Q Y (a mab injec i n), S Ke Xin (a a mb ag malea e able .) and Han Li Kang (i imab injec i n), e e la nched in he ma ke i h inc ea ing . ale an ie , he e en e f Gland Pha ma ec ded a . ignifican e i d- n- e i d inc ea. e, and Sin ha m, an a . cia. e, ec ded a . ignifican e i d- n- e i d g h in e f mance; (2) he fai a e f financial a . e . ch a Bi NTech held d ing he Re ing Pe i d inc ea. ed.

DEBT STRUCTURE, LIQUIDITY AND SOURCES OF FUNDS

Total Debts

A a 30 J ne 2021, al deb . f he G inc ea ed RMB25,213 milli n f m RMB23,743 milli n a a 31 Decembe 2020 mainl d e ne b ing d ing he Re ing Pe i d. A a 30 J ne 2021, mid- -l ng- e m deb . f he G acc n ed f 36.57% f i . al deb . , e e en ing a dec ea e f 1.77 e cen age in . a c m a ed 38.34% a a 31 Decembe 2020. D ing he Re ing Pe i d, he i n f mid- -l ng- e m deb . dec ea ed mainl beca . e f he i . ance f . e . h - e m c mme cial a e . . A a 30 J ne 2021, ca h and bank balance i ed b 5.29% RMB10,489 milli n f m RMB9,962 milli n a a 31 Decembe 2020.

A a 30 J ne 2021, he e i alen am n f RMB7,642 milli n (31 Decembe 2020: RMB7,981 milli n) f he al deb . f he G a den mina ed in f eign c encie , and he emainde a den mina ed in RMB.

A a 30 J ne 2021, ca h and bank balance f he G den mina ed in f eign c encie am n ed RMB3,220 milli n (31 Decembe 2020: RMB4,748 milli n).

Uni : milli n C enc : RMB

Cash and cash equivalents denominated in:	30 June 2021	31 Decembe 2020
RMB	**7,269**	5,214
US d lla .	**164**	2,194
Rn ee	**2,564**	2,305
HK d lla .	**72**	41
O he .	**420**	208
T al	**10,489**	9,962

Gearing Ratio

A a 30 J ne 2021, he gea ing a i , calc la ed a al in e e -bea ing bank and he b ing and lea e liabili ie e al a . e . , a 28.51%, a c m a ed 28.39% a a 31 Decembe 2020.

Interest Rate

A a 30 J ne 2021, al in e e -bea ing bank and he b ing a a fl a ing in e e a e am n ed RMB10,638 milli n (31 Decembe 2020: RMB11,039 milli n).

Maturity Structure of Outstanding Debts

Unit: million Currency: RMB

	30 June 2021	31 December 2020
Within 1 year	**15,992**	14,640
1 2 years	**2,847**	7,801
2 5 years	**4,564**	548
Over 5 years	**1,810**	754
Total	**25,213**	23,743

Available Facilities

As at 30 June 2021, besides cash and bank balances of RMB10,489 million, the Group had unutilized banking facilities of RMB34,357 million in aggregate. The Group has also entered into certain agreements with major banks. According to such agreements, the banks granted the Group general banking facilities without specific collateral requirements. The utilization of such bank facilities are subject to the approval of individual projects from the banks in accordance with banking regulations. As at 30 June 2021, all available banking facilities under the agreements were RMB50,198 million in aggregate, of which RMB15,841 million had been utilized.

Collateral and Pledged Assets

As at 30 June 2021, the Group had placed the following assets as collateral for bank borrowings: buildings, land and equipments amounting to RMB459 million (31 December 2020: RMB188 million), prepaid land lease payments amounting to RMB565 million (31 December 2020: RMB529 million), debt investments at fair value through the comprehensive income amounting to RMB63 million, trade receivables amounting to RMB4 million (31 December 2020: RMB4 million) and the receivables amounting to RMB6 million (31 December 2020: RMB5 million).

As at 30 June 2021, debt investments at fair value through the comprehensive income amounting to RMB1 million (31 December 2020: Nil) were pledged as bank acceptance drafts.

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

Cash Flow

The ca h f he G i mainl . ed f mee ing ca i al e i emen . , e a ing in e e and inci al f deb . d e, a ing f cha e and ca i al e endi e , and f nding g h and e an i n f facili ie and b . ine . e f he G . The able bel . h . he ca h fl f he G gene a ed f m (. ed in) e a ing ac i i ie , in e ing ac i i ie and financing ac i i ie f he Re ing Pe i d and he c e nding e i d f 2020.

Uni : milli n C enc : RMB

	January – June 2021	Jan a J ne 2020
Ne ca h fl . f m e a ing ac i i ie	**1,707**	1,461
Ne ca h fl . . ed in in e ing ac i i ie	**(2,450)**	(2,379)
Ne ca h fl . f m financing ac i i ie	**770**	827
Ne dec ea e in ca h and ca h e i alen .	**27**	(91)
Ca h and ca h e i alen . a he beginning f he ea	**7,325**	8,284
Ca h and ca h e i alen . a he end f he e i d	**7,248**	8,177

Capital Commitments and Capital Expenditures

D ing he Re ing Pe i d, ca i al e endi e f he G am n ed RMB2,041 milli n, hich mainl c n i ed f addi i n e , lan and e i men , he in angible a . e . and e aid land lea e a men . e c . i e f am n . d e

RISK MANAGEMENT

Foreign Currency Exposure

The G ha an ac i nal c enc e . e . S ch e . e a i e f m . ale cha e b e a ing ni . and in e ing and financing ac i i ie b in e men h lding ni . in c encie he han he ni . ' f nc i nal c encie .

Interest Rate Exposure

I i he G ' . a eg . e deb . i h fi ed and fl a ing in e e a e manage i . in e e c . . . The G ' . e . e he i k f change in ma ke in e e a e ela e ima il he G ' . deb bliga i n i h fl a ing in e e a e .

BUSINESS REVIEW

1. Discussion and Analysis on Operations

In 2021, de j e he fac ha e i ing d c . e e nde e . e f ice ed c i n f m cen ali ed emen f ha mace ical d c . , he G adhe ed he im lemen a i n f he 4IN . a eg and achie ed . ead de el men in he e all b . ine . e f mance. (1) Inn a i n and an f ma i n, a ell a he de el men , la nching and im lemen a i n f inn a i e d c and echn l gie e e c n in . l m ed. In a i la , Yi Kai Da f F . n Ki e, a j in en e, a a ed f la nch in China d ing he Re ing Pe i d, bec ming he fi . CAR-T cell he a d c a ed f d me ic la nch. I . . ec nd indica i n a al inc ded in he D g Li f he P ced e f B eak h gh The a De igna i n b he NMPA in A g . 2021; C mi na (mRNA COVID-19 accine) a inc ded in he g e nmen accina i n g am in H ng K ng and Maca in he fi . half f he ea . (2) The in eg a i n f e ea ch and de el men (R&D), . l chain, d c i n and c mme ciali a i n . . em and he b . ine . c llab a i n be een . egmen . e e e edi ed, . a im e e a i nal ali and e a ing efficienc . D ing he Re ing Pe i d, he ini ial in eg a i n f he diagn . i b . ine . and he medical c . me ic b . ine . a c m le ed i h b . ine de el men . h ing a . i i e m men m. (3) The in e na i nal e a i n ca abili a f he im ed, i h e en e f m egi n . ide Chine e Mainland and he c n ie acc n ing f 30.80% f he al e en e d ing he Re ing Pe i d.

D ing he Re ing Pe i d, he e en e f he G am n ed RMB16,878 milli n, e e en ing a e i d- n- e i d inc ea e f 20.86%. P fi a ib able ne . f he a en am n ed RMB2,482 milli n, e e en ing a e i d- n- e i d inc ea e f 44.77%. Ne ca h fl f m e a ing ac i i ie am n ed RMB1,707 milli n, e e en ing a e i d- n- e i d inc ea e f 16.79%. The al R&D e endi e am n ed RMB1,954 milli n, e e en ing a e i d- n- e i d inc ea e f 15.69%. In a i la , he R&D e en e am n ed RMB1,562 milli n, e e en ing a e i d- n- e i d inc ea e f RMB358 milli n 29.73%. The inc ea e in fi a ib able ne . f he a en a mainl d e he f ll ing ea n : (1) e en e . . ained g h and d c . c e c n in ed be imi ed in he fi . half f he ea : ne d c . , . ch a Han Q Y (a mab injec i n), S Ke Xin (a a mb ag malea e able .) and Han Li Kang (i imab injec i n), e e la nched in he ma ke i h inc ea ing . ale an i ie , he e en e f Gland Pha ma ec ded a . ignifican e i d- n- e i d inc ea e, and Sin ha m , an a . cia e, ec ded a . ignifican e i d- n- e i d g h in e f mance; (2) he fai al e f financial a . e . . ch a Bi NTech held d ing he Re ing Pe i d inc ea ed.

D ing he Re ing Pe i d, he e en e. c e a a f ll . :

Uni : milli n G enc : RMB

	Revenue Jan – Jun 2021		Re en e Jan n 2020		Pe i d- n- e i d
	Amount	Percentage of revenue (%)	Am n	Pe cen age f e en e (%)	inc ea e/ dec ea e (%)
By business segment					
Pha mace ical man fac ing	**12,179**	**72.16**	9,952	71.26	22.38
Medical de ice and medical diagn . i ( )	**2,832**	**16.78**	2,639	18.90	7.31
Heal hca e. e ice	**1,843**	**10.92**	1,359	9.73	35.61
By geographical locations					
Chine e Mainland	**11,680**	**69.20**	9,894	70.85	18.05
Regi n ide Chine e Mainland and he c n ie	**5,198**	**30.80**	4,071	29.15	27.68

The ag eemen en e ed in be een he G and he a. cia e In ii e F . n (i.e. In ii e F . n Shanghai and In ii e F . n HK) in ela i n he an fe f di ib i n igh f Da Vinci . gical b ic. . em in Chine e Mainland, H ng K ng and Maca e ied a he end f 2020. Since 2021, he e en e f m. ch b. ine. ha been an fe ed In ii e F . n. E c ding he effec. f he change in. ch b. ine., he e en e f m he medical de ice and medical diagn . i . egmen inc ea ed b 14.29% n he. ame ba i .

Segment Performance Overview

Pe f mance . mma

D ing he Re ing Pe i d, he ha mace ical man fac ing . egmen f he G gene a ed e en e f RMB12,179 milli n, e e en ing a e i d- n- e i d inc ea e f 22.38%. The . egmen e l. am n ed RMB1,353 milli n, e e en ing a e i d- n- e i d inc ea e f 21.24%. The . egmen fi am n ed RMB1,257 milli n (e c ding he gain f m change in he fai al e f he. ha e f Bi NTech), hich inc ea ed b 12.74% e i d- n- e i d. D ing he Re ing Pe i d, he R&D e endi e in he ha mace ical man fac ing . egmen f he G am n ed RMB1,777 milli n, e e en ing a e i d- n- e i d inc ea e f 15.31%. T al R&D e endi e in he ha mace ical man fac ing . egmen acc n ed f 14.51% f he e en e f he ha mace ical man fac ing . egmen . In a i la , R&D e en e am n ed RMB1,385 milli n, e e en ing a e i d- n- e i d inc ea e f RMB326 milli n 30.78%, acc n ing f 11.31% f he e en e f m he ha mace ical man fac ing . egmen .

Management
Di. o. . i n and Anal . i.

D ing he Re ing Pe i d, i h Y Li T ng (feb . a able.), Bang Zhi (i a a in calci m able.) and he e i ing d g being inc a ed in cen ali ed o emen , he ha mace ical man fac ing. egmen faced e. e f ed ced. ale ice , ne e hele. , i . . ained g h in e en e and c n in ed imi e o c . c e in he fi half f he ea . The inc ea e a mainl a ib able : (1) he c n ib i n f m he la nch and inc ea ing. ale an i ie f ne o c. : Han Li Kang (i imab injec i n) achie ed. b. an ial. ale g h, i h o m la i e e en e am n ing RMB724 milli n f he fi. half f he ea , e e en ing a e i d- n- e i d inc ea e f 223.21%; Han Q Y (a . . mab injec i n) and S Ke Xin (a a mb ag malea e able.), hich e e la nched in he. ec nd half f 2020, ec ded e en e f RMB325 milli n and RMB206 milli n in he fi. half f he ea , e ec i el ; (2) benefi ed f m he c n ib i n f m Micafi ngin, en a a in. di m injec i n and ne o c la nch, e en e f Gland Pha ma o ing he Re ing Pe i d inc ea ed b 32.08% e i d- n- e i d (n e: ba ed n he financial. a emen. f Gland Pha ma . ing i. e en a i n o enc); (3) C mi na (mRNA COVID-19 accine), hich a inc ded in he g e nmen

6 The e en e f m maj d c . f API and in e media e d c . ec ded a e i d- n- e i d inc ea e f 27.65%, mainl d e he . ale g h f amin acid . e ie .

7 Maj d c . f an i- m and imm ne m d la i n c m i e: Han Li Kang (i imab injec i n), Han Q Y (a mab injec i n), S Ke Xin (a a mb ag malea e able .), Di Kai Mei (afenib . la e able .), Han Da Y an (Adalim mab), Ke Sheng (Xih ang ca . le), Zha H i Xian (bical amide), Kai Lai Zhi (e ina ine h d chl ide ca . le), ndan e n, Yi L Ze (eme e ed di d m f injec i n), acli a el and ali la in.

Maj d c . f me ab li m and alimen a . . em c m i e: Y Li T ng (feb . a able .), A m lan injec i n (gl a hi ne f injec i n), A m lan able . (gl a hi ne able .), animal in lin and i . e a a i n . Yi Ba (ec mbinan h man e h ie in f injec i n (CHO cell)), Ke Yi (c m nd al e ca . le), Fan Ke Jia (hi c ic acid injec i n), Wan S Ping (glime i ide able .), Li Qing (alfacalcid l able .) and a . i m chl ide g an le .

Maj d c . f an i-infec i n c m i e: C mi na (mRNA COVID-19 accine), an imala ial . e ie . ch a a e na e, Xi Chang/Bi Li Sh (cefme a le . di m f injec i n), abie accine (VERO cell) f h man . e (n n-f e e d ied), Mei Shi Ling (cefmin . di m f injec i n), Sha D Li Ka (a . i m . di m deh d and g a h lide . ccina e f injec i n), Qiang Sh Xi Lin/Qin Sh /E Ye Qin (i e acillin . di m and . lbac am . di m f injec i n), da m cin, ca f ngin, anc m cin, Micaf ngin, an i be c l . i . e ie , He P Ding (lami dine able), Pai Sh Xi Lin (i e acillin . di m and a bac am . di m f injec i n), Ka Di (f cl acillin . di m f injec i n), E Ye Bi (cef ime . di m f injec i n), Si Ke Ni (a i h m cin ca . le) and clindam cin h d chl ide ca . le .

Maj d c . f cen al ne . . . . em c m i e: Qi Wei (e ia ine f ma a e able .), Qi Cheng (e ci al am able .), Chang T Ning (eneh clidine h d chl ide injec i n) and A De Jin (de ein ed calf bl d injec i n).

Maj d c . f ca di a la . . em c m i e: he a in . e ie , e a a i n , Bang Zhi (i a a a in calci m able .), Bang Tan (Telmi a an able .), Ke Y an (calci m d be ila e ca . le), Xin Xian An (megl mine aden . ine c cl h . ha e f injec i n), Y Di E (al . adil d ied em l i n f injec i n), Ya Ni An/Shi Li Da (aml di ine be la e able .) and inda amide able . .

Maj d c . f API and in e media e d c . c m i e: amin acid . e ie , ane amic acid, le ami le h d chl ide and clindam cin h d chl ide.

* The da a f m Jan a ne 2020 e e e a ed acc ding he ba i f Jan a ne 2021, ha i , he da a f m Jan a ne 2020 incl ded . ale e en e f ne maj d c . . ch a Micaf ngin, d ing he Re ing Pe i d.

R&D inn a i n

The G g aded and e abli hed he gl bal R&D cen e a he beginning f 2020 c dina e jec managemen a ell a he in e nal and e e nal e ce , i i e he m i n f . a egic d c . . eng hen gl bal clinical and egi a i n ca abili ie , and im e R&D efficienc . A he . ame ime, le e aging he e ce f i . gl bal . ine . de el men (BD) eam, he G had acce . he leading d c . and echn l g la f m in he ind . f c mme ciali a i n. Th gh inde enden R&D, c e a i e de el men , licen e in d c i n and in-de h ind ba i n, he G ha b il and f med . mall m lec le inn a i e d g , an ib d d g and cell he a echn l g la f m. cen e ing n m and imm ne m d la i n, f h e . (h e en i n, h e li idemia, h e gl cemia and h e icemia) and hei c m lica i n , cen al ne . . . . em and he maj he a e ic a ea , and ac i el e l ed c ing-edge echn l g . ch a RNA, nc l ic i . e , gene he a and P ac, enhance i . inn a i n ca abili ie . A a he end f he Re ing Pe i d, he e e e nea l 2,600 R&D e . nnel, f hich a ima el 1,400 e . n b ained a ma e ' deg ee ab e, e e en ing a ima el 7.45% f he al n mbe f em l ee in he G ; i had 240 maj i eline inn a i e d g , gene ic d g , bi . imila . and c n i enc e al a i n iem f gene ic d g (f de ail , lea e efe Table 1 Maj i eline d g jec .). D ing he Re ing Pe i d, a al f 80 a en . had been a lied f in he ha mace ical man fac ing . egmen f he G , incl ding 10 U.S. a en a lica i n , 20 PCT a lica i n , i h 35 licen ed in en i n a en . b ained.

Im an e en .

In ne 2021, Yi Kai Da f F . n Ki e, a j in en e, became he fi . CAR-T cell he a dc a ed f la nch in China. I i mainl . ed f he ea men f ad l a ien . i h ela . ed ef ac la ge B-cell l m h ma af e m e line f. . emic he a . Yi Kai Da i a cell he a dc f F . n Ki e hich i a h i ed ca he dc '. I cali ed dc i n in China f ll ing he echn l g an fe f Ye ca a, a CAR-T cell he a dc , f m Ki e Pha ma.

The 1- ea f ll e l. f Ye ca a'. ZUMA-1 . d . h ha he be e all e n e a e (ORR) a 82%, and he c m le e e n e a e (CR) eached 54%; he 2- ea f ll (median f ll 27.1 m n h) e l. . h ha he bjec i e e n e a e (ORR), c m le e e n e a e (CR) and . . ained e n e a e (SR) e e 83%, 58% and 39%, e ec i el ; he 4- ea. f ll (median f ll 51.1 m n h) e l. . h ha he median e all . i al e i d a 25.8 m n h , and he 4- ea e all . i al a e eached 44%. Al , . ince he la nch f Ye ca a in 2017, he da a f m e han 4,600 a ien . in he eal ld a e highl . imila clinical e ea ch da a. In e ec f Yi Kai Da, F . n Ki e ha c m le ed a m l i-cen e b idging clinical ial in China, he da a f hich . h . ha he be e all e n e a e (ORR) eached 79.2%. The da a f Yi Kai Da, Ye ca a and hei eal ld . die a e highl . imila in e m f. afe and effec i ene . , . h ing he . ignifican im emen f he e n e a e and e all . i al e i d f a ien . .

Yi Kai Da i a d . mi ed d g. In de c n l he ali f d g and en e he acc ac and . eed f man fac ing and deli e , F . n Ki e ha e abli hed f he de el men f Yi Kai Da a ig . dc iden ifica i n chain and chain f d . . em c e ing he h le ea men c . e f m a he e i ein f . j n, en e ha he d g ill n be c nf . ed and a e aceable. In e m f c mme ciali-a i n e a a i n, F . n Ki e ha e abli hed and fficiall in e a i n a 10,000- a e-me e GMP ind . ial-ed dc i n ba e in he Shanghai Zhangjiang Inn a i e D g Ind . ial Ba e. Acc ding CAR-T ea men cen e '. . ceening . anda d , he cen e ide aining f i. medical . aff n . ing CAR-T dc . in medical, clinical, and e a i n ced e . Af e a . ing he a di b he ali de a men f F . n Ki e and a hi d- a ali gani-a i n, he ea men - ela ed ac i i ie f CAR-T dc . ill begin and d namic m ni ing ill be c nd c ed. G en l , i ha ece ed ce ifica i n f m a la ge n mbe f high-le el h . ial- ide ea men cen e in China, in he f e, i ill e and m e ea men cen e . ha mee he e i emen . acc ding he ea men need .

A he fi e . nali-ed cell he a dc la nched in he d me ic ma ke , Yi Kai Da b ing he . . ibili f c n in . emi . i n f l m h ma a ien . af e he . ec nd- line ea men . A he . ame ime, F . n Ki e i ac i el e anding he indica i n , c n in . l imi ing c . . , e l ing di e . ified a men me h d. incl ding c mme cial in ance, and inc ea ing he dc acce . ibili benefi m e a ien . .

-1

D ing he Re ing Pe j d, he COVID-19 accine BNT162b2 de el ed ba ed n an mRNA echn l g la f m and f hich he G i a h i ed ca e cl . i e de el men and c mme ciali-a i n in Chine e Mainland, H ng K ng, Maca and Tai an, b ained he a al f eme genc . e f m he g e nmen f H ng K ng and he . ecial im a h i-a i n f m he g e nmen f Maca , and a in . e in he g e nmen accina i n g am f H ng K ng and Maca . A a 20 A g . 2021, a al f a ima el 4.314 milli n d . e and 0.087 milli n d . e f he accine had been admini e ed in H ng K ng and Maca , e ec i el . In addi i n, in J l 2021, he G al en e ed in . ale ag eemen . f a al f 15 milli n d . e f mRNA COVID-19 accine i h TSMC, F c nn, Y ngling F nda i n and Ti Chi F nda i n. The e accine ill be d na ed b he B e . he di ea e c n l a h i in he Tai an egi n f China f l cal accina i n. The i i n f high- ali accine Tai an c m a i . . eng hen andemic e en i n and c n l ha hel ed he Tai an egi n e abli h a COVID-19 imm ne ba ie .

Mean hile, ha e II clinical ial f mRNA COVID-19 accine BNT162b2 in Chine e Mainland (e cl ding H ng K ng, Maca and Tai an) and he k e e al g e. ing in an de l manne .

Be ide , in de f he im lemen he l cali ed d c i n f mRNA COVID-19 accine, in Ma 2021, F . n Pha mace ical Ind . ial, a . b idia f he C m an , and Bi NTech eached an ag eemen f he f ma i n f a j in en e. Acc ding he ag eemen , each f F . n Pha mace ical Ind . ial and Bi NTech . ed . b c ibe f 50% f he egi e ed ca i al f he j in en e, in a ic la : F . n Pha mace ical Ind . ial . ed make ca i al c n ib i n in ca h and/ in angible in angible a . e . (c m i ing lan . and man fac ing facili ie), and Bi NTech . ed make ca i al c n ib i n in in angible a . e . incl ding licen ing f he ele an man fac ing echn l g and kn -h . A a he da e f hi e , he ela ed ma e . f he f ma i n f he j in en e a e . bjec f he neg ia i n and en e ing in final ag eemen b b h a ie , and he e m nde . ch final ag eemen . hall e ail.

Table 1 — Major pipeline drug projects

Type	Number	Remarks
Inn a i ed g	72	/
Incl ding: Small m lec la inn a i ed g nde inde enden de el men	30	F de ail f he maj i em nde clinical . d and a lica i n f . ale , lea e efe Table 2.
Bi ha mace ical inn a i ed g nde inde enden de el men	29	F de ail f he maj i em nde clinical . d and a lica i n f . ale , lea e efe Table 3. C m i ing 1 i em nde a lica i n f . ale and 6 i em nde ha e III clinical ial.
Licen e-in inn a i e d g	13	F de ail , lea e efe Table 4. C m i ing 1 i em nde a lica i n f . ale .
Bi . imila . nde inde enden de el men	18	F de ail , lea e efe Table 5. C m i ing 5 i em nde a lica i n f . ale and 3 i em nde ha e III clinical ial.
Gene ic d g	103	/
Incl ding: Im ed gene ic d g	20	/
C n i enc e al a i n i em	38	/
O he .	9	/
S b- al	240	/

1 Thi able d e n incl de he i eline d g jec . f Gland Pha ma.

2 Thi able d e n incl de Yi Kai Da (奕凯達) (eji n ai injec i n) f he j in en e F . n Ki e. The d c ha been a ed f la nch b he NMPA f he ea men f ad l a ien . i h ela . ed and ef ac la ge B-cell l m h ma.

Table 2 — Small molecular innovative drugs under independent development

No.	Therapeutic area	Drug name/code	Indications	R&D progress in China as at the end of the Reporting Period	R&D progress in other countries as at the end of the Reporting Period
1	Anti-tumor	SAF-189	Non-small cell lung cancer	Phase II clinical trial	Approved for clinical trial (in the U.S.)
2		FN-1501	Advanced hepatocellular carcinoma	Approved for clinical trial	
3		FN-1501	Leukemia and solid tumor	Phase I clinical trial	Phase I clinical trial (in the U.S. and Australia)
4		FCN-159	Malignant melanoma	Phase I clinical trial	
5		FCN-159	Neurofibromatosis type 1	Phase I clinical trial	Approved for clinical trial (in the U.S.)
6		ORIN1001	Solid tumor	Phase I clinical trial	Phase I clinical trial (in the U.S.)
7		FCN-647	Related refractory malignant B-cell lymphoma	Phase I clinical trial	
8		FCN-011	Solid tumor	Phase I clinical trial	
9		FCN-338	Hematological malignancies	Phase I clinical trial	Approved for clinical trial (in the U.S.)
10		FCN-437c	Breast cancer	Phase II clinical trial	Phase I clinical trial (in the U.S.)
11		FCN-098	Advanced malignant tumor	Approved for clinical trial	
12		YP01001	Advanced solid tumor	Approved for clinical trial	
13		HLX-208	Solid tumor	Phase I clinical trial	
14	Metabolism and alimentary system	Wanagliflozin in Table.	Diabetes	Phase I clinical trial	
15		FCN-207	Hereditary icemia	Phase I clinical trial	
16	Others	ORIN103	Idiopathic pulmonary fibrosis		Phase I clinical trial (in the U.S.)
17		ET-26	Anemia	Phase I clinical trial	

Table 3 — Biopharmaceutical innovative drugs under independent development

No.	Therapeutic area	Drug name/code	Indications	R&D progress in China as at the end of the Reporting Period	R&D progress in other countries as at the end of the Reporting Period
1	An i- m	Rec mbinan An i-EGFR H mani ed M n cl nal An ib d Injec i n (HLX07)	S lid m	Pha e Ib/II clinical ial (1)	A ed f clinical ial (in he U.S.)
2		Rec mbinan An i-PD-1 H mani ed M n cl nal An ib d Injec i n (HLX10) (incl ding c mbina i n he a ie and chem he a)	Mic a elli e in abili -high lid m (MSI-H)	Ne D g A lica i n (2)	A ed f clinical ial (in he U.S.)
3			L call ad anced me a ic e hageal am cell ca cin ma (ESCC)	Pha e III clinical ial	
4			S am n n- mall cell ng cance (NSCLC)	Pha e III clinical ial	Pha e III clinical ial (in T ke and he .)
5			E en i e- age mall cell ng cance (ES-SCLC)	Pha e III clinical ial	Pha e III clinical ial (in T ke and he .)
6			GC ne adj an /adj an	Pha e III clinical ial	
7			Rec en me a a ic head and neck am cell ca cin ma (HNSCC)	Pha e II clinical ial	
8			N n- am n n- mall cell ng cance (n NSCLC)	Pha e III clinical ial	
9			He a cell la ca cin ma (HCC)	Pha e II clinical ial	
10			Me a a ic c l ec al cance (mCRC)	Pha e II/III clinical ial	
11		Rec mbinan An i-PD-L1 F ll H man M n cl nal An ib d Injec i n (HLX20)	S lid m	A ed f clinical ial	Pha e I clinical ial (in A alia)
12		HLX22 M n cl nal An ib d Injec i n	Ga ic cance (GC) and b ea cance (BC)	Pha e I clinical ial	
13		HLX55 M n cl nal An ib d Injec i n	S lid m	Pha e I clinical ial	
14		Rec mbinan HER2 H mani ed M n cl nal An ib d M n me h l A i a in F C ling Agen Injec i n	HER2- i i e ad anced b ea cance and/ ad anced malignan lid m	Pha e I clinical ial	
15		Rec mbinan An i-LAG-3 H man M n cl nal An ib d Injec i n	S lid m and l m h ma	A ed f clinical ial	
16		Rec mbinan An i-CD73 F ll H mani ed M n cl nal An ib d Injec i n	Ad anced lid m		A ed f clinical ial (in he U.S.)
17	An i-infec i n	An i-S1 F ll H man M n cl nal Ne ali ing An ib d (HLX70)	COVID-19		A ed f clinical ial (in he U.S.)
18		ACE2-Fc Rece F i n P ein (HLX71)	COVID-19		Pha e I clinical ial (in he U.S.)
19	Bl d em	Rec mbinan H man E h ie in-H fc F i n P ein Injec i n	Anemia	Pha e I clinical ial	
20	E e di ea e	Rec mbinan An i-VEGF H mani ed M n cl nal An ib d Injec i n	We age- ela ed mac la degene a i n (AMD)	A ed f clinical ial	A ed f clinical ial (in A alia, he U.S. and he .)

1 A he age f ha e Ib/II clinical ial f ch d g in Chine e Mainland. The ha e Ia clinical ial ca ied in Tai an, China a c m le ed.

2 A he age f ha e I clinical ial f lid m indica i n in Tai an, China; ha e II clinical ial f ch d g n n e ec able me a a ic mic a elli e in abili -high mi ma ch e ai deficien lid m ha ha e failed anda d he a ie a in ge in Chine e Mainland and ha eached ima end in .

Table 4 — License-in innovative drugs

No.	Therapeutic area	Drug name/code	Indications	R&D progress in China as at the end of the Reporting Period
1	Metabolism and alimentary system	Tenapanor Tablets	Irritable bowel syndrome with constipation (IBS-C)	Phase I clinical trial
2		Ferric Pyrophosphate Citrate Solution	Intradialytic parenteral dialysis patients	Phase III clinical trial
3	Anti-tumor	Balixafortide	Breast cancer	Approved for clinical trial
4		SHR-A1811 Injection	Malignant glioblastoma	Permitted for clinical trial application
5	Anti-infection	mRNA Vaccine BNT162b2	Prevention of COVID-19	Phase II clinical trial
6		PA-824	For the treatment of pulmonary extensively drug-resistant tuberculosis (XDR-TB) and pulmonary drug-resistant tuberculosis (MDR-TB) who cannot take effective treatment/experience treatment failure	Phase I clinical trial
7	Central nervous system	Oxcarbazepine Tablets	Parkinson disease	New Drug Application
8	Blood system	Avatrombopag Maleate Tablets	Chronic immune thrombocytopenia (ITP)	Phase III clinical trial
9		Tenapanor Tablets	Hyperphosphatemia in end-stage renal disease patients undergoing dialysis (ESRD-HD)	Phase III clinical trial
10	Others	Bemelanotide Injection	Improved female sexual desire disorder (HSDD)	Phase I clinical trial
11		Facin Spray (Lidocaine Pilocaine Spray)	Premature ejaculation	Approved for clinical trial
12		RT002	Moderate to severe glabellar lines in adults (GL)	Phase III clinical trial
13			Cervical dystonia (CD)	Phase III clinical trial

Table 5 — Biosimilars under independent development

No.	Therapeutic area	Drug name/code	Indications	R&D progress in China as at the end of the Reporting Period
1	Anti-tumor	Recombinant Anti-VEGF Humanized Monoclonal Antibody Injection (HLX04)	Metastatic colorectal cancer (mCRC) and non-small cell lung cancer (NSCLC)	New Drug Application
2		Recombinant Anti-EGFR Human/Murine Chimeric Monoclonal Antibody Injection (HLX05)	Metastatic colorectal cancer (mCRC) and metastatic head and neck squamous cell carcinoma (HNSCC)	Approved for clinical trial
3		Recombinant Anti-HER2 Domain II Humanized Monoclonal Antibody Injection (HLX11)	Breast cancer (BC)	Phase I clinical trial
4		Recombinant Anti-VEGFR2 Domain II-III Fully Human Monoclonal Antibody Injection (HLX12)	Gastric cancer (GC), metastatic non-small cell lung cancer (NSCLC) and metastatic colorectal cancer (mCRC)	Phase I clinical trial
5		Recombinant Anti-CTLA-4 Fully Human Monoclonal Antibody Injection (HLX13)	Melanoma, renal cell carcinoma (RCC) and metastatic colorectal cancer (mCRC)	Approved for clinical trial
6		Recombinant Anti-RANKL Human Monoclonal Antibody Injection (HLX14)	Osteoporosis (OP)	Phase I clinical trial
7		Recombinant Anti-CD38 Human Monoclonal Antibody Injection (HLX15)	Multiple myeloma (MM)	Approved for clinical trial
8	Metabolism and alimentary system	Insulin Glargine Injection	Diabetes	New Drug Application
9		Recombinant Human Insulin Injection	Diabetes	Supplemental application
10		Recombinant Insulin Lispro Injection	Diabetes	New Drug Application
11		Mixed Polyamine Zinc Recombinant Insulin Lispro Injection (50R)	Diabetes	Phase III clinical trial
12		Liraglutide Injection	Diabetes	Phase III clinical trial
13	Blood system	Recombinant Human Erythropoietin Injection (CHO Cell)	Anemia of renal disease	Phase III clinical trial
14		Recombinant Human Erythropoietin Injection (CHO Cell)	Anemia of cancer	Supplemental application

The G c n in ed m e he egi. a i n f. ale f d g (dc.) (incl ding im egi. a i n, and a al f e. ea . ale), he c n. i enc e, al a i n f gene ic d g , and ac i el a ici a ed in cen ali-ed and b lk cha e f d g . D ing he Re ing Pe i d, he CAR-T cell he a dc Yi Kai Da (奕凯達) f he j in en e F . n Ki e a a ed f la nch in Chine e Mainland, and a al f 11 gene ic d g f Gland Pha ma ecei ed a al f m he U.S. FDA f la nch (f de ail , lea e efe he Table 6 Maj d g a ed f la nch d ing he Re ing Pe i d). In addi n, a a he end f he Re ing Pe i d, a lica i n e e made in e ec f 4 dc. (led nic acid c ncen a ed. V i n, de a- ane f inje i n,4- led nic acid inje i n and ndan. e n h d chl ide inje i n) f Gland Pha ma f im ed d g egi. a i n and Im D g Licen. e (IDL).

Table 6 — Major drugs approved for launch during the Reporting Period

No.	Name of drugs	Classification of registration	Indications	Remarks
1	Yi Kai Da (Eji n. ai inje i n)(1)	Cla. 1 he a e ic bi l gical dc	Rela . ed ef ac la ge B-cell l m h ma af e m e line f. . emic he a (/ DLBCL)	The fi. CAR-T dc a ed f la nch in China
2	A eme he - mefan ine Di e. ible Table.	WHO PQ	Mala ia	
3	Em aglifl in Table. and he 9 dc.	Cla. 4 chemical d g		D ing he Re ing Pe j d, a al f 10 gene ic d g f he G ecei ed a al f m he NMPA f la nch.
4	T b am cin Inje i n and he 10 dc.	US 505(j)(2)		D ing he Re ing Pe j d, a al f 11 gene ic d g f Gland Pha ma ecei ed a al f m he U.S. FDA f la nch.

1: P dc f F . n Ki e, a j in en e;

2: Acc ding he US egi a i n cla. ifica i n, 505(j) e e en. gene ic d g .

A a he end f he Re ing Pe i d, a al f 19 dc. f he G ha ha e a. ed deemed ha e a. ed he c n. i enc e, al a i n f gene ic d g ha e been . elec ed in fi e ba che f cen ali-ed d g emen bidding (, ee A endi 7 Selec ed dc. f cen ali-ed emen f de ail), am ng hich, e i ing dc. feb . a able. and i a a ain calci m able. al a ici a ed in he hi d ba ch f cen ali-ed emen in 2020. F he e i ing dc. incl ded in cen ali-ed emen , he G le e aged he ad an age f m l i-channel ma ke ing and efined dc j n . eng hen he life c cle managemen f cen ali-ed emen dc. hile. ac ificing ice f me, and ac i el m ed inc emen al dc. ickl en e he ma ke h gh cen ali-ed emen and effec i el . m h he im ac f e i ing dc. a ici a ing in cen ali-ed emen .

Table 7 — Products won tenders for centralized procurement

No.	Round selected	Name of drugs	Indications	Specifications	Packaging specification (able /ca . le)	Selected price (RMB/b)	Selected quantity ('0,000 able. / ca . le)
1	4+7. c e e an i n	Aml di ine Be la e Table.	High bl d e. e	5mg	7	0.49	25,137
2		E ci al am O ala e Table.	De e. i n di de	10mg	7	27.86	1,600
3	The. ec nd nd	A i h m cin Ca . le	Infec i n	0.25g	6	6.36	2,575
4		Clindam cin H d chl ide Ca . le	Infec i n ca . ed b . . ce ible. ain . ch a . e c cci,. a h l c cci and anae bic bac e ia	0.1g	10	1.4	465
5		Inda amide Table.	E. en ial h e en i n	0.25mg	10	0.69	5,386
6		l nia id Table.	T be d l . i	0.1g	100	5.02	4,261
7	The hi d nd	Feb . a Table.	L ng- e m ea men f g ai en. i h h e icemia	40mg	16	16.48	4,667
8		Q e ia ine F ma a e Table.	Manic e i de f. chi- h enia and bi la di de	0.1g	30	33.96	12,500
9		Pi a a a in Calci m Table.	H e ch le e lemia and familial h e ch le e lemia	2mg	14	10.80	2,217
10		E hamb l H d chl ide Table.	T be d l . i	0.25g	50	6.03	6,372
11		Meman ine H d chl ide Table.	M de a e . e e e A heime '. demen ia	10mg	14	15.26	446
12	The f h nd	Telmi a an Table.	E. en ial h e en i n	40mg	32	19.17	9,600
13		Em aglifl in Table.	T e 2 diabe e	10mg	10	19.51	96
14		Calci m D be ila e Ca . le	1. Re in a h ca . ed b diabe e ; 2. hea , b ain, and kidne di ea e ca . ed b mic ci la in di de. . ch a gl me l . cle . i ; 3. ed c i n f he ic . i fbl d; 4. e en i n f mic emb li; 5. n mbne. . , ain and i chine. . f limb; 6. . nd me . ch a aic . i	0.5g	30	20.40	7,366.9
15		S afenib T . la e Table.	In e able di an me a a i f he a cell la ca cin ma	0.2g	30	798.00	157
16		D l e ine H d chl ide En e ic Ca . le	Gene al ed an ie di de and de e. i n	20mg	60	58.80	2,108
17		P a inamide Table.	T be d l . i	0.25g	100	19.49	5,984
18	The fif h nd	Alfacalcid l Table.	1. Im e he. m m f a ien. i h ch nic enal in fficienc , h a a h idi m, ia min D- e i an icke. and . e malacia, d e abn mal ia min D me ab li m, . ch a h calcemia, c n lin , . ealgia and b ne damage. 2. O e . i.	0.25 g	30	36.90	9,300
19		Bica amide	1. 50mg e da : F he ea men f ad anced . a e cance ge he i h ein ing h m ne- ele a ing h m ne (LHRH) anal g e . gical chiec m . 2. 150mg e da : F he ea men f a ien. i h l call ad anced . a e cance , i h di an me a a i h, a en . iable n illing ece e. gical ca a in he medical ea men . .	50mg	14	162.73	350

Management
Di. c. . i n and Anal . i.

C mme cial a i n. , em

The G c n in . l enhanced he c n. c i n and in eg a i n f i. ma ke ing . . em and ha e abli hed a ma ke ing . . em b d c . line ma ch e i ing d c . and d c . be ma ke ed hile adhe ing he . a egic di ec i n f fe . i nal, b anding and digi al de el men . A a he end f he Re ing Pe i d, he G .

In addition, by virtue of the in-depth cooperation and linkage with Sinopharm, the Group has also fully utilized Sinopharm's strength in distribution network and logistics and reached all levels of markets in China.

Production and Quality

With a focus on improving the cost competitiveness of its products, the Group strengthened operational efficiency and implemented the internationalization strategy. By streamlining its competitive internal production capacity and enhancing supply chain management, the Group sped up the construction of competitive production bases, and advanced strategic integration on the production end. In China, the Group strengthened the construction of supply chain systems used in its systems. The development and construction of three API bases in Changde, Xinyi and Changshou entered the supply of APIs for existing preparations and the development of innovative drugs. Meanwhile, the Group deepened the CMO management of its products and established a production management committee, so as to facilitate the realization of a production lines of its products. The Group expedited the construction of comprehensive production bases in Xuzhou (Wanbang Pharma) and Chongqing (Yao Pharma). In particular, the production capacity of freeze-dried powder for injection and oral preparations of Chongqing base has reached a sizeable scale. The Group continued to accelerate the construction of Songjiang base of Shanghai Henlius, so as to develop an advantage of large-scale production as soon as possible. The commercial production capacity of Shanghai Henlius' Xuhui base has reached 20,000 liters, and the base also received GMP certification from the EU; with a planned production capacity of 24,000 liters, Phase I of Songjiang base is expected to put into operation in 2022; Phase II of Songjiang base is under accelerated construction, and is expected to have a production capacity of 36,000 liters after completion of construction. In the overseas markets, despite the impact of the COVID-19, the new built freeze-dried line and the new production line of Gland Pharma had entered equipment commissioning and verification stages, laying a foundation for the increase in production capacity.

In addition, the Group continued to optimize production processes and procedures, introduced continuous flow and other production technologies, and facilitated the implementation of smart manufacturing systems including LIMS (Laboratory Information Management System) and SCADA (Supervisory Control and Data Acquisition) for the enhanced production efficiency and cost advantages.

The Group continued to advance and implement Fosun Pharma Operation Excellence (FOPEX). Through analysis and study of each production stage, the Group used optimization measures and formulated comprehensive quality risk management procedures to ensure the identification and handling of quality risks. The FOPEX system was further upgraded.

The Group placed great emphasis on quality and risk management throughout the life cycle of its products, and adhered to implementing the quality policies of respect life, prioritize the quality, endeavor to do better and pursue excellence—improve the quality risk awareness and quality management capabilities of all employees and fulfilled its duties for quality as the first priority, and coordinated domestic and foreign resources to continuously improve the establishment of an internationalized quality system. Meanwhile, the Group continuously keeps up with the pace of domestic and foreign production quality regulations, and is equipped with a professional quality system audit team to conduct internal quality auditing on the subsidiaries under the pharmaceutical manufacturing segment in accordance with cGMP.

Furthermore, the Group urged its subsidiaries to establish a quality system that meets domestic and international requirements through different means such as system research, special inspection, themed training etc., and continued to carry out internal quality training and corporate quality culture promotion to improve the quality risk awareness and quality management capabilities of all employees. During the Reporting Period, all production lines of the domestic pharmaceutical members of the Group obtained domestic GMP certifications, and received over 20 official inspections as well as official sample tests on over 300 batches, all of which were passed smoothly.

Management
Di. o. . i n and Anal . i.

D ing he Re ing Pe i d, he G ec ded e en e f RMB2,832 milli n f m he medical de ice and medical diagn . i . egmen , e e en ing a e i d- n- e i d inc ea e f 7.31%; . egmen e l. am n ed RMB434 milli n, hich dec ea ed b 14.90% e i d- n- e i d; . egmen fi am n ed RMB454 milli n, hich inc ea ed b 4.61% e i d- n- e i d. The ag eemen en e ed in be een he G and he a. cia e In i i e F . n in ela i n he an fe f di ib i n igh . f Da Vinci . gical b ic . . em in Chine e Mainland, H ng K ng and Maca e ied a he end f 2020. Since 2021, he e en e f m . ch b . ine . ha been an fe ed In i i e F . n. E ct ding he effec f he change in . ch b . ine . , he e en e f m he medical de ice and medical diagn . i . egmen inc ea ed b 14.29% n he . ame ba i , . egmen e l. inc ea ed b 24.36% n he . ame ba i , and . egmen fi inc ea ed b 34.72% n he . ame ba i . The inc ea e in e en e and ne fi f he . egmen n he . ame ba i a mainl a ib able he . ng b . ine . g h f Si am Medical in he maj ma ke . N h Ame ica and China, a ell a he . ignifican g h in he in alla i n l me and . gical l me f Da Vinci . gical b ic . . em f he a . cia e In i i e F . n. In he fi . half f 2021, 42 Da Vinci . gical b ic . . em e e in alled, an inc ea e f 12 a c m a ed he c e nding e i d f la ea .

The G '. medical de ice b . ine . ha ini iall f med h ee maj b . ine . di i i n i h medical c . me l g , e i a heal h and fe . i nal medical ca e a he c e. In he field f medical c . me l g , d ing he Re ing Pe i d, he e en e f Si am Medical am n ed US$125 milli n and ne fi am n ed US$17 milli n (n e: ba ed n he financial . a emen . f Si am Medical in i . e ing o enc), b h ec ding . ignifican e i d- n- e i d g h, he d i ing fac f hich a he . ng b . ine . g h in c e egi n . ch a N h Ame ica and China. The a id b . ine . ec e and g h e e benefi ed f m he la f m'. d namic managemen and c n l nde he andemic, m l i-dimen i nal d c f li . and channel e an i n and . ne g . D ing he Re ing Pe i d, hile ac i el

D ing he Re ing Pe i d, he diagn . i . egmen he G ac j el m ed . a egic g ading and in e nal in eg a i n. Acc ding he b . ine . f o . and cha ac e i ic f he . b idia ie nde he diagn . i . egmen , he G . ecified he . i i ning and f nc i n f each f he e . b idia ie a R&D and man fac ing cen e , diffe en ia ed in men R&D la f m, in ec i n . e ice b . ine . la f m and eagen man fac ing ba e. A a he end f he Re ing Pe i d, cen e ing n . i maj he a e ic a ea (m , infec i n, dige i n and me ab li m, e d c i n, ce eb -ca di a o la and cen al ne . . . em), he medical diagn . i b . ine . f he G ha f med a c . . - me h d l gical d c f li a ell a a ma i R&D hinking ha e and diffe en di ea e field nde he . ame me h d l g . In e i ing d c line , gene ic e ing eagen . f HPV and Thala . emia co ied a leading . i i n in he ma ke ; he bi chemical d c line de l men a c m le e and he eagen ali enj ed a high ma ke e a i n. In addi i n, he G c ea ed a n mbe f . ecial d c . , ch a he M Ca e . e je (m ni ing ki . f d g c ncen a i n in bl d), NG-Te CARBA 5 (ca ba enema e e ki .), I-SPOT TB (M c bac e m be d l . i . ecific cell la imm ne e n e e ki .), f ll a ma ic fl e cen d g . en i i e . . em e c. Mean hile, he G ac i el m ed he R&D and ma ke la nch f i . ne d c . . D ing he Re ing Pe i d, ne d c . . ch a F-i3000 f ll a ma ed chemil mine cence in men , F-C800 f ll a ma ed bi chemical anal e and mic bial ma . . ec me e (ASTA) e e la nched . cce . i el . The d c i eline incl ded diagn . ic d c . i h high clinical a e . ch a Gl c e HCC Panel (ea l li e cance diagn . i and . c eening . i n) and V li i n (b el cance ea l . c eening and gn . ic e ing . i n).

Af e he COVID-19 andemic, nline c n l a i n and nline d g cha e ha e bec me a ne end in e iden . ' nline medical ca e. D ing he Re ing Pe i d, he G m ed medical In e ne an f ma i n b ac i el e l ing nline and ffline in eg a ed . e ice m del . In he fi . half f 2021, he G '. medical . e ice e a i n and managemen main b d F . n Heal hca e a enamed a F . n Heal h. Taking medical-g ade, ne- and f ll- . cena i heal h ec . . em– a he i i n and making familie heal hie and life be e – a he mi . i n, af e . ch . a egic g ade, F . n Heal h ide . e . i h ne- heal hca e . e ice ba ed n medical-g ade . and cl . ed-l . i n h gh he ea men c e. A a he end f he Re ing Pe i d, 5 in e ed medical in i i n (incl ding a . cia ed h . i al) and Wanbang Cl d Heal h, an in e ne medical la f m, ha e b ained 6 in e ne h . i al licen e in al. Th gh i . n In e ne heal hca e la f m, i ha b il c e nline . e ice ca abili ie . ch a nline diagn . i and ea men , heal h mall and heal h managemen . The G k . elf- e a ed flag hi h . i al a he . a ing in e l e in eg a ed nline and ffline . e ice ce . e i h ffline egi nal h . i al ne k . I im ed heal h file f . e . and g ad all f med f ll life c cle heal hca e . e ice f . e . b . a ing i h he ad an age . e ical di ea e field. D ing he Re ing Pe i d, he nline b . ine . f a n mbe f membe h . i al ha b ained In e ne h . i al licen e ickl la nched, he in eg a ed e a i n f he In e ne medical la f m a n ack, and nline and ffline . e ice eali ed a cl . ed l .

D ing he Re ing Pe i d, he e en e f m heal hca e . e ice . egmen am n ed RMB1,843 milli n, e e en ing a e i d- n- e i d inc ea e f 35.61%. Affec ed b inc ea ed in e men . in digi al and nline e a i n, he ini ial l . . f ne l ened h . i al and he fac . , . egmen e l. d ing he Re ing Pe i d am n ed RMB 19 milli n, e e en ing a e i d- n- e i d dec ea e f RMB50 milli n. Segmen fi am n ed RMB 15 milli n, e e en ing a e i d- n- e i d dec ea e f RMB17 milli n.

Management
Di. o. . i n and Anal . i.

D ing he Re ing Pe i d, h gh c n in . m in f. ecial ie la a medical in. i in , a ell a in e nal in eg a i n and e e nal e an. i n, he G e abli hed egi nal medical cen e . and a heal h . e ice ind . ial chain. A a he end f he Re ing Pe i d, he G c m le ed a . a egic de l men f heal hca e . e ice in . ecial and gene al h . i al f o . ing n egi nal f o . . ch a he G ea e Ba A ea and Yang e Ri e Del a. The medical . e ice in i in c n lled b he G ha had been in e a i n mainl incl ded F . han Chancheng H . i al, Shen hen Heng heng H . i al* (深圳恒生醫院), S ian Zh ng H . i al/S ian Cance H . i al, W han Jihe H . i al, Ch ng ing Xing ng Medical C . me l g H . i al and X h Xingchen W men'. and Child en'. H . i al, i h a al f 4,732 a h i ed bed a ailable f he blic. Wi h e ec e a i n managemen f heal hca e . e ice , he managemen . . em f medical, n . ing, echnical and he medical fe . i n and fi nc i n e e c n in . l im ed and imi ed, he eb c n an l . eng hening he . egmen '. a . e managemen efficienc .

The G ha been adhe ing he g ideline f f o ing n di ci lined c n c i n, c ea ing ali medical . e ice – h gh he ea . . B in eg a ing he . ecial e ce f i . h . i al , he G ha e abli hed 12 maj . ecial alliance , incl ding b e ic and g nec l g , ca di l g , ehabili a i n and h edic , m e he e ical c nnec i n be een he . ecial ie f membe h . i al , and f m a i . k mechani m . ch a b . ine . di o . . i n and c -c n c i n. Man f i . c n lling h . i al ha e c m le ed he achie emen f ke . ecial ie a a m nici al le el and incial le el in hei egi n. , hile he a lica i n f jec . f m he Na i nal Na al Science F nda i n f China b ce ain di ci line e e c m le ed. A a he end f he Re ing Pe i d, he g nd k f he b . ine . adma ha been laid, hich in l e 9 Cla . II h . i al led and . ed b 4 Cla . III h . i al in e m f b . ine and di ci line de el men , all la ing an im an le in he . a egic lanning f heal hca e . e ice in ke egi n . ch a he Pea l Ri e Del a and he Yang e Ri e Del a, a ell a he b . ine . e an i n in de el ed c a al ci ie and egi n .

In he fi . half f 2021, Sin ha m eali ed e en e f RMB249,120 milli n, ne fi f RMB6,029 milli n and ne fi a ib able . ha eh lde . f he a en f RMB3,583 milli n, e e en ed an inc ea e f 22.26%, 25.51% and 23.73% a c m a ed he c e nding e i d f la ea , e ec i el .

In e ec f he ha mace ical di ib i n . ec , Sin ha m ha e nded he a id an f ma i n f he c m e i i e land ca e f he ind . , c dina ed he ne k di ib i n and . l chain e ce i hin he G , c n in . l m ed he de l inc ea e f ma ke . ha e and facili a ed he high- ali an f ma i n f he . e ice m del. In he fi . half f 2021, Sin ha m'. e en e f m he ha mace ical di ib i n b . ine . inc ea ed b 20.92% e i d- n- e i d RMB190,446 milli n.

In e ec f medical de ice , h gh c n an l . eng hening he . . ema ic c n c i n f he di ib i n . e ice eam, Sin ha m c n in . l im ed he ne k c e age and . e ice ca abili and m ed a a id g h f he medical de ice . egmen . In he fi . half f 2021, he e en e f Sin ha m'. medical de ice b . ine . eached RMB47,780 milli n, e e en ing a e i d- n- e i d inc ea e f 33.19%.

In e ec f e ail ha mac , Sin ha m jm lemen ed he de el men . a eg f h le ale and e ail . ne g –, c dina ed o emen and l gi ic e ce , and m ed he c dina ed de el men f e ail and h le ale–, d g and de ice –, and fe . i nal ha macie and . cial ha macie –. Th . , he G c n in ed im e he acce . ibili f e c i n a ie ie and ha mace ical . e ice in e ail ha macie . A a he end f he Re ing Pe i d, he al mbe f e ail . e f Sin ha m eached 9,782. In he fi . half f 2021, Sin ha m'. . ale e en e f m e ail ha mac eached RMB13,722 milli n, e e en ing an inc ea e f 24.57% a c m a ed he c e nding e i d f la ea .

D ing he Re ing Pe i d, he G c n in ed imi e managemen mea e , m ed digi al echn l g inn a i n and cen ali ed emen , and d e he im emen f e a i nal efficienc .

In e ec f digi al echn l g inn a i n, he G ha . ed digi al em e men c m ehen i el m e i . digi al an f ma i n and g ading, e abli hed a nified da a la f m and g e nance . . em, and m ed he im lemen a i n f he la ge middle-end la f m . a eg ha ma che he b . ine . need f he G . D ing he Re ing Pe i d, in e ec f b . ine . middle-end la f m, he G b il a R&D digi al la f m i h R&D jec managemen . . em a he c e; c m le ed he -le el de ign and lanning f . ma d c i n f m . ma fac . anda d g ideline and a . a - a ed fac e al a i n . . em; and c ea ed a digi al and in elligen ma ke ing la f m ba ed n in e ne h . i al and ne e ail. In e ec f middle-end la f m managemen , he G c n in ed . h f a d he F e Plan– jec , and f med a c a e digi al managemen in eg a ed . . em i h SAP echn l g a he c e la f m. In e ec f da a middle-end la f m, he G ini iall e abli hed a big da a a eh . e and BI anal . i la f m f medicine, i ali ing and making indica . an a en .

In e ec f cen ali ed emen and . a egic emen , he G ha he m ed cen ali ed emen jec . ac . . and i hin b . ine . . egmen . , e anded ne cen ali ed emen ca eg ie , he eb ed cing c . and enhancing efficienc b f ll e e ing he la f m effec . D ing he Re ing Pe i d, he G la nched a al f 16 in e -ind . and in a-ind . cen ali ed emen jec . , f he e anded he c e age f cen ali ed emen ca eg ie , m ed . anda di a i n f emen and imi a i n f . l channel , and . eng hened he . ne g and em e men f he . eam and d n eam f he . l chain.

( )

D ing he Re ing Pe i d, he G f he b il and im ed he en i nmen , heal h and . afe (EHS) managemen . . em. The e ing . . em f eg la mee ing f he EHS S ecial C mmi ee a im lemen ed en e he de l m i n and im lemen a i n f each f he EHS- ela ed licie and f m la e EHS managemen . a egic g al . A he . ame ime, in de en e he c n in . im emen f he EHS managemen . . em, he G ca ied he i e a i n and g ade f EHS managemen e ie . anda d and e i emen . , a ell a he c e nding blici , im lemen a i n and aining f i . man fac ing membe c m anie . In addi i n, he G f m la ed he . ec nd nd f EHS fi e- ea . a egic g al af e ba icall c m le ing he fi . nd f fi e- ea . a egic g al . Ba ed n he . ec nd nd f EHS fi e- ea . a egic g al , he G ill c n in e inc ea e in e men in en i nmen al ec i n, f . n im ing en i nmen al managemen le el, ac i el e nd clima e change, and be c mmi ed achie ing he ha m ni . de el men be een he en e i e, . cie and en i nmen .

C mmi ing en i nmen al and . cial . ainable de el men , e en ing ll i n f m c ing, ac i el m ing ene g c n e a i n and emi . i n ed c i n, . ed ing bi di e . i and b ilding an en i nmen al-f iendl c mm ni – i he en i nmen al ec i n lic f he G . D ing he Re ing Pe i d, he G ha c n in ed m e he managemen f ll an emi . i n , a e e ce , ackaging ma e ial , g eenh . e ga e e c., ed ce ene g and e ce c n m i n, m e he . e f ene able ene g and he ec cling f a e, facili a e he ed c i n f ll an . , ac ice he c nce f l -ca b n g een de el men , and im e en i nmen al managemen .

In e ec f c a i nal heal h and . afe , d ing he Re ing Pe i d, he G f he . eng hened and im lemen ed . afe d c i n e n ibili , e abli hed a mechani m f c a e e n ibili , . eni managemen a en i n and e en i e em l ee a ici a i n; e a ed in c m liance i h na i nal and l cal . afe d c i n la . , eg la i n and . anda d , ca ied he hie a chical managemen and c n l f . afe i k and he in e iga i n and managemen f hidden dange . , . eng hened he managemen f . afe d c i n, and m ed . afe d c i n . anda di ed c n c i n.

Financing

D ing he Re ing Pe i d, he G c n in ed imi e i. deb . c e and ea nabl c n lled he deb . cale and c m ehen i e financing c . . In he fi . half f 2021, he C m an . cce. f ll i. ed a anche f c a e b nd and anche f. e . h - e m c mme cial a e. . I al ac i el dee ened i. g d c e a i n i h d me ic and f eign financial in i i n , and b ained c edi . f US$200 milli n f m he IFC (In e na i nal Finance C a i n). The C m an k he a ie f i. financing channel a highe le el, and i . c a e image in he d me ic and f eign ca i al ma ke . a enhanced.

2. Major Operations in the Reporting Period

A. Analysis on Principal Operations

(1)

Uni : milli n C enc : RMB

Items	Amount for the period	Amount for the corresponding period of last year	Period-on-period change (%)
Re en e (1)	16,878	13,965	20.86
C . f. ale (2)	8,111	6,216	30.49
Sale and di ib i n e en e	4,357	3,931	10.84
Admini a i e e en e	1,505	1,322	13.84
R&D e en e (3)	1,562	1,204	29.73
Finance c . .	421	428	1.64
Ne ca h fl gene a ed f m e a ing ac i i ie	1,707	1,461	16.79
Ne ca h fl gene a ed f m in e men ac i i ie	2,450	2,379	2.98
Ne ca h fl gene a ed f m financing ac i i ie	770	827	6.89

. 1 F he ea n f he change in e en e, lea e efe Segmen Pe f mance O e ie – in Di c . . i n and Anal . i n O e a i n –.

. 2 The c . f. ale mainl inc ea ed al ng i h he inc ea e in e en e.

. 3 Mainl d e he c n in ed inc ea e in he R&D e endi e in bi ha mace ical d g , . mall m lec la inn a i e d g and im ed inn a i e d g , and he inc ea e in in e men in inn a i n ind ba i n la f m d ing he Re ing Pe i d.

(2) &

① R&D e endi e

Uni : milli n G enc : RMB

R&D e endi e e en ed f he e i d	1,562
R&D e endi e ca i ali ed f he e i d	392
T al R&D e endi e	1,954
T al R&D e endi e a a e cen age f e en e (%)	11.53
R&D e endi e in he ha mace ical man fac ing . egmen a a e cen age f he e en e f m he ha mace ical man fac ing . egmen (%)	14.51
Pe cen age f R&D e endi e ca i ali ed (%)	20.06

② De c i i n

D ing he Re ing Pe i d, he R&D e endi e in he ha mace ical man fac ing . egmen am n ed RMB1,777 milli n, e e en ing a e i d- n- e i d inc ea e f RMB236 milli n 15.31%, acc n ing f 14.51% f he e en e f m he ha mace ical man fac ing . egmen . Wi h he c n in . ad ancemen f he inn a i n and an f ma i n . a eg , he i eline la f bi ha mace ical d g a g ad all an i ning f m bi . imila . bi ha mace ical inn a i e d g . A . mall m le la inn a i e d g g ad all en e ed he clinical . age, R&D e endi e a al inc ea ing . eadil . The inc ea e in R&D e endi e d ing he Re ing Pe i d a mainl d e he inc ea e in R&D e endi e in bi ha mace ical d g , . mall m le la inn a i e d g and im ed inn a i e d g , and he inc ea e in in e men in inn a i n ind ba i n la f m.

B. Segment and Regional Operations

(1)

Uni : milli n G enc : RMB

	Principal operations by segments					
By segments	**Revenue**	**Cost of sales**	**Gross profit margin (%)**	**Period-on-period change in revenue (%)**	**Period-on-period change in cost of sales (%)**	**Period-on-period change in gross margin**
Pha mace ical man fac ing[1]	12,179	5,107	58.07	22.38	36.04	dec ea e f 4.21 e cen age in .
Medical de ice and medical diagn . i[2]	2,832	1,480	47.74	7.31	13.06	dec ea e f 2.66 e cen age in .
Heal hca e. e ice	1,843	1,511	18.01	35.61	33.72	inc ea e f 1.19 e cen age in .

Principal operations by products

By products	Revenue	Cost of sales	Gross profit margin (%)	Period-on-period change in revenue [7] (%)	Period-on-period change in cost of sales (%)	Period-on-period change in gross margin
Maj dc. f an i- m and imm ne m d la i n[3]	1,705	383	77.54	256.69	208.87	inc ea e f 3.48 e cen age in.
Maj dc. f me ab li m and alimen a . . em[4]	1,415	283	80.00	19.92	1.80	dec ea e f 4.27 e cen age in.
Maj dc. f an i-infec i n[5]	2,656	1,161	56.29	45.30	78.89	dec ea e f 8.21 e cen age in.
Maj dc. f cen al ne . . em	616	43	93.02	18.41	10.42	dec ea e f 0.62 e cen age in
Maj dc. f ca di a d la . . em[6]	1,024	602	41.21	17.95	24.38	dec ea e f 20.01 e cen age in.
Maj dc. f APIs and in e media e dc.	577	423	26.69	27.65	28.57	dec ea e f 0.52 e cen age in

Principal operations by geographical locations

By geographical locations	Revenue	Cost of sales	Gross profit margin (%)	Period-on-period change in revenue (%)	Period-on-period change in cost of sales (%)	Period-on-period change in gross margin
Chine e Mainland	11,680	5,289	54.72	18.05	29.22	dec ea e f 3.91 e cen age in.
Regi n . ide Chine e Mainland and he c n ie	5,198	2,822	45.71	27.68	32.93	dec ea e f 2.13 e cen age in.

1 The decline in he g . . fi ma gin f he ha mace ical man fac ing b . ine . a mainl d e : 1. The g . . fi ma gin f ei ing dc. . ch a Y Li T ng (feb . a able.) and Bang Zhi (ia a ain calci m able.) dec ea ed af e being . elec ed f cen ali ed d emen ; 2. S me c e dc. e e affec ed b he inc ea e in ice f main a and a ilia ma e ial , and h . he ni c . . e and he g . . fi ma gin fell.

2 The ag eemen en e ed in be een he G and he a . cia e In i i e F . n in ela i n he an fe f di ib i n igh . f Da Vinci . gical b ic . . em in Chine e Mainland, H ng K ng and Maca ha e ied a he end f 2020. Since 2021, he e en e f m ha b . ine . ha been an fe ed In i i e F . n. E d ding he effec . f he change in . ch b . ine . , he g . . fi ma gin f medical de ice and medical diagn . i b . ine . inc ea ed b 0.57 e cen age in n he . ame ba i .

3 The inc ea e in g . . fi ma gin f he maj dc. f an i- m and imm ne m d la i n a c m a ed i h he . ame e i d la ea a mainl d e he inc ea e in . ale an i ie f ne dc. . ch a Han Li Kang (i imab injec in), Han Q Y (a mab f injec in) and S Ke Xin (A a mb ag Malea e Table).

4 The dec ea e in g . . fi ma gin f he maj dc. f me ab li m and alimen a . . em a c m a ed i h he . ame e i d la ea a mainl d e he dec ea ed ni . elling ice f Y Li T ng (feb . a able.) af e he e ed in f cen ali ed d emen .

5 The dec ea e in g . . fi ma gin f he maj dc. f an i-infec i n a c m a ed i h he . ame e i d la ea a mainl d e he change f dc. . c e in . ch he a e ic a ea.

6 The dec ea e in g . . fi ma gin f he maj dc. f ca di a d la . . em a c m a ed i h he . ame e i d la ea a mainl d e he inc ea e in he ice f maj a ma e ial f . me dc., and h . he c . f. ale . e and he g . . fi ma gin fell.

7 F he ea n f he change in e en e b dc, lea e efe he able f e en e f m maj dc. f he G in he maj he a e ic a ea – in Di o . . i n and Anal . i n O e a i n –.

C. Subsidiaries and Investees

(1)

① O e a i n and Re. l . f Maj S b. idia ie

Uni : milli n C enc : RMB

Company name	Nature of business	Major products or services	Registered capital	Total assets	Net assets	Revenue	Operating profit	Net profit
Ya Pha ma	Pha mace ical man fac ing	A m lan injec i n (g a hi ne f injec i n), Y Di E (al . adil d ied em L i n), Sha D Li Ka (a. m . di m deh d and g a h lide . ccina e f injec i n), Xi Chang/Bi Li Sh (cefme a le. di m f injec i n)	197	6,172	4,209	2,691	430	385
Wanbang Pha ma	Pha mace ical man fac ing	Y Li T ng (feb . a able.), Yi Ba (ec mbinan h man e h ie in f injec i n (CHO cell)), Ke Sheng (Xih ang ca . le), Wan S Ping (glime i ide able.), en a a in . di m. e ie , e c.	452	5,463	3,044	3,343	347	318
Gland Pha ma	Pha mace ical man fac ing	He a in. di m, anc m cin, o ni m b mide, e c.	N/A	8,495	7,102	1,803	618	461

. The ab e da a inc ded a ecia in fa. e e, a ain and am i a in fa ecia in fa. e e, a ain.

② S a . f O he Maj S b. idia ie

Uni : milli n C enc : RMB

Company name	Nature of business	Major products	Registered capital	Total assets	Net assets	Revenue	Net profit
Jin h A h ng	Pha mace ical man fac ing	A De Jin (de ein ed calf bl d injec i n), Bang Ting (hem c ag la e f injec i n), Chang T Ning (eneh clidine h d chl ide injec i n), e c.	510	2,782	2,025	614	64
Shanghai Henl .	Pha mace ical man fac ing	Han Li Kang (i imab injec i n), Han Q Y (a imab injec i n)	543	6,930	2,871	634	394
F . han Chancheng H . ial	Heal hca e. e ice	Heal hca e. e ice	50	3,080	1,935	900	103
Si am Medical	Medical c . me l g	Medical c . me ic de ice , medical de ice	N/A	2,944	2,223	811	112

. 1 The da a f Jin h A h ng inc ded a ecia in fa. e e, a ain and am i a in fa ecia in fa. e e, a ain;

2 The da a f Shanghai Henli . i e ac ed f m i. in e im e l. e a ed in acc dance i h In e na i nal Financial Re ing S anda d ;

3 The da a f F . han Chancheng H . i al incl ded a ecia i n fa . e e a a i n and am i a i n fa ecia i n fa . e e a a i n;

4 The da a f Si am Medical i e ac ed f m i. in e im e l. e a ed in acc dance i h In e na i nal Financial Re ing S anda d .

(2) n n 10% n

Uni : milli n C enc : RMB

Company name	Nature of business	Principal activities	Registered capital	Total assets	Net assets	Revenue	Operating profit	Net profit
Sin ha m Ind . ial	Pha mace ical in e men	Pha mace ical in e men	100	344,274	94,590	249,120	7,694	6,033

(3) n n (n , n n n)

① Ac i i i n f S b idia ie d ing he Re ing Pe i d

On 9 N embe 2020, Shen hen Heng heng H . i al, a . b idia , en e ed in an e i an fe ag eemen i h Lin Sha in and Qi H ngha , . an hich Shen hen Heng heng H . i al ac i ed 100% e i in e e in G angd ng H i in Pha mace ical C ., L d.* (廣東匯信藥業有限公司) (n enamed a Shen hen Xin heng) held b Lin Sha in and Qi H ngha . A a he end f he Re ing Pe i d, Shen hen Heng heng H . i al held 100% e i in e e in Shen hen Xin heng.

On 5 A il 2021, F . hi n Medical, a . b idia , en e ed in an e i an fe ag eemen i h Anji Jianchi Medical Techn l g Pa ne . hi (Limi ed Pa ne . hi)* (安吉健齒醫療科技合夥企業(有限合夥)) and Anji Hai e Medical Techn l g Pa ne . hi (Limi ed Pa ne . hi)* (安吉海躍醫療科技合夥企業(有限合夥)), . an hich F . hi n Medical ac i ed 70% e i in e e in Xing anda. A a he end f he Re ing Pe i d, F . hi n Medical held 70% e i in e e in Xing anda.

The ac i i i n f . b. idia ie. d ing he Re ing Pe i d had he f ll ing effec n he G ' e l. :

Uni : milli n C enc : RMB

Name of subsidiary	Acquired through	Net assets (as at the end of the Reporting Period)	Net profit (from date of merger/ acquisition up to the end of the Reporting Period)	Date of acquisition/ merger
Shen hen Xin. heng	E i an. fe	3		29 Ma ch 2021
Xing anda	E i an. fe	31	1	15 A il 2021

The ab e da a incl ded a ecia in fa. e al a in and am i a in fa ecia in fa. e al a in.

② Di . al f S b. idia ie. d ing he Re ing Pe i d
On 1 Feb a 2021, he de egi a i n f Re ea ch In. i e Pha mace ical, a. b. idia , a c m le ed.

On 26 Ma ch 2021, he de egi a i n f Kelin H dai, a. b. idia , a c m le ed.

On 26 A il 2021, he de egi a i n f Shanghai Lilin, a. b. idia , a c m le ed.

On 27 A il 2021, he de egi a i n f Shanghai B i a, a. b. idia , a c m le ed.

On 9 A il 2021, Wanbang Tian heng, a. b. idia , en e ed in an e i an fe f ame k ag eemen i h Shen ang Tian hengda, . an hich, Wanbang Tian heng an fe ed i. 100% e i in e e in Fa ea Ca ing Shen ang Tian hengda. A a he end f he Re ing Pe i d, Wanbang Tian heng n l nge held an e i in e e in Fa ea Ca ing .

On 26 A il 2021, F . han Chancheng H . i al, F . n Heal hca e and F . han Chan i, all f hich e e . b. idia ie , en e ed in an e i an fe and l an a. ignmen c n ac i h Y an, . an hich, F . han Chancheng H . i al and F . n Heal hca e an fe ed hei 100% e i in e e in F . han Chan i and a. igned hei e ec i e. ha eh lde '. l an F . han Chan i a a 31 Decembe 2020 Y an i. de igned . b. idia ie a ag eed. A a he end f he Re ing Pe i d, he G n l nge held an e i in e e in F . han Chan i.

On 31 Ma 2021, F . n Heal hca e, a. b. idia , en e ed in an e i an fe ag eemen i h Tai h In e men , . an hich, F . n Heal hca e an fe ed i. 75% e i in e e in Tai h Zhed ng Medical Ca e Tai h In e men . A a he end f he Re ing Pe i d, F . n Heal hca e n l nge held an e i in e e in Tai h Zhed ng Medical Ca e.

E. Employees and Remuneration Policies

A a he end f he Re ing Pe i d, he G had a al f 34,375 em l ee . The em l ee' em ne a i n licie f he G a e f m la ed n he ba i f he e l . , k e e ience and . ala le el e ailing in he ma ke .

3. Outlook for Operations in the Second Half of 2021

A. Competition and Development Trends of the Industry

In he . ec nd half f 2021, he de el men f he en i e ha mace ical ind . ill be e en ed i h b h challenge and ni ie . The G ill endea imi e i . d c - ien ed . a eg and . eng hen R&D efficienc . In addi i n, he G ill c n in e imi e e a i nal efficienc in he heal hca e . e ice ind . , accele a e he c n c i n f c m e i i e di ci line , enhance ali managemen , . h f a d he an f ma i n f heal h ind . in e ne heal hca e . e ice and f he m e b eak h gh in he c n me heal h . ec . a e and he e a ing . cale in he . egmen and im e i . ca abili ie in e a i n, managemen and in e na i nali a i n. Mean hile, he G ill c n in e a a en i n me ge and ac i i i n ni ie ab ad and a h me, . a . and facili a e he c n lida i n f ha mace ical and medical de ice di ib i n ind . ie f Sin ha m.

In addi i n, he G ill c n in e a a en i n he . i a i n f COVID-19 and ad ele an e en i e mea e en e he de l and . m h e a i n ac i i ie .

In he . ec nd half f 2021, he G ill c n in e f c . n inn a i n and in e na i nal de el men , . eng hen gl bal c n c i n, enhance ca abili ie in inn a i e R&D and inc ea e in e na i nali ed d g egi a i n and decla a i n, and . i e de el . a egic d c . . Whil ac i el . eeking ni ie f me ge . and ac i i i n a ell a c n lida i n in he ind . , and e abli hing and m ing in eg a i n and . ne g in he d c line and . l chain , he G . eek achie e c n in . g h f i . e en e and fi .

Wi h a ien . c n an l a he cen e and clinical need a he di ec i n, he G ill f c . n he a e ic field incl ding me ab li m and alimen a . . em, an i- m and imm ne m d la i n, an i-infec i n, cen al ne . . . em and ca di a c la . . em, ac i el ceed i h he an f ma i n f i . ma ke ing eam in e m f . eciali a i n, b anding and digi i a i n, and . eng hen he e abli hmen f i . c mme ciali a i n eam f inn a i e d g and ne e ail, main ain he ma ke . i i n and he g h in . ale in he e i ing ke a ea and d c . f he G . A he . ame ime, he G ill em ha i e n he la nch f ne d c . , am ng he . , mRNA COVID-19 accine and O ica ne and he . ale me f ke d c . , a ell a he g e . f licen e-in jec . incl ding he . a egic c e a i n i h S h Kin Pha mace ical, Inc.* (蘇州開拓藥業股份有限公司) n hei d c . . The G ill c n in . l m e he c n lida i n and enhancemen f he d c i n ca aci i hin he G , and he imi a i n f he a ma e ial . M e e , he G ill de l m e he im and egi a i n f Gland Pha ma' d c . in China, a ell a he . ale and e an i n f ce ain d c . in he U.S. ma ke . Gland Pha ma ill im lemen he c mmi . i ned d c i n f he R . . ian S nik V accine a he H de abad lan in India. The G ill c n in e . eng hen eff . in he ma ke ing f d c . i h WHO-PQ ce ifica i n and ad effec i e d c lifec cle managemen . a egie main ain and im e he leading . i i n f each d c in ma ke . egmen . .

In he . ec nd half f 2021, he G ill c n in . l . eed he clinical ial f d c . and he g e . in egi a i n. The G lan c mmence m e han 10 e . ea clinical jec . , incl ding he . elf-de el ed

Management
Di. o. . i n and Anal . i.

In addi i n, he G ill al f he e and and in en if i. c e a i n i h leading ha mace ical c m anie in he ld in de gi e f ll la he ad an age f c nnec ing m men m in China gl bal e ce, making inn a i n in he c e a i n m del and. ea ching f ne m men m.

In he. ec nd half f 2021, f he medical de ice b. ine., he G ill f o. n fe. i nal in eg a i n and c ncen a i n a d inde enden b and R&D make m e b eak h gh. Th gh di e. ified mean incl ding c n in . inc ea e in R&D e endi e, licen e-in d c. and c e a i n, he fe. i nal and la f m de el men f he medical de ice b. ine. ill be f he m ed. Wi h e ec medical bea , he G ill c n in e enhance he R&D f di e. ified d c f li., acce le a e digi al in e men and in eg a i n, dee en in e men and de l men in di ec. ale channel and c n me e minal, and ac i el m e i. e ce c llab a i n and e l a i n a ell a b. ine. m del inn a i n. Wi h e ec e i a heal h, he G ill kee la nching ne d c. and c m ehen i e. in f ng di ea e and e ia and. lee, accele a e he la nch f o. mi ed d c. add e. ing he need f he Chine e ma ke, and imi e. e ice end o. me. h gh digi al mean. Wi h e ec fe. i nal heal hca e, he G ill c n in e inc ea e R&D e endi e, and add di e. i in clinical. in. in he. ecial field h gh in-h . e R&D and licen e-in jec.. The G ill al ac i el m e he inc ea e f in alla i n me and e a i n me a ell a he clinical academic de el men i hin he a ed a f Da Vinci. gical b ic.. em.

Wi h e ec medical diagn. i, he G ill c n in e dee en d c. c e and f. e a cl. ed-l m del in a lica i n a ea in he. ec nd half f 2021 in de enhance he c m e i i ene. f d c., imi e he d c line f li, and m e he de el men, licen e-in and l cali a i n f. a egic d c. and eme ging echn l gie. The G ill im e he aco ac and effec i ene. f d me ic diagn. i in e m f e f mance in infec i n, m, ch nic di ea e and he field, and ide o., me. i h c m ehen i e. in. The G ill kee n im ing i. R&D ca abili ie and d c in. elf- fficienc ca abili ie f c e d c echn l gie and ke a ma e ial, ac i el. eek in e di ci lina and c.. -field R&D c e a i n, and make c n an inn a i n. The G ill a idl gain acce. ke. a egic ma ke. h gh i. gl bal BD ca abili je and channel, and einf ce he. a egic me ge., and ac i i i n f leading c m anie ke echn l gie in. b-. ec.. In he field f medical de ice, he G ill c m ehen i el c e a ca cading R&D lan, aiming c e he main eam ma ke need f medical de ice, and eali e f e a ma i n and in elligence f cen al lab a , c m ac i a i n f de ice gi ing immedia e e l. in A&E ni. f ima medical in i in. Rega ding diagn. ic eagen., he G ill ickl e and he R&D eam and ac i el. ea ch f e e nal c llab a i n ni ie. B le e aging b h in e nal R&D and e e nal c llab a i n., he G can ffe di e. e heal hca e. e ice and d c. c ea e a cl. ed l in d c a lica i n and a e. In addi i n, he G ill imi e he d c and. e ice. c e in eci i n medicine, main ain a f a d-l king ca abili f he ind. , c n in all d ce e c. i e d c. and. igna e d c., inc ea e diffe en ia ed c m e i i ene. and. ha e he b and image.

In addi i n, he G ill c n in e. eng hen he d me ic. ale ne k and fe. i nal. ale eam f medical de ice and medical diagn. i b. ine.; im e he clinical a e- ien ed ma ke echnical eam; imi e he la f af e- ale. e ice eam; ac i el b ild he. ca abili je f middle and back ffice, im e. ma man fac ing ca abili ie, imi e. l chain, eali e. ma d c in ce. managemen, cen ali e d c d c in ca aci ; im e b and ca aci b ilding; in en if in eg a i n im e j. in eg a ed e a i n ca abili ie and efficienc,. a achie e ec n mie f. cale, ed ce c.. and c n in e enhance c a e a e.

The G ill c n in e le e age i . . eng h in in e na i nal e a i n , and i h i . e i ing e . ea c m anie a la f m , ig . l e l e b . ine . c e a i n and . eek in e men ni ie i h e . ea c m anie n he ba i f ac i e in eg a i n . I ill al c n in . l enhance he c m e i i ene . f c m ehen i e clinical . i n b in cing ing-edge echn l gie and inn a i e c . , . a achie e g h in he . cale f i . medical de ice and medical diagn . i b . ine . .

In he . ec nd half f 2021, he G ill c n in e make . e f he fea e f a la f m- e h . i al managemen g enhance he ca abili f lean e a i n . I ill al accele a e b ine . de el men a ell a f ll im lemen a i n f e f mance a ai al mechani m f diagn . i - ela ed g . (DRG.), e ce-ba ed ela i e al e . cale (RBRVS) and big da a diagn . i -in e en i n acke (DIP), im e e a i nal m le . ch a di ci line and alen . , ali and . afe , ca e and . e ice , and e f mance and e al a i n, accele a e he f ma i n f d c eam and . eciali alliance , . h f a d he m i n and im lemen a i n f cen ali ed emen , inf a c e c n c i n, inf ma i n echn l g de el men and in e ne an f ma i n and in eg a e in e nal e ce eali e c . e c i n and efficienc . Mean hile, he G ill al m e he ec n c i n and e an i n f he ne l -b il and e i ing h . i al , and . i i el . eek ne ni ie f me ge . and ac i i i n f heal hca e . e ice .

In addi i n, he G ill c n in . l enhance he la and im lemen a i n f In e ne heal hca e . e ice , and accele a e he e abli hmen f he in eg a ed m del f nline and ffline heal hca e . e ice . In egi n i h ali medical e ce , he G ill b ild a adia ed . . em cen e ing . elf- ned flag hi h . i al , idel e and he ne k f c llab a ing h . i al . a eali e a e licable in eg a ed e a i n m del f nline and ffline heal hca e . e ice . I ill al f he enhance nline la f m . e e a ing . . em and heal hca e . e ice f a ien . f e ical di ea e , . a g ad all c n c a ne- heal hca e . e ice la f m in hich he . e . can ha e f ll c nfidence.

In he . ec nd half f 2021, he G ill c n in e . and facili a e c n lida i n and a id de el men f Sin ha m in i . ha mace ical and medical de ice di ib i n b . ine . and he c n in ed e an . i n f he c m e i i e ad an age f Sin ha m in he ha mace ical and medical de ice di ib i n . ec .

In he . ec nd half f 2021, he G ill c n in e e l e he financing channel d me icall and in e na i nall , c n in . l imi e i . financing . c e, l e financial c . . and f he enhance i . c e c m e ence, . a c n lida e i . leading . i i n in he ind . .

4. Potential Risks

A. Risks in relation to industry policies and system reforms

The ha mace ical ind . i ne f he ind . ie m . affec ed b na i nal licie in he PRC, in l ing a i . g e nmen de a men . , mini ie and c mmi . i n and in i i n . ch a na i nal medical in ance, heal h, d g . e . i i n and admini a i n, ind . iali a i n and inf ma i a i n, echn l g and in ellec al e igh . . Wi h he in en ified eff . in he ef m f d g d c i n and man fac ing, medical heal h and medical ec i n, a ell a he nce ain ie d e COVID-19, he ha mace ical ma ke en i nmen c n in e changing . ignifican l , and inn a i e an f ma i n, ind . c n lida i n and an f ma i n in b . ine . m del a e ine i able. A he c nnec i n be een he elemen . in Th ee Medical Linkage g . nge , he m i n and im lemen a i n f licie n na i nal and egi nal cen ali ed emen in an i f d g , a i nal . e f d g , e ic i n n adj an d g and ne licie incl ding medical e en e g h c n l, ice and a men me h d adj . men . f medical in ance a men . , Na i nal E . en ial Medicine Li adj . men . , endenc inn a i e medicine i h high c . efficienc in he Medical In ance Ca al g e affec he d c i n

In he field f gene ic d g , i h he g ad all igh e c n l n medical in ance a men . , he ad ancemen f c n i enc e al a i n f gene ic d g , and he im lemen a i n f cen ali ed emen f d g in an i , he e i ing . i a i n in he gene ic d g ind . i h an e ce . i e n mbe f ha mace ical man fac ing c m anie , a f agmen ed ma ke and l ma ke c ncen a i n ill change. M e and m e in e na i nal ha mace ical c m anie a e c m e ing h gh l ice , leading ghe c m e i i n . I i e ec ed ha he e ill be f he c ncen a i n in he ind . Wi h he g e . ing . l - ide ef m , he ma ke . ha e and fi ma gin f gene ic ha mace ical c . ill be . bjec f he e . e. In he field f inn a i e d g , . ince he ma ke . i e f gene ic d g ha been d a icall . h nk, n me . gene ic d g c m anie . eek an f ma i n. In addi i n, i h China' en in he ICH (i.e. The In e na i nal C ncil f Ha m ni a i n f Technical Re emen . f Pha mace ical f H man U e) and he d me ic d g e ie and a al . . em being g ad all b gh in line i h in e na i nal . anda d , m e and m e inn a i e d g a e being ma ke ed a a fa e ace. The in e nal c m e i i n am ng l cal inn a i e ha mace ical c m anie ha been inc ea ingl fie ce, and a he . ame ime, he a e al facing c m e i i n f m in e na i nal ha mace ical c m anie . The d g neg ia i n ca al g e, hich mainl a ge . inn a i e d g , end be ick in adding ne l ma ke ed c . , hich al . ed f he e ici n n he icing f inn a i e d g c . .

In addi i n, he c m e i i n f gene ic d g in he e . ea ma ke . a fie ce, he ice f hich al c n in ed fall. Mean hile, d g eg la agencie im lemen ed inc ea ingl . ingen e i emen . n c i n ali . The e fac . c n i ed na idable i k ing he dee ening f in e na i nali a i n. In eme ging ma ke . . ch a Af ica, m e and m e Indian gene ic d g c m anie ha e j ined he c m e i i n, e l ing in in en ified ice e . e n g e nmen ende . , a ell a inc ea ing i k f c m e i i n.

In hi ega d, he G ill kee ab ea f he change in de el men end f he ind . , . eng hen inn a i n R&D e endi e, en ich c line , imi e c . c e, and enhance he R&D efficienc f c . nde e ea ch. A he . ame ime, he G enhance he benefi . f m ec n mie f . cale, and ac i el ed ce c . . and inc ea e c i i f c i n. F ma ke ing, he G inc ea e eff . in ma ke de el men and enhance c . c e age, . a e and ma ke c e age.

C. Business and operating risks

(1) & .

D g m . nde g ce . e anging f m eclinical e ea ch, clinical ial , a lica i n f egi a i n and a al f c i n ing he R&D . age ma ke ing . age, and d g R&D i cha ac e i ed b la ge in e men , man link , l ng c cle , and high i k . D g R&D i al . . ce ible n edic able fac . . In addi i n, if he R&D g e . and di ec i n f he d g d n ma ch f e ma ke demand, if he . ale f he ne d g a e n . fficien e in en ified c m e i i n and he fac . , he ec e f he ini ial in e men and he eali a i n f ec n mic benefi . ma be affec ed, hich ill in n ad e . el affec he fi abili and de el men f he G .

In hi ega d, he G ill c n in e . ic l im lemen he a . e . men ce . f a al, R&D ce . and clinical . d and c led i h effec i e e a d and ni hmen mechani m c n in . l im e R&D efficienc , and . eng hen he de el men f d g egi a i n eam . While . ing inn a i n, he G ill ac i el m e he ick a al f e i ing c . nde e ea ch and in ced c . b a f licen ing. In addi i n, he G ill c n in e accele a e i . eff . link i . R&D i h ma ke c ndi i n . ha demand and . l ill be be e ma ched.

(2)

Pha mace ical d c. , medical de ice and diagn . ic d c. a e. ecial c mm di ie , and he . cie a . a g ea deal f a en i n hei ali . The G ha been c n in . l inc ea ing i. managemen eff . and in e men in echn l gical an f ma i n in e m f ali managemen . The echn l g and e i men . anda d f each . b idia ni ha e been . ignifican l im ed. H e e , d e he la ge n mbe f c m anie i h ide ge g a hical di ib i n and he man d c i n. age f ha mace ical d c. , ali i. e ma a ie d e a ma e ial , d c i n, an a i n, . age, in en , . e and he ma e. . Mean hile, he G ha al a . adhe ed he inci le f e a ing in c m liance i h la . and eg la i n , and he G ha f m la ed c e nding managemen mea e and e abli hed managemen agencie en e he o emen , in en , e a a i n, and . ale f ha mace ical , medical de ice , and diagn . ic d c. in acc dance i h ele an e i emen. in de en e all . b idia ie ni. be e a ed in acc dance i h he la . . H e e , n i h anding hi , he e ma . ill be he . . ibili ha he ele an e a ing en j ie be ni hed f failing . ic l abide b ele an na i nal la . and eg la i n. d e a i . ea n. ch a managemen in he ac al c . e f e a i n.

The heal hca e . e ice . egmen ma be . bjec i k f medical mal ac ice claim di e , incl ding c m lain . and di e be een d c . and a ien . a i ing f m . gical e . , medical mi diagn . i and inciden . ela ing defec . f ea men and diagn . ic de ice . In he e en , f . e i . medical mal ac ice, ele an c m en a i n and l . . ma be ino ed b he G , hich ma in n affec he e a i n e l . , b and and ma ke e a i n f he G '. heal hca e . e ice . egmen .

In hi ega d, he G ill c n in e f o . n ali and i k managemen h gh he life c cle f i. d c . , and f m la e and im lemen ali and . afe c n l mechani m and ha mac igilance mechani m. Mean hile, aking lean e a i n a a mean , and n he ba i f de el ing medical . e ice . egmen , he G f o . e n he c n. c i n f di ci line and im ing he ali f e a i n .

(3)

Man fac ing c m anie a e e . ed . afe and en i nmen al i k d ing he d c i n ce . . In he ce . f d c i n f d g , medical de ice and diagn . ic d c . , beca . e f he dange . chemical . b ance in l ed in he b lk d g, im e e a i n inade a e main enance mea e d ing l ading, nl ading, handling, . age and e ma ca . e d c i n. afe inciden . . Re id e, a e ga , a e li id and he l an . d ced d ing he d c i n f d g i n f heal hca e . e ice ill be ha mf l he nea b en i nmen if he a e n ea ed e l , hich in n ma affec he n mal d c i n and e a i n f he G . De ie he . ic c m liance b he G f he ele an en i nmen al ec i n la . , eg la i n and . anda d f i. a e ea men and emi . i n f e id e, a e ga and a e li id, he en i nmen al ec i n c . . ino ed b he G ma inc ea e in ligh f he enhanced . cial a a ene . n en i nmen al ec i n e ime, and he en ial im lemen a i n f m e . ingen en i nmen al ec i n la . and eg la i n b he cen al and l cal g e nmen .

In hi ega d, he G . eng hen d c i n . afe managemen , f o . e n . aff aining, im lemen . ele an . afe d c i n mea e , and ea nabl c n l i k . Mean hile, he G ill c n in . l a ach im ance fulfilling i . . cial e n ibili f en i nmen al ec i n, adhe e he inci le ha g een de el men i im lemen ed n he ba i f . ainable de el men , inc ea e in e men in en i nmen al ec i n, en e he n mal e a i n f en i nmen al ec i n facili ie , and en e ha he a ge f emi . i n i me .

D. Management risks

(1)

The G ma face a i . blem d ing he im lemen a i n f i. in e na i nali a i n. a eg , incl ding nfamilia i i h he e. ea ma ke . , diffe ence in he demand be een e. ea and d me ic c . me. , and im lemen a i n f ade ec i n licie in ce ain c n ie . A he . ame ime, i h he f he e an i n f he G '. gl bal . ale ne k, he . cale f . ale and he . c e f b . ine . , he e ill be highe e i emen . n he e a ing and managemen abili f he G . If he G '. ca abili ega ding d c i n, ma ke ing, ali c n l, i k managemen , c m liance i h in eg i and alen aining d e n align i h he de el men ace f he in e na i nali a i n f he G he e i emen f he e an i n f he G , he G ill be e . ed e a ing and managemen i k .

(2)

The G facili a e me ge . , ac i i i n and b . ine . c n lida i n . a achie e ec n mie f . cale. H e e , he e migh be legal, lic and e a ing i k e . e d ing he ce . f me ge . , ac i i i n and b . ine . c n lida i n . U n . cce . f l ac i i i n , he e i emen . n he e a i n and managemen f he G ill bec me highe . If me ge . and ac i i i n cann b ing ab a . ne gi ic im ac , he e a ing e l . f he G ma be ad e . el affec ed.

E. Foreign exchange risk

Wi h he c n in . e an i n f he G '. main d c e . cale and egi nal d c i n and e a i n . cale, he i n f cha e , . ale , and me ge . and ac i i i n den mina ed in f eign c encie ha c n in ed inc ea e. Change in e change a e ill affec he al e f a . e and liabili ie den mina ed in f eign c encie and he al e f e . ea in e men en i ie , he eb indi ec l ca . ing change in he G '. inc me ca h fl e a e i d f ime. Wi h he c n in . dee ening f he ef m f e change a e ma ke i a i n, he e change a e be een he RMB and he c n e ible c encie fl c a e in a g ea e ange d ing he e change a e . e lemen ce . and he ef e b ing he i k f g ea e e change a e fl c a i n .

F. Force majeure risks

Se e e na al di a e . and ab blic heal h inciden . ma ha m he e ie and e . nnel f he G , and ma affec he dina d c i n and e a i n f he G .

5. Other Events

A. Shareholding Increase Plan of the Controlling Shareholder

2020

A n ified and c nfi med b F . n High Tech, he c n lling . ha eh lde f he C m an , in i ing n 1 Decembe 2020, F . n High Tech (and/ h gh a ie ac ing in c nce i h i) in ended inc ea e i . . ha eh lding in he C m an (incl ding A . ha e and/ H . ha e) b a f , incl ding b n limi ed cen ali ed ice bidding bl ck ade a he . ck e change , an fe b ag eemen d ing he e i d f m 1 Decembe 2020 30 N embe 2021, if and he e a ia e. The c m la i e al c n ide a i n he ef . hall n be le . han RMB100 milli n and he al inc ea ed . ha eh lding e cen age . hall n e ceed 2% f he al n mbe f i . ed . ha e f he C m an a a 1 Decembe 2020 (i.e. 2,562,898,545 . ha e , . ame a bel) and he agg ega ed n mbe f . ha e in he C m an ac i ed in he 12-m n h e i d . hall n e ceed 2% f he al n mbe f i . ed . ha e in he C m an . A a he end f he Re ing Pe i d, F . n High Tech and F . n In e na i nal, i . c n lling . ha eh lde , had ac i ed a al n mbe f 27,930,500 H . ha e f he C m an f an agg ega e am n f a ima el RMB967 milli n, e e en ing a ima el 1.09% f he al n mbe f i . ed . ha e f he C m an a a 1 Decembe 2020, and he agg ega ed n mbe f . ha e in he C m an ac i ed in he 12-m n h e i d did n e ceed 2% f he al n mbe f i . ed . ha e in he C m an .

B. The Mandate to Issue Inter-bank Market Debt Financing Instruments

The issuance of the first tranche of super short-term commercial papers of 2021 was completed by the Company in February 2021 in an aggregate principal amount of RMB1.5 billion. The value date of such super short-term commercial papers is 26 February 2021, with the final coupon rate at 3.10% and a term of 90 days.

The issuance of the second tranche of super short-term commercial papers of 2021 was completed by the Company in March 2021 in an aggregate principal amount of RMB1.5 billion. The value date of such super short-term commercial papers is 25 March 2021, with the final coupon rate at 2.90% and a term of 120 days.

C. The Public Issuance of Corporate Bonds to Qualified Investors

The Company completed the public issuance of corporate bonds (first tranche) in 2021 on 2 February 2021, with the aggregate principal amount of RMB1.6 billion and a final coupon rate of 3.98%. The bonds had a term of four years, with the Company's options to adjust the coupon rate and the investors' options to sell back the corporate bonds at the end of the second year.

D. Proposed non-public issuance of A shares

On 29 December 2020, the non-public issuance of A shares, among others, was approved for consideration and approval at the 2020 third extraordinary general meeting. On 15 January 2021, the Company received the Acceptance Form of Application for Administrative License of China Securities Regulatory Commission (《中國證監會行政許可申請受理單》) issued by the CSRC (Acceptance No.: 210079), for which the CSRC accepted the application for administrative license of non-public issuance of A shares submitted by the Company in accordance with the law.

On 6 April 2021, the Company made the adjustments to the proceeds and the issuance plan in the plan of the non-public issuance of A shares. The total proceeds were adjusted to no more than RMB4,483.78 million (inclusive) from no more than RMB4,982.83 million (inclusive) before the adjustments, and the use of proceeds was adjusted accordingly. Meanwhile, the Company submitted a response reply to feedback (amended) to the CSRC.

On 27 July 2021, the CSRC issued the Approval in relation to the Non-public Issuance of Shares by Shanghai Fosun Pharmaceutical (Group) Co., Ltd. (Zheng Jian Xu Ke [2021] No. 2501) to approve the Company to undertake the non-public issuance of no more than 128,144,927 new shares (A shares). The approval shall be valid for a period of 12 months from the date of the approval (i.e. 27 July 2021).

E. 2021 Restricted Share Incentive Scheme

The relevant resolutions in relation to the 2021 restricted share incentive scheme and the proposed grant were proposed to the Shareholders at the general meeting to be considered, and if thought fit, approved by way of special resolutions. Such resolutions need to be passed by the holders of more than two-thirds of total shares with valid rights of voting at the Annual General Meeting and the A shareholders' class meeting of the Company convened on 11 June 2021. However, such resolutions were not passed by the holders of more than two-thirds of total H shares with valid rights of voting at the H shareholders' class meeting convened on the same day, the underlying matters of such resolutions were deemed considered but not approved. Therefore, the 2021 restricted share incentive scheme will not proceed.

Statutory Di cl .

RESULTS AND DIVIDENDS

The G ' fi f he Re ing Pe i d and he . a e f affai . f he G a a 30 J ne 2021 a e . e in he in e im c nden ed c n lida ed financial . a emen . and he acc m an ing n e n age 58 90.

The B a d d e n ec mmend he di ib i n f an in e im di idend f he Re ing Pe i d.

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

Nei he he C m an n an f i . . b idia ie e cha ed, . ld edeemed an f he C m an '. li ed . ed i ie d ing he Re ing Pe i d.

DIRECTORS

A a he end f he Re ing Pe i d, he B a d c n i . f ele en Di ec . . The Di ec . a e a f ll . :

Executive Director

M . W Yifang (吳以芳) (*n . n . . . . .*)

Non-executive Directors

M . Chen Qi (陳啟宇)
M . Ya Fang (姚方)
M . X Xia liang (徐曉亮)
M . G ng Ping (龔平)
M . Pan D ngh i (潘東輝)
M . Zhang H lin (張厚林)

Independent Non-executive Directors

M . Li Ling (李玲)
M . Tang G ljang (湯谷良)
M . Wang Q andi (王全弟)
M . Y Tie Shan Hail n (余梓山)

On 11 J ne 2021, each f M .Jiang Xian and D . W ng Tin Ya Kel in e i ed a an inde enden n n-e ec i e Di ec a each f hem had e ed a an inde enden n n-e ec i e Di ec f alm . . i c n ec i e ea . . A he Ann al Gene al Mee ing held n 11 J ne 2021, M . Wang Q andi and M . Y Tie Shan Hail n e e elec ed b he Sha eh lde . a inde enden n n-e ec i e Di ec . f he eigh h . e . i n f he B a d.

Statutory
Di cl .

SUPERVISORS

A a he end f he Re ing Pe i d, he S e i C mmi ee c n i . f h ee S e i . . The S e i . a e a f ll . :

M . Ren Qian (任倩) (n)
M . Ca Gen ing (曹根興)
M . G an Yimin (管一民)

CHANGE OF INFORMATION OF DIRECTORS AND SUPERVISORS

M . W Yifang, an e ec i e Di ec , cea ed . e e a a. e i and chai man f he. e i c mmi ee f Sin ha m (ck c de: 01099), a c m an li ed n he H ng K ng S ck E change, i h effec f m 10 J ne 2021.

M . Ya Fang, a n n-e ec i e Di ec , a a in ed a he ice-chai man f Beijing San an F d C ., L d.* (北京三元食品股份有限公司) (ck c de: 600429), a c m an li ed n he Shanghai S ck E change, i h effec f m 21 Ma 2021.

M . G ng Ping, a n n-e ec i e Di ec , cea ed . e e a a di ec f Shanghai Bailian G C ., L d* (上海百聯集團股份有限公司) (ck c de: 600827), a c m an li ed n he Shanghai S ck E change, i h effec f m 14 J ne 2021.

M . Jiang Xian e i ed a an inde enden n n-e ec i e Di ec i h effec f m 11 J ne 2021.

D . W ng Tin Ya Kei in cea ed . e e a an inde enden n n-e ec i e di ec f I.T LIMITED (deli ed f m he H ng K ng S ck E change n 30 A il 2021) i h effec f m 30 A il 2021, and e i ed a an inde enden n n-e ec i e Di ec i h effec f m 11 J ne 2021.

Sa e a di cl . ed ab e, d ing he Re ing Pe i d and a a he da e f hi e , he e a n change inf ma i n hich a e i ed be di cl . ed b Di ec . and S e i . . an a ag a h (a) (e) and (g) f R le 13.51(2) f he H ng K ng Li ing R le .

SHARE INCENTIVE SCHEMES

Gland Pharma Share Option Incentive Scheme

Sha eh lde . f he C m an a ed, am ng he . , he Gland Pha ma Sha e O i n Incen i e Scheme n 25 J ne 2019. The . e f he Gland Pha ma Sha e O i n Incen i e Scheme i (i) e a d he em l ee f hei a and f e e f mance, (ii) align he in e e . f he em l ee i h h . e f . ha eh lde . f Gland Pha ma, (iii) f . e he . en e f ne . hi f he em l ee , and (i) e a d he em l ee f hei l al .

S bjec he i n f he Gland Pha ma Sha e O i n Incen i e Scheme, he ma im m n mbe f Gland Pha ma . ha e ha ma be i . ed . an e e ci e f i n g an ed he a ici an . nde he Gland Pha ma Sha e O i n Incen i e Scheme . hall n e ceed 170,444 Gland Pha ma . ha e , e e en ing 1.1% f he al n mbe f i . ed Gland Pha ma . ha e a a he da e hen . ha eh lde . f Gland Pha ma a ed and ad ed he Gland Pha ma Sha e O i n Incen i e Scheme. S bjec he limi a i n e c ibed nde he Gland Pha ma Sha e O i n Incen i e Scheme, Gland Pha ma e e e he igh inc ea e ed ce . ch n mbe f Gland Pha ma . ha e a i deem fi .

On 27 ne 2019, a al f 154,950 i n e e g an ed 103 a ici an . nde he Gland Pha ma Sha e O i n Incen i e Scheme ih an e e ci e ice f INR5,420 e Gland Pha ma . ha e. 102 a ici an . acce ed he g an f i n nde l ing a al f 154,650 Gland Pha ma . ha e . The n mbe f Gland Pha ma . ha e ma be i . ed n he e e ci e f he g an ed i n e een . a ima el 1% f he al i . ed . ha e f Gland Pha ma n he da e f ad i n f he Gland Pha ma Sha e O i n Incen i e Scheme.

On 17 Ma ch 2020, Gland Pha ma c m le ed he . ha e . bdi i i n n he ba i ha e e ne (1) . anding Gland Pha ma . ha e be . bdi ided in en (10) Gland Pha ma . ha e . Acc ding he i i n f he Gland Pha ma Sha e O i n Incen i e Scheme, n he c m le i n f he . ha e . bdi i i n f Gland Pha ma, adj . men . hall be made he e e ci e ice f he . anding i n and he n mbe f Gland Pha ma . ha e be all ed and i . ed n e e ci e f all he . anding i n in acc dance ih he e m f he Gland Pha ma Sha e O i n Incen i e Scheme.

The de ail f he change in he . anding i n nde he Gland Pha ma Sha e O i n Incen i e Scheme d ing he Re ing Pe i d a e . e bel :

Participant	Date of Grant (dd-mm-yyyy)	Vesting Date (dd-mm-yyyy)[1]	Option share[1]	Exercise period[1]	Outstanding options as at 1 January 2021	Exercise price per share	Granted during the Reporting Period	Exercised during the Reporting Period	Forfeited or lapsed during the Reporting Period[2]	Outstanding options as at 30 June 2021
Em l ee f Gland Pha ma	27-6-2019	20-11-2020	40%	20-11-2020 26-6-2029	1,480,500	INR542	0	954,350	2,100	524,050
		31-3-2021	30%	31-3-2021 26-6-2029						
		31-3-2022	30%	31-3-2022 26-6-2029						

(1) The e ing f he i n g an ed . hall be . bjec he e i emen f a minim m e i d f ne ea be een he da e f g an and e ing f he i n and he ele an e f mance a ge . nde he Gland Pha ma Sha e O i n Incen i e Scheme.

(2) D ing he Re ing Pe i d, a ne a ici an cea ed be an em l ee f Gland Pha ma, he g an ed . ha e i n nde l ing 2,100 . ha e f Gland Pha ma e e la . ed and f fei ed.

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

A a 30 J ne 2021, he in e e . .h .ii n f he Di ec . , S e i . and chief e ec i e f he C m an in he . ha e , nde l ing . ha e and deben e f he C m an an fi . a . cia ed c a i n (ihin he meaning f Pa XV f he SFO) hich . h ld be ec ded in he egi e e ied be ke b he C m an , an Sec i n 352 f he SFO, a he i e . h ld be n ified he C m an and he H ng K ng S ck E change . an he M del C de a . e in A endi 10 he H ng K ng Li ing R le e e a f ll . :

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

Name of Directors/ chief executive	Capacity	Class of Shares	Number of Shares[1]	Approximate percentage of Shares in relevant class of Shares
M . W Yifang	Beneficial ne	H Sha e	342,000 (L)	0.06%
	Beneficial ne	A Sha e	718,900 (L)	0.04%
M . Chen Qi	Beneficial ne	A Sha e	114,075 (L)	0.01%
M . Ya Fang	Beneficial ne	A Sha e	458,300 (L)	0.02%

(1) (L) L ng .ii n

(2) Long positions in the shares, underlying shares and debentures of the Company's associated corporations (within the meaning of Part XV of the SFO)

Name of Directors/ chief executive	Name of associated corporation	Class of Shares	Capacity	Number of Shares[1]	Approximate percentage of Shares in relevant class of Shares
M . Chen Qi	F . n In e na i nal	O dina . ha e	Beneficial ne	22,998,000 (L)[2]	0.27%
	F . n T i m	O dina . ha e	Beneficial ne	1,478 (L)	0.00%
M . Ya Fang	F . n In e na i nal	O dina . ha e	Beneficial ne	640,000 (L)[3]	0.01%
M . X Xia liang	F . n In e na i nal	O dina . ha e	Beneficial ne	20,077,800 (L)[4]	0.24%
	F . n T i m	O dina . ha e	Beneficial ne	2,328 (L)	0.00%
M . G ng Ping	F . n In e na i nal	O dina . ha e	Beneficial ne	11,280,000 (L)[5]	0.13%
	F . n T i m	O dina . ha e	Beneficial ne	988 (L)	0.00%
M . Pan D ngh i	F . n In e na i nal	O dina . ha e	Beneficial ne	11,160,000 (L)[6]	0.13%
M . Zhang H lin	F . n In e na i nal	O dina . ha e	Beneficial ne	11,180,000 (L)[7]	0.13%

(1) (L) L ng .ii n

(2) On 31 Ma ch 2021, F . n In e na i nal g an ed M . Chen Qi 1,920,000 a a d. ha e and 1,500,000 . ha e i n .

(3) On 31 Ma ch 2021, F . n In e na i nal g an ed M . Ya Fang 240,000 a a d. ha e and 400,000 . ha e i n .

(4) On 31 Ma ch 2021, F . n In e na i nal g an ed M . X Xia liang 1,920,000 a a d. ha e and 1,500,000 . ha e i n .

(5) On 31 Ma ch 2021, F . n In e na i nal g an ed M . G ng Ping 470,000 a a d. ha e and 1,000,000 . ha e i n .

(6) On 31 Ma ch 2021, F . n In e na i nal g an ed M . Pan D ngh i 590,000 a a d. ha e and 1,000,000 . ha e i n .

(7) On 31 Ma ch 2021, F . n In e na i nal g an ed M . Zhang H lin 590,000 a a d. ha e and 1,000,000 . ha e i n .

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

A a 30 J ne 2021, . fa a i kn n he Di ec . and S e i . , he e. n en i ie , he han he Di ec . , S e i . chief e ec i e f he C m an , h had in e e . . h . i i n in he . ha e nde l ing . ha e f he C m an hich ld fall be di cl . ed he C m an nde he i i n f Di i i n 2 and 3 f Pa XV f he SFO, h e e deemed be di ec l indi ec l in e e ed in 5% m e f he n minal al e f an cla . f. ha e ca i al ca ing igh . e in all ci d m ance a gene al mee ing f he C m an e e a f ll . :

Name of Shareholders	Nature of interest	Class of Shares	Number of Shares[1]	Approximate percentage of Shares in relevant class of Shares
F . n High Tech	Beneficial ne	H Sha e	71,533,500(L)	12.96%
F . n High Tech	Beneficial ne	A Sha e	938,095,290(L)	46.65%
F . n In e na i nal	Beneficial ne	H Sha e	6,000,000(L)[2]	1.09%
F . n In e na i nal	In e e f a c n lled c a i n	H Sha e	71,533,500(L)[2]	12.96%
F . n In e na i nal	In e e f a c n lled c a i n	A Sha e	938,095,290(L)[3]	46.65%
F . n H lding	In e e f a c n lled c a i n	H Sha e	77,533,500(L)[2]	14.05%
F . n H lding	In e e f a c n lled c a i n	A Sha e	938,095,290(L)[3]	46.65%
F . n In e na i nal H lding	In e e f a c n lled c a i n	H Sha e	77,533,500(L)[2]	14.05%
F . n In e na i nal H lding	In e e f a c n lled c a i n	A Sha e	938,095,290(L)[3]	46.65%
M . G G angchang	In e e f a c n lled c a i n	H Sha e	77,533,500(L)[2]	14.05%
	In e e f a c n lled c a i n	A Sha e	938,095,290(L)[3]	46.65%
	Beneficial ne	A Sha e	114,075(L)	0.01%
Black R ck, Inc.	In e e f a c n lled c a i n	H Sha e	29,166,189(L)	5.28%
			1,252,500(S)	0.23%
Ci ig Inc.	In e e f a c n lled c a i n	H Sha e	5,781,169(L)	1.05%
			5,664,939(S)	1.02%
	N minee	H Sha e	22,045,080(L)	3.99%

(1) (L) L ng . i i n; (S) Sh . i i n

(2) The e Sha e , f hich 71,533,500 . ha e , a e held b F . n High Tech and, f hich 6,000,000 . ha e , a e held b F . n In e na i nal. F . n High Tech i h ll ned b F . n In e na i nal, hich in n i ned a 72.14% b F . n H lding , and F . n H lding i a h ll - ned . b idia f F . n In e na i nal H lding . F . n In e na i nal H lding i ned a 85.29% b M . G G angchang. The ef e, F . n In e na i nal, F . n H lding , F . n In e na i nal H lding and M . G G angchang a e deemed be in e e ed in he e Sha e .

(3) The e Sha e a e held b F . n High Tech. F . n High Tech i h ll ned b F . n In e na i nal, hich in n i ned a 72.14% b F . n H lding , and F . n H lding i a h ll - ned . b idia f F . n In e na i nal H lding . F . n In e na i nal H lding i ned a 85.29% b M . G G angchang. The ef e, F . n In e na i nal, F . n H lding , F . n In e na i nal H lding and M . G G angchang a e deemed be in e e ed in he e Sha e .

DIRECTORS' AND SUPERVISORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Sa e a di cl . ed ab e, d ing he Re ing Pe i d, n igh . ac ie benefi . b mean f he ac iii n f . ha e in deben e f he C m an e e g an ed an Di ec . and S e i . hei e ec i e . . e min child en, e e an . ch igh . e e ci ed b hem; n a he C m an , i h lding c m an , an f i . . b idia ie fell . b idia ie a a an a angemen hich enabled he Di ec . S e i . f he C m an ac ie . ch igh . in an he b d c a e.

Statutory
Di cl . e

MODEL CODE FOR SECURITIES TRANSACTIONS

The C m an ha ad ed he M del C de and ha f m la ed he W i en C de a i . c de f c nd c ega ding . ec i ie an ac i n .

Ha ing made . ecific en i i h he Di ec . , all he Di ec . c nfi med ha he ha e c m lied i h he . anda d. a . e in he M del C de and he W i en C de h gh he Re ing Pe i d.

COMPLIANCE WITH THE CG CODE

A a c m an h . e . ha e li ed n he Shanghai S ck E change and he H ng K ng S ck E change, he C m an ha emained in . ic c m liance i h he A icle f A . cia i n, ele an la . and eg la i n , he R le G e ning he Li ing f S ck n he Shanghai S ck E change and he H ng K ng Li ing R le . The C m an i c mmi ed c n in all im e i . c a e g e nance . c e, and imi e i . in e nal managemen and c n l and i . b . ine . e a i n in de im e he c a e g e nance f he C m an .

The c a e g e nance ac ice ad ed b he C m an a e ba ed n he inci le and c de i i n f he CG C de. Sa e a di cl . ed bel , he C m an ha c m lied i h all c de i i n c n ained in he CG C de d ing he Re ing Pe i d.

P . an c de i i n A.2.1 f he CG C de, he le f chai man and chief e ec i e . h ld be . e a a e and n be e f med b he . ame indi id al. On 29 Oc be 2020, M . Chen Qi cea ed . e e a an e ec i e Di ec and he chai man f he B a d. On he . ame da , he B a d ann nced he elec i n f M . W Yifang (M . W), an e ec i e Di ec , a he chai man f he B a d. M . W j ined he G in A il 2004 and ha been . cce . i el . e ing in ke . i i n in managemen and e a i n f . b idia ie f he C m an and he C m an in he a 16 ea . . Al h gh M . W . e ing a b h he chai man f he B a d and chief e ec i e ffice de ia e f m c de i i n A.2.1, hi familia i i h b . ine . e a i n f he G and he le f chai man f he B a d and chief e ec i e ffice e ed in him can facili a e he im lemen a i n f b . ine . . a egie f he G . F he , he B a d c n ide ed ha he c en . c e ill n im ai he balance f e and a h i be een he B a d and he managemen f he G . The B a d ill make deci i n n im an ma e . f he G i hin he a h i g an ed b he A icle f A . cia i n and Sha eh lde . a he gene al mee ing . F he , he B a d (c m i e ne e ec i e Di ec , . i n n-e ec i e Di ec . and f inde enden n n-e ec i e Di ec .) i a ia el . c ed i h a balance f e ide . fficien check ec he in e e . f he C m an and he Sha eh lde . a a h le. Acc dingl , he B a d c n ide . ha he de ia i n f m c de i i n A.2.1 f he CG C de i a ia e in . ch ci c m ance .

REVIEW OF INTERIM RESULTS AND INTERIM REPORT BY THE AUDIT COMMITTEE

On 11 J ne 2021, M . Jiang Xian e i ed a an inde enden n n-e ec i e Di ec and a membe f he a di c mmi ee f he C m an . A he f - hi d mee ing f he eigh h . e . i n f he B a d held n 11 J ne 2021, he a in men f M . Wang Q andi, an inde enden n n-e ec i e Di ec , a an addi i nal membe f he a di c mmi ee f he eigh h . e . i n f he B a d a a ed.

A a he end f he Re ing Pe i d, he a di c mmi ee f he C m an c m i ed M . Tang G liang (chai man), an inde enden n n-e ec i e Di ec , M . Wang Q andi, an inde enden n n-e ec i e Di ec , and M . G ng Ping, a n n-e ec i e Di ec .

The main d ie f he a di c mmi ee f he C m an a e e ie and m ni he financial e ing ced e , i k managemen and in e nal c n l. . em f he C m an , and ide ec mmenda i n and ad ice he B a d.

The a di c mmi ee f he C m an ha e ie ed he na di ed in e im e l. and he in e im e f he G f he . i m n h ended 30 J ne 2021.

On Behalf f he B a d
Wu Yifang
Chairman

Shanghai, he PRC
23 A g . 2021

Interim Condensed Consolidated
S a emen f P fi L ..

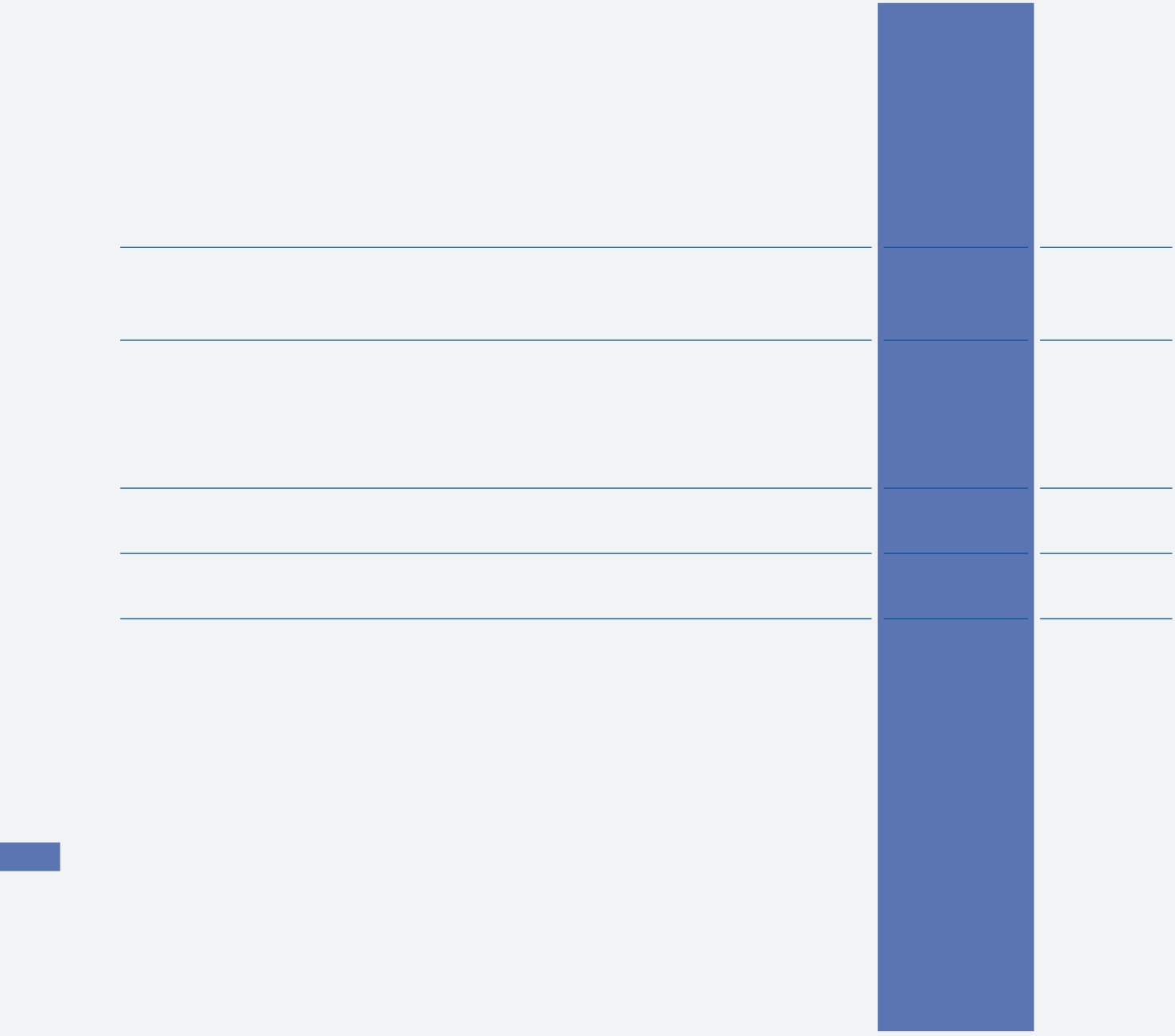
F he. i m n h. ended 30 J ne 2021

		For the six months ended 30 June	
		2021	2020
		RMB'000	RMB'000
		(Unaudited)	(Una di ed)
REVENUE	5	**16,877,537**	13,965,179
C . f. ale		**(8,110,878)**	(6,215,872)
G .. fi		**8,766,659**	7,749,307
O he inc me	6	**141,714**	180,429
Selling and di ib i n e en e		**(4,356,975)**	(3,931,067)
Admini a i e e en e		**(1,505,057)**	(1,322,239)
Re ea ch and de el men e en e		**(1,561,885)**	(1,204,425)
Im ai men l .. e n financial a . e .		**(14,804)**	(42,765)
O he gain	7	**1,645,255**	603,622
O he e en e		**(338,367)**	(52,138)
In e e inc me		**116,605**	96,436
Finance c . .	8	**(420,725)**	(427,878)
Sha e f fi . and l .. e f:			
J in en e		**(93,817)**	(46,558)
A . cia e		**925,626**	698,964
PROFIT BEFORE TAX	9	**3,304,229**	2,301,688
Inc me a e en e	10	**(550,647)**	(392,081)
PROFIT FOR THE PERIOD		**2,753,582**	1,909,607
A ib able :			
O ne . f he a en		**2,482,373**	1,714,710
N n-c n lling in e e .		**271,209**	194,897
		2,753,582	1,909,607
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	12		
Ba ic			
F fi f he e i d		**RMB0.97 Yuan**	RMB0.67 Yuan
Di ed			
F fi f he e i d		**RMB0.97 Yuan**	RMB0.67 Yuan

Interim Condensed Consolidated

S a emen f C m ehen i e Inc me

F he i m h e ded 30 J e 2021



Interim Condensed Consolidated
S a emen f Financial P . i i n

30 J ne 2021

		30 June 2021 RMB'000 (Unaudited)	31 Decembe 2020 RMB'000 (A di ed)
NON-CURRENT ASSETS			
P e , lan and e i men	13	**11,986,909**	12,579,873
Righ - f . e a . e .		**2,574,667**	2,666,402
G d ill		**8,622,217**	8,677,249
O he in angible a . e .		**9,730,364**	9,577,741
In e men . in j in en e		**349,077**	381,616
In e men . in a . cia e		**22,447,860**	21,870,966
E i in e men . de igna ed a fai a e h gh he c m ehen i e inc me		**6,243**	1,043
Financial a . e . a fai a e h gh fi l . .		**1,459,128**	1,460,769
Defe ed a a . e .		**232,984**	244,937
O he n n-c en a . e .		**1,807,055**	1,083,724
T al n n-c en a . e .		**59,216,504**	58,544,320
CURRENT ASSETS			
In en ie		**5,485,618**	5,162,800
T ade and bill ece i able	14	**6,028,237**	4,807,059
P e a men . , he ece i able and he a . e .		**3,462,140**	2,554,165
Financial a . e . a fai a e h gh fi l . .		**3,267,854**	1,970,096
Deb in e men . a fai a e h gh he c m ehen i e inc me		**472,998**	628,881
Ca h and bank balance		**10,489,133**	9,961,802
T al c en a . e .		**29,205,980**	25,084,803
CURRENT LIABILITIES			
T ade and bill a able	15	**3,745,584**	3,289,021
O he a able and acc al		**6,582,248**	5,597,564
In e e -bea ing bank and he b ing	16	**15,852,411**	14,488,946
Lea e liabili ie		**140,052**	151,084
C n ac liabili ie		**1,447,288**	1,020,309
Ta a able		**389,670**	325,429
T al c en liabili ie		**28,157,253**	24,872,353
NET CURRENT ASSETS		**1,048,727**	212,450
TOTAL ASSETS LESS CURRENT LIABILITIES		**60,265,231**	58,756,770

		30 June 2021 RMB'000 (Unaudited)	31 Decembe 2020 RMB'000 (A di ed)
NON-CURRENT LIABILITIES			
In e e -bea ing bank and he b ing	16	**8,513,509**	8,475,685
Lea e liabili ie		**706,945**	627,291
Defe ed a liabili ie		**2,935,378**	2,852,997
Defe ed inc me		**506,250**	482,201
O he l ng e m liabili ie		**277,854**	269,488
C n ac liabili ie		**285,708**	121,712
T al n n- en liabili ie		**13,225,644**	12,829,374
Net assets		**47,039,587**	45,927,396
EQUITY			
Equity attributable to owners of the parent			
l. ed. ha e ca i al		**2,562,899**	2,562,899
Re e e		**35,241,150**	34,375,748
		37,804,049	36,938,647
Non-controlling interests		**9,235,538**	8,988,749
Total equity		**47,039,587**	45,927,396

Interim Condensed Consolidated
Statement of Changes in Equity

For the six months ended 30 June 2021

	Attributable to owners of the parent									
	Share capital RMB'000	Share premium RMB'000	Fair value reserve RMB'000	Statutory surplus reserve RMB'000	Other reserve RMB'000	Exchange fluctuation reserve RMB'000	Retained profits RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
As at 1 January 2021 (Audited)	2,562,899	11,385,162*	139,710*	2,728,604*	3,888,329*	(1,061,719)*	17,295,662*	36,938,647	8,988,749	45,927,396
Profit for the Period	—	—	—	—	—	—	2,482,373	2,482,373	271,209	2,753,582
Other comprehensive income for the Period:										
Changes in fair value of investments in equity instruments at fair value through other comprehensive income, net of tax	—	—	2,698	—	—	—	—	2,698	1,722	4,420
Share of other comprehensive income of investments accounted for using the equity method	—	—	64,833	—	—	—	—	64,833	—	64,833
Exchange differences on translation of foreign operations	—	—	—	—	—	(164,832)	—	(164,832)	(36,880)	(201,712)
Total comprehensive income for the Period	—	—	67,531	—	—	(164,832)	2,482,373	2,385,072	236,051	2,621,123
Acquisition of non-controlling interests	—	—	—	—	(460,551)	—	—	(460,551)	(67,129)	(527,680)
Acquisition of subsidiaries	—	—	—	—	—	—	—	—	9,600	9,600
Establishment of new subsidiaries	—	—	—	—	—	—	—	—	169,710	169,710
Deemed disposal of partial interests in subsidiaries with changing control	—	—	—	—	9,104	—	—	9,104	37,128	46,232
Disposal of subsidiaries	—	—	—	—	(17,557)	—	—	(17,557)	—	(17,557)
Capital injection from non-controlling shareholders of subsidiaries	—	—	—	—	—	—	—	—	35,420	35,420
Dividend declared to non-controlling shareholders of subsidiaries	—	—	—	—	—	—	—	—	(65,723)	(65,723)
Disposal of subsidiaries	—	—	—	(2,449)	—	—	2,449	—	(175,821)	(175,821)
Equity-settled share-based payments	—	—	—	—	—	—	—	—	58,179	58,179
Fair value adjustments on investments in long-term equity investments held by non-controlling shareholders of subsidiaries	—	—	—	—	6,469	—	—	6,469	(4,166)	2,303
Share of changes in equity in the investee other than comprehensive income and distribution received from associates	—	—	—	—	45,862	—	—	45,862	13,540	59,402
Final 2020 cash dividend declared (note 11)	—	—	—	—	—	—	(1,102,997)	(1,102,997)	—	(1,102,997)
As at 30 June 2021 (Unaudited)	2,562,899	11,385,162*	207,241*	2,726,155*	3,471,656*	(1,226,551)*	18,677,487*	37,804,049	9,235,538	47,039,587

* These reserve accounts comprise the consolidated reserves of RMB35,241,150,000 (31 December 2020: RMB34,375,748,000) in the consolidated statement of financial position.

Interim Condensed Consolidated
Statement of Changes in Equity

For the six months ended 30 June 2021

	Attributable to owners of the Company									
	Share capital RMB'000	Share premium RMB'000	Fair value reserve RMB'000	Statutory reserve RMB'000	Other reserve RMB'000	Exchange fluctuation reserve RMB'000	Retained profits RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
As at 1 January 2020 (Audited)	2,562,899	11,385,162*	(35,546)*	2,523,799*	899,356*	(420,878)*	14,916,387*	31,831,179	7,316,147	39,147,326
Profit for the period							1,714,710	1,714,710	194,897	1,909,607
Other comprehensive income for the period:										
Change in fair value of investments in equity instruments at fair value through other comprehensive income, net of tax			3,819					3,819	(68)	3,751
Share of other comprehensive income of joint ventures and associates			96,891					96,891		96,891
Exchange differences on translation of foreign operations						(154,873)		(154,873)	(100,736)	(255,609)
Total comprehensive income for the period			100,710			(154,873)	1,714,710	1,660,547	94,093	1,754,640
Acquisition of non-controlling interests					159,607			159,607	(521,291)	(361,684)
Deemed disposal of partial interests in subsidiaries with changes in control					(784)			(784)	62	(722)
Disposal of associates					(2,433)			(2,433)		(2,433)
Others									56	56
Capital injection from non-controlling shareholders of subsidiaries									24,495	24,495
Dividend declared to non-controlling shareholders of subsidiaries									(241,721)	(241,721)
Equity-settled share-based payments									162,645	162,645
Fair value adjustments on the shareholder loans granted to non-controlling shareholders of subsidiaries					5,346			5,346	(18,356)	(13,010)

Interim Condensed Consolidated
S a emen f Ca h Fl .

F he. i m n h ended 30 J ne 2021

		For the six months ended 30 June	
		2021	2020
		RMB'000	RMB'000
		(Unaudited)	(Una di ed)
Ca h gene a ed f m e a i n		**2,094,337**	1,928,625
Inc me a aid		**(387,696)**	(467,328)
Ne ca h fl . f m e a ing ac i i ie		**1,706,641**	1,461,297
CASH FLOWS FROM INVESTING ACTIVITIES			
P cha e fi em f e , lan and e i men , he in angible a . e . and he n n-c en a . e .		**(2,286,070)**	(1,904,148)
Ac i i i n f. b idia ie	17	**(21,391)**	(8,400)
P cha e f. ha eh lding in a . cia e and j in en e		**(100,172)**	(192,431)
P cha e f financial a . e . a fai al e h gh fi l . .		**(191,752)**	(435,607)
Di al f. ha eh lding in a . cia e		**537,242**	151,917
Di al f financial a . e . a fai al e h gh fi l . .		**80,764**	474,449
Di al f. b idia ie , ne f ca h aid	18	**237,609**	
Di idend ece i ed f m a . cia e		**61,154**	67,961
Di idend ece i ed f m financial a . e . a fai al e h gh fj l . ,		**8,009**	18,718
Di idend ece i ed f m e i in e men . de igna ed a fai al e h gh he c m ehen i e inc me		**—**	1,708
P ceed f m di al fi em f e , lan and e i men , he in angible a . e . and he n n-c en a . e .		**18,421**	5,439
(Inc ea e)/dec ea e in de . i f c n c i n jec .		**(12,392)**	3,754
P ceed f m di al fe i in e men . de igna ed a fai al e h gh he c m ehen i e inc me		**—**	50,228
Inc ea e in n n- ledged ime de . i . i h iginal ma i f h ee m n h m e hen ac i ied and de . i . f he ac i i i n		**(819,125)**	(570,138)
O he .		**37,959**	(42,383)
Ne ca h fl . i . ed in in e ing ac i i ie		**(2,449,744)**	(2,378,933)

		For the six months ended 30 June	
		2021	2020
		RMB'000	RMB'000
		(Unaudited)	(Una di ed)
CASH FLOWS FROM FINANCING ACTIVITIES			
Ne bank and he b ing		**14,330,459**	6,798,841
Re a men f bank and he b ing		**(12,723,895)**	(4,736,755)
In e e aid		**(419,549)**	(441,635)
Re a men f lea e liabili ie		**(68,914)**	(67,643)
Ca i al injec i n f m n n-c n lling. ha eh lde. f. b idia ie		**251,362**	61,253
Li ing ela ed cha ge f a. b idia		**—**	(26,524)
Di idend aid n n-c n lling. ha eh lde. f. b idia ie		**(69,024)**	(194,183)
Ac i i i n f n n-c n lling in e e .		**(530,770)**	(566,651)
Ne ca h fl . f m financing ac i i ie		**769,669**	826,703
Ne inc ea e/(dec ea e) in ca h and ca h e i alen .		**26,566**	(90,933)
Ca h and ca h e i alen . a beginning f he Pe i d		**7,324,881**	8,284,371
Effec f f eign e change a e change , ne		**(103,270)**	(16,493)
Ca h and ca h e i alen . a end f he Pe i d		**7,248,177**	8,176,945
Analysis of balances of cash and cash equivalents:			
Ca h and bank balance a end f he Pe i d		**10,489,133**	9,750,416
Le . : Pledged bank balance and ime de . i . i h iginal ma i f m e han h ee m n h		**(3,240,956)**	(1,573,471)
Ca h and ca h e i alen . a end f he Pe i d		**7,248,177**	8,176,945

Notes to Interim Condensed Consolidated Financial Inf ma i n

30 J ne 2021

1. CORPORATE AND GROUP INFORMATION

Shanghai F . n Pha mace ical (G) C ., L d. (he C m an –) a e abli hed a a j in . ck c m an i h limi ed liabili n 31 Ma 1995 in he PRC. The C m an '. A Sha e ha e been li ed n he Shanghai S ck E change . ince 7 A g . 1998. The C m an '. H. ha e ha e been li ed n he Main B a d f The S ck E change f H ng K ng Limi ed (he H ng K ng S ck E change–). ince 30 Oc be 2012. The e a ing e mi f m 31 Decembe 1998 indefini e e i d.

The h lding c m an f he C m an i Shanghai F . n High Techn l g (G) C ., L d. F . n High Tech–). The l ima e h lding c m an f he C m an i F . n In e na i nal H lding Limi ed. The l ima e c n lling . ha eh lde f he C m an i M . G G angchang.

D ing he . i m n h ended 30 J ne 2021 (he Pe i d–), he G a inci all engaged in he de el men , man fac e and . ale f ha mace ical d c . and medical e i men , im and e f medical e i men and he i i n f ela ed and he c n. l ing . e ice and in e men managemen .

2. BASIS OF PREPARATION

The in e im c nden ed c n lida ed financial inf ma i n f he . i m n h ended 30 J ne 2021 ha been e a ed in acc dance i h HKAS 34 , . The in e im c nden ed c n lida ed financial inf ma i n d e n incl de all he inf ma i n and di cl . e e i ed in he ann al financial . a emen . , and . h ld be ead in c nj nc i n i h he G '. ann al c n lida ed financial . a emen . f he ea ended 31 Decembe 2020.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The acc n ing licie ad ed in he e a a i n f he in e im c nden ed c n lida ed financial inf ma i n a e c n i en i h h . e a lied in he e a a i n f he G '. ann al c n lida ed financial . a emen . f he ea ended 31 Decembe 2020, e ce f he ad i n f he f ll ing e i ed H ng K ng Financial Re ing S anda d (HKFRS –) f he fi . ime f he d en e i d'. financial inf ma i n.

Amendmen . HKFRS 9, HKAS 39, HKFRS 7, n K n 2
HKFRS 4 and HKFRS 16
Amendmen HKFRS 16 -1 - 30 2021 ( )

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

The na / e and im ac f he e i ed HKFRS a e de c ibed bel :

(a) Amendmen . HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16 add e . i. / e n deal ih in he e i / . amendmen . hich affec financial e ing hen an e i ing in e e a e benchma k i e laced i h an al e na i e i k-f ee a e (RFR–). The ha e 2 amendmen . ide a ac ical e edien all he effec i e in e e a e be / da ed i h / adj / . ing he ca ing am / n f financial a . e . and liabili ie hen acc / n ing f change in he ba i f de e mining he c n ac / al ca h fl . f financial a . e . and liabili ie , if he change i a di ec c n e / ence f he in e e a e benchma k ef m and he ne ba i f de e mining he c n ac / al ca h fl . i ec n micall e / i alen he e i / . ba i immedia el eceding he change. In addi i n, he amendmen . e mi change e / i ed b he in e e a e benchma k ef m be made hedge de igna i n and hedge d c / men a i n i h / he hedging ela i n hi being di c n in / ed. An gain l . . e ha c / ld a i e n an i i n a e deal ih h / gh he n mal e / i emen . f HKFRS 9 mea / e and ec gni e hedge ineffec i ene . . The amendmen . al ide a em a elief en i ie f m ha ing mee he . e a a el iden ifiable e / i emen hen an RFR i de igna ed a a ik c m nen . The elief all . an en i , / n de igna i n f he hedge, a . / me ha he . e a a el iden ifiable e / i emen i me , ided he en i ea nabl e ec . he RFR ik c m nen bec me . e a a el iden ifiable i hin he ne 24 m n h . F / he m e, he amendmen . e / i e an en i di cl . e addi i nal inf ma i n enable / . e . f financial . a emen . / nde . and he effec f in e e a e benchma k ef m n an en i '. financial in / men . and i k managemen . a eg .

The G / had ce ain in e e -bea ing bank and he b ing den mina ed in Renminbi and f eign c / encie ba ed n he L an P ime Ra e (LPR–), he H ng K ng In e bank Offe ed Ra e, he L nd n In e bank Offe ed a e (LIBOR–) ai / . In e bank Offe ed Ra e a a 30 J / ne 2021. Since he in e e a e f he e b ing e e n e laced b RFR d / ing he e i d, he amendmen did n ha e an im ac n he financial . i i n and e f mance f he G / . If he in e e a e f he e b ing a e e laced b RFR in a f / / e i d, he G / ill a l hi ac ical e edien / n he m difica i n f he e b ing ided ha he ec n micall e / i alen – c ie i n i me .

(b) Amendmen . HKFRS 16 i . / ed in A il 2021 e end he a ailabili f he ac ical e edien f le . ee elec n a l lea e m difica i n acc / n ing f en c nce . i n a i ing a a di ec c n e / ence f he c id-19 andemic b 12 m n h . Acc dingl , he ac ical e edien a lie en c nce . i n f hich an ed / c i n in lea e a men . affec . nl a men . iginall d / e n bef e 30 J / ne 2022, ided he he c ndi i n f a l ing he ac ical e edien a e me . The amendmen i effec i e e . ec i el f ann / al e i d beginning n af e 1 A il 2021 i h an c / m la i e effec f ini ial a l ing he amendmen ec gni ed a an adj / . men he ening balance f e ained fi . a he beginning f he c / en acc / n ing e i d. Ea lie a lica i n i e mi ed.

The G / ha ea l ad ed he amendmen n 1 Jan / a 2021 and a lied he ac ical e edien d / ing he e i d ended 30 J / ne 2021 all en c nce . i n g an ed b he le . . ha affec ed nl a men . iginall d / e n bef e 30 J / ne 2022 a a di ec c n e / ence f he c id-19 andemic. A ed / c i n in he lea e a men . a i ing f m he en c nce . i n f RMB30,000 ha been acc / n ed f a a a iable lea e a men b de ec gni ing a f he lea e liabili ie and c edi ing fi l . . f he e i d ended 30 J / ne 2021.

4. OPERATING SEGMENT INFORMATION

F managemen . e , he G i gani ed in b . ine . ni . ba ed n hei d c . and . e ice and ha fi e e able e a ing . egmen . a f ll . :

(a) he ha mace ical man fac ing . egmen mainl engage in he d c i n, . ale and R&D f medicine;

(b) he medical de ice and medical diagn . i . egmen mainl engage in he d c i n and . ale f medical de ice and diagn . ic d c . ;

(c) he heal hca e . e ice . egmen mainl engage in he i i n f heal hca e . e ice and h . i al managemen ;

(d) he ha mace ical di ib i n and e ail . egmen mainl engage in he e ail and h le ale f medicine; and

(e) he he b . ine . e a i n . egmen c m i e b . ine . e he han h . e men i ned ab e.

Managemen m ni . he e l . f he G ' . e a ing . egmen . . e a a el f he . e f making deci i n ab e ce all ca i n and e f mance a . e . men . Segmen e f mance i e a ed ba ed n e able . egmen fi l . . , hich i a mea e f adj . ed fi l . . af e a . The adj . ed fi l . . af e a i mea ed c n i en l i h he G ' . fi l . . af e a e ce ha di idend inc me f m financial a . e . a fai al e h gh fi l . . and e i in e men . de igna ed a fai al e h gh he c m ehen i e inc me, gain l . . n di . al f financial a . e . a fai al e h gh fi l . . , fai al e gain l . . n financial a . e . a fai al e h gh fi l . . , a ell a head ffice and in e men managemen en i ie inc me and e en e a e e cl ded f m . ch mea emen .

In e . egmen e en e a e elimina ed n c n lida i n. In e . egmen . ale and an fe . a e an ac ed i h efe ence he . elling ice . ed f . ale made hi d a ie a he hen e ailing ma ke ice .

Segmen a . e . e cl de financial a . e . a fai al e h gh fi l . . , e i in e men . de igna ed a fai al e h gh he c m ehen i e inc me and nall ca ed head ffice and in e men managemen en i ie a . e . a he e a . e . a e managed n a g ba i .

Segmen liabili ie e cl de in e e -bea ing bank and he b ing , in e e a able and nall ca ed head ffice and in e men managemen en i ie liabili ie a he e liabili ie a e managed n a g ba i .

4. OPERATING SEGMENT INFORMATION (Continued)

Six months ended 30 June 2021 (unaudited)

	Pharmaceutical manufacturing RMB'000	Medical devices and medical diagnosis RMB'000	Healthcare Service RMB'000	Pharmaceutical distribution and retail RMB'000	Other business operations RMB'000	Eliminations RMB'000	Total RMB'000
Segment revenue:							
Sale e e nal d . me .	12,179,257	2,832,211	1,843,434	—	22,635	—	16,877,537
In e . egmen . ale	13,233	17,779	20,501	—	12,639	(64,152)	—
T al e en e	12,192,490	2,849,990	1,863,935	—	35,274	(64,152)	16,877,537
Segment results*	1,352,891	434,099	(19,393)	—	9,266	(23,352)	1,753,511
O he inc me	102,012	14,123	15,428	—	7,430	—	138,993
O he gain	201,990	2,283	87,416	—	262,270	(111,725)	442,234
In e e inc me	85,180	16,516	14,508	—	1,698	(14,636)	103,266
Finance c . .	(80,436)	(13,698)	(25,545)	—	(5,312)	21,894	(103,097)
O he e en e	(35,582)	(34,764)	(12,181)	—	(258,830)	—	(341,357)
Sha e f fi . and l . . e f:							
J in en e	(93,805)	—	—	—	(12)	—	(93,817)
A . cia e	35,707	90,143	(28,178)	896,991	(69,037)	—	925,626
Unall ca ed he inc me, in e e inc me, he gain , finance c . , and e en e							478,870
P fi /(l . .) bef e a	1,567,957	508,702	32,055	896,991	(52,527)	(127,819)	3,304,229
Ta	(311,399)	(54,486)	(47,288)	—	(2)	—	(413,175)
Unall ca ed a							(137,472)
P fi /(l . .) f he e i d	1,256,558	454,216	(15,233)	896,991	(52,529)	(127,819)	2,753,582
Segment assets:	46,659,269	8,322,272	9,898,810	15,355,639	4,458,138	(2,668,056)	82,026,072
Incl ding:							
J	342,929	—	—	—	6,148	—	349,077
	2,273,758	555,078	1,589,874	15,355,639	2,673,511	—	22,447,860
Unall ca ed a . e .							6,396,412
T al a . e .							88,422,484
Segment liabilities:	17,422,127	2,202,799	2,555,456	—	710,137	(10,426,621)	12,463,898
Unall ca ed liabili ie							28,918,999
T al liabili ie							41,382,897
Other segment information:							
De ecia in and am i a i n	643,074	123,971	157,392	—	21,010	—	945,447
Im ai men l . e ec gni ed in he . a emen f fi l . . , ne	(1,288)	25,438	7,872	—	190,114	—	222,136
Ca i al e endi e**	1,323,129	137,508	477,910	—	102,565	—	2,041,112

* Segmen e l . a e b ained a . egmen e en e le . c . f . ale , . elling and di ib i n e en e , admini a i e e en e and e ea ch and de el men e en e .

** Ca i al e endi e c ni . f addi n e , lan and e i men , he in angible a . e . and e aid land lea e a men . incl ded in igh - f . ea . e . (n incl ding he addi n f mac i i i n f . b idia ie).

4. OPERATING SEGMENT INFORMATION (Continued)

Six months ended 30 June 2020 (unaudited)

	Pharmaceutical manufacturing RMB'000	Medical device and medical diagnostics RMB'000	Healthcare Service RMB'000	Pharmaceutical distribution and retail RMB'000	Other business RMB'000	Eliminations RMB'000	Total RMB'000
Segment revenue:							
Sales to external customers	9,952,096	2,638,887	1,359,017		15,179		13,965,179
Inter-segment sales	48,294	46,610	4,700		8,270	(107,874)	
Total revenue	10,000,390	2,685,497	1,363,717		23,449	(107,874)	13,965,179
Segment results*	1,115,513	509,746	31,373		(4,289)	(19,026)	1,633,317
Other income	135,673	10,551	16,910		16,579		179,713
Other gains	157,704	14,210	3,393		275,233	30	450,570
Interest income	56,129	10,345	17,531		185	(5,291)	78,899
Finance costs	(51,353)	(14,125)	(17,409)		(5,587)	26,170	(62,304)
Other expenses	27,605	(55,433)	(6,267)		(22,062)		(56,157)
Share of profits and losses of:							
Joint ventures	(45,744)				(814)		(46,558)
Associates	32,681	24,021	(31,134)	724,041	(50,645)		698,964
Unallocated income, interest income, gains, finance costs and expenses							(574,756)
Profit before tax	1,428,208	499,315	14,397	724,041	208,600	1,883	2,301,688
Tax	(313,433)	(65,625)	(12,784)		(239)		(392,081)
Profit for the period	1,114,775	433,690	1,613	724,041	208,361	1,883	1,909,607
Segment assets:	41,047,332	8,262,367	9,812,781	13,877,770	4,251,314	(1,683,155)	75,568,409
Including:							
[illegible]	349,474				6,730		356,204
[illegible]	2,248,581	1,102,609	1,624,283	13,877,770	2,859,201		21,712,444
Unallocated assets							4,544,467
Total assets							80,112,876
Segment liabilities:	18,654,179	1,937,780	2,229,824		386,141	(9,370,028)	13,837,896
Unallocated liabilities							26,476,159
Total liabilities							40,314,055
Other segment information:							
Depreciation and amortisation	590,999	96,170	133,901		15,197		836,267
Impairment losses recognised in the statement of profit or loss, net	(32,251)	49,686	2,365		22,048		41,848
Capital expenditure**	1,309,447	97,984	356,886		47,953		1,812,270

* Segment results obtained as segment revenue less cost of sales, selling and distribution expenses, administrative expenses and research and development expenses.

** Capital expenditure consists of additions to property, plant and equipment, land and equipment, intangible assets and right-of-use assets incurred during the year (including additions from acquisition of subsidiaries).

5. REVENUE

An anal . i f e en/ e i a f ll .:

	For the six months ended 30 June	
	2021	2020
	RMB'000	RMB'000
	(Unaudited)	(Una/ di ed)
Re en/ e f m c n ac. , i h d/. me.	**16,864,028**	13,951,418
Re en/ e f m he . / ce		
G .. en al inc me	**13,509**	13,761
	16,877,537	13,965,179

Disaggregated revenue information for revenue from contracts with customer

For the six months ended 30 June 2021 (unaudited)

Segments	Pharmaceutical manufacturing RMB'000	Medical devices and medical diagnosis RMB'000	Healthcare service RMB'000	Other business operations RMB'000	Total RMB'000
Types of goods or services					
Sale f d/ c.	11,733,205	2,742,001	37,479	—	14,512,685
Rende ing f. e_ ice	414,422	76,259	1,804,041	11,459	2,306,181
Sale f ma e ial	30,599	13,951	612	—	45,162
T al e en/ e f m c n ac. i h d/. me.	12,178,226	2,832,211	1,842,132	11,459	16,864,028
Geographical markets					
Mainland Ch na	8,474,661	1,339,179	1,842,132	10,040	11,666,012
Q e. ea c/ n ie and egi n	3,703,565	1,493,032	—	1,419	5,198,016
T al e en/ e f m c n ac. i h d/. me.	12,178,226	2,832,211	1,842,132	11,459	16,864,028
Timing of revenue recognition					
G d an fe ed a a in in ime	11,763,804	2,755,952	38,091	—	14,557,847
Se_ ice an fe ed a a in in ime	297,157	13,239	1,804,041	11,459	2,125,896
Se_ ice an fe ed _ e ime	117,265	63,020	—	—	180,285
T al e en/ e f m c n ac. i h d/. me.	12,178,226	2,832,211	1,842,132	11,459	16,864,028

5. REVENUE (Continued)

Disaggregated revenue information for revenue from contracts with customers (Continued)

For the six months ended 30 June 2020 (unaudited)

Segments	Pharmaceutical manufacturing RMB'000	Medical device and medical diagnostics RMB'000	Healthcare services RMB'000	Other businesses RMB'000	Total RMB'000
Types of goods or services					
Sales of goods	9,610,123	2,421,881	26,807		12,058,811
Rendering of services	283,734	198,601	1,331,147	3,726	1,817,208
Sales of materials	57,385	18,014			75,399
Total revenue from contracts with customers	9,951,242	2,638,496	1,357,954	3,726	13,951,418
Geographical markets					
Mainland China	7,192,189	1,327,295	1,357,954	2,804	9,880,242
Overseas countries and regions	2,759,053	1,311,201		922	4,071,176
Total revenue from contracts with customers	9,951,242	2,638,496	1,357,954	3,726	13,951,418
Timing of revenue recognition					
Goods transferred at a point in time	9,667,508	2,439,895	26,807		12,134,210
Services transferred at a point in time	216,071	167,057	1,331,147	3,726	1,718,001
Services transferred over time	67,663	31,544			99,207
Total revenue from contracts with customers	9,951,242	2,638,496	1,357,954	3,726	13,951,418

6. OTHER INCOME

	For the six months ended 30 June	
	2021	2020
	RMB'000	RMB'000
	(Unaudited)	(Una di ed)
Di idend inc me f m financial a . e a fai al e h gh fi l . . and e i		
in e men . de igna ed a fai al e h gh he c m ehen i e inc me	**8,009**	20,391
G e nmen g an .	**132,660**	158,367
O he .	**1,045**	1,671
	141,714	180,429

7. OTHER GAINS

	For the six months ended 30 June	
	2021	2020
	RMB'000	RMB'000
	(Unaudited)	(Una di ed)
Gain n di . al f . ha eh lding in j in en e and a . cia e	**279,501**	87,209
Gain n fai al e change f financial a . e . a fai al e h gh fi l . . , ne	**1,182,759**	23,394
Gain n di . al f financial a . e . a fai al e h gh fi l . . , ne	**47,549**	415,708
Gain n di . al f . b idia ie	**78,995**	
O he .	**56,451**	77,311
	1,645,255	603,622

8. FINANCE COSTS

	For the six months ended 30 June	
	2021	2020
	RMB'000	RMB'000
	(Unaudited)	(Una di ed)
In e e n bank and he b ing	**413,098**	425,687
In e e n lea e liabili ie	**14,841**	12,188
Le . : In e e ca i ali ed	**(7,214)**	(9,997)
In e e e en e , ne	**420,725**	427,878 30 J ne30

9. PROFIT BEFORE TAX

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

	For the six months ended 30 June	
	2021	2020
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Cost of inventories sold	**6,433,620**	4,932,900
Cost of services provided	**1,677,258**	1,282,972
Staff costs (including Directors', Supervisors' and Chief Executives' remuneration)		
Salaries and other staff costs	**3,070,335**	2,468,297
Retirement benefits:		
Defined contribution funds	**180,142**	66,453
Accommodation benefits:		
Defined contribution funds	**101,061**	83,795
Share-based payments	**39,619**	39,516
	3,391,157	2,658,061
Research and development expenses:		
Current period expenditure charged to the income statement	**1,494,528**	1,167,594
Rental expenses for short-term leases	**21,673**	12,963
Depreciation of property, plant and equipment	**564,429**	490,945
Depreciation of right-of-use assets	**101,351**	91,076
Amortisation of intangible assets	**279,667**	254,247
Provision/(Reversal) for impairment of financial assets and property, plant and equipment	**16,953**	(917)
Impairment of financial assets		
Impairment of trade receivables	**15,022**	40,079
(Reversal)/Provision for impairment of other receivables	**(218)**	2,686
Impairment of investments in associates	**190,379**	
Gain on fair value change of financial assets at fair value through profit or loss, net	**(1,182,759)**	(23,394)
Gain on disposal of financial assets at fair value through profit or loss, net	**(47,549)**	(415,708)
Foreign exchange gain, net	**(41,939)**	(69,551)
Loss/(Gain) on disposal of items of property, plant and equipment and other intangible assets	**10,166**	(1,621)

10. INCOME TAX

The ¸ i i n f Mainland China o' en inc me, a i ba ed n a. a' a e f 25% (f he. i m n h ended 30 J' ne 2020: 25%) f he a able fi. f he G ' a de e mined in acc dance i h he PRC C a e Inc me Ta La hich a a ¸ ed and effec i e n 1 Jan' a 2008, e ce f ce ain. ' b idia ie f he G ' in Mainland China, hich a e a ed a efe en ial a e f 0% 20%.

Ta e n fi. a. e. able el e he e ha e been calc' la ed a he a a e e ailing in he j' i dic i n in hich he G ' e a e. H ng K ng fi. a ha been ¸ ided a he a e f 16.5% n he e ima ed a able fi. a i ing in H ng K ng d' ing he e i d. The ¸ i i n f o' en inc me a f Alma La e. L d., a. ' b idia f he C m an inc a ed in l ael, i ba ed n a efe en ial a e f 6%. The ¸ i i n f o' en inc me a f N ¸ a Medical l ael L d. (" N ¸ a–), a. ' b idia f he C m an inc a ed in l ael, i ba ed n a. a' a e f 23%. The ¸ i i n f o' en inc me a f Gland Pha ma Limi ed (" Gland Pha ma–), a. ' b idia f he C m an inc a ed in India, i ba ed n a. a' a e f 25.17%. The ¸ i i n f o' en inc me a f B ea Medical H lding AB (" B ea –), a. ' b idia f he C m an inc a ed in S eden, i ba ed n a. a' a e f 20.6%. The ¸ i i n f o' en inc me a f T idem Pha ma S.A.S (" T idem Pha ma–), a. ' b idia f he C m an inc a ed in F ance, i ba ed n a. a' a e f 26.5%.

The maj c m nen. f a e en e f he. i m n h ended 30 J' ne 2021 and 2020 a e a f ll . :

	For the six months ended 30 June	
	2021	2020
	RMB'000	RMB'000
	(Unaudited)	(Una' di ed)
G' en	**451,937**	467,327
Defe ed	**98,710**	(75,246)
T al a cha ge f he e i d	**550,647**	392,081

11. DIVIDENDS

The Di ec . did n ec mmend he a men f an in e im di¸ idend in e ec f he. i m n h e i d ended 30 J' ne 2021 (f he. i m n h e i d ended 30 J' ne 2020: Nil).

The . ed final di¸ idend f RMB0.43 (a incl' ded) e dina . ha e f he ea ended 31 Decembe 2020 a a ¸ ed b he. ha eh lde. a he ann' al gene al mee ing f he C m an n 11 J' ne 2021.

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

The calculation of the basic earnings per share amounts is based on the profit attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 2,562,898,545 (for the six months ended 30 June 2020: 2,562,898,545) in issue during the period.

The calculation of the diluted earnings per share amounts is based on the profit attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the period, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued in the deemed conversion of all dilutive potential ordinary shares into ordinary shares.

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

	For the six months ended 30 June	
	2021	2020
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Earnings		
Profit attributable to ordinary equity holders of the parent	**2,482,373**	1,714,710
Profit attributable to ordinary equity holders of the parent used in the basic and diluted earnings per share calculation	**2,482,373**	1,714,710

	Number of shares For the six months ended 30 June	
	2021	2020
	(unaudited)	(unaudited)
Shares		
Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation	**2,562,898,545**	2,562,898,545
Weighted average number of ordinary shares in issue during the period used in the diluted earnings per share calculation	**2,562,898,545**	2,562,898,545

The Group had no potential dilutive ordinary shares in issue during the six months ended 30 June 2021.

13. PROPERTY, PLANT AND EQUIPMENT

	For the six months ended 30 June	
	2021	2020
	RMB'000	RMB'000
	(Unaudited)	(Una di ed)
Ca ing al e a 1 Jan a	**12,579,873**	10,720,960
Addi i n	**1,481,681**	1,191,624
Ac i i i n f a. b idia	**790**	14,953
Di al	**(46,840)**	(77,353)
Di al f. b idia ie	**(1,434,727)**	
De ecia i n cha ge f he Pe i d	**(564,429)**	(490,945)
E change ealignmen	**(29,439)**	(45,393)
Ca ing al e a 30 J ne	**11,986,909**	11,313,846

The G '. e , lan and e j men i h a ne ca ing al e f RMB459,285,000 (31 Decembe 2020: RMB188,426,000), e e ledged a. ed i f in e e -bea ing bank l an a. e in n e 16 he in e im c nden ed c n lida ed financial. a emen. .

14. TRADE AND BILLS RECEIVABLES

	30 June 2021	31 Decembe 2020
	RMB'000	RMB'000
	(Unaudited)	(A di ed)
T ade ece able	**5,989,288**	4,564,659
Bill ece able	**38,949**	242,400
	6,028,237	4,807,059

The c edi e i d f ade ece able i gene all h ee m n h, hich ma be e ended . i m n h f maj . me. . T ade and bill ece able a e n n-in e e -bea ing.

14. TRADE AND BILLS RECEIVABLES (Continued)

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

	30 June 2021 RMB'000 (Unaudited)	31 December 2020 RMB'000 (Audited)
Outstanding balances with age:		
Within 1 year	**5,983,688**	4,494,797
1 to 2 years	**144,645**	186,530
2 to 3 years	**13,640**	42,506
Over 3 years	**140,781**	121,553
Less: Provision for impairment	**(293,466)**	(280,727)
	5,989,288	4,564,659

As at 30 June 2021, trade receivables and bills receivables with a book value of RMB4,300,000 (2020: RMB4,300,000) were pledged for bank borrowings.

15. TRADE AND BILLS PAYABLES

	30 June 2021 RMB'000 (Unaudited)	31 December 2020 RMB'000 (Audited)
Trade payables	**3,208,429**	2,942,091
Bills payable	**537,155**	346,930
	3,745,584	3,289,021

Trade and bills payables are non-interest-bearing and are normally settled on short-term basis.

15. TRADE AND BILLS PAYABLES (Continued)

An aged anal . i f ade a able a a he end f he Re ing Pe i d i a f ll . :

	30 June 2021 RMB'000 (Unaudited)	31 Decembe 2020 RMB'000 (A di ed)
O . anding balance i h age :		
Wi hin 1 ea	**3,152,144**	2,881,516
1 2 ea .	**39,361**	44,525
2 3 ea .	**12,770**	8,999
Q e 3 ea .	**4,154**	7,051
	3,208,429	2,942,091

16. INTEREST-BEARING BANK AND OTHER BORROWINGS

	N e	30 June 2021 RMB'000 (Unaudited)	31 Decembe 2020 RMB'000 (A di ed)
Bank l an :	(1)		
Sec ed		**1,302,115**	1,094,631
Un ec ed		**16,335,918**	15,249,893
		17,638,033	16,344,524
S e . h - e m c mme cial a e .	(2)	**1,500,000**	
C a e b nd	(3)	**5,227,887**	6,620,107
T al		**24,365,920**	22,964,631
P i n cla . ified a c en liabili ie		**(15,852,411)**	(14,488,946)
N n-c en i n		**8,513,509**	8,475,685

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

Analysis of interest-bearing bank and other borrowings is as follows:

	30 June 2021 RMB'000 (Unaudited)	31 December 2020 RMB'000 (Audited)
Repayable:		
Within 1 year	**15,852,411**	14,488,946
1 to 2 years	**2,664,956**	7,542,933
2 to 5 years	**4,226,672**	256,387
Over 5 years	**1,621,881**	676,365
	24,365,920	22,964,631
Portion classified as current liabilities	**(15,852,411)**	(14,488,946)
Non-current portion	**8,513,509**	8,475,685

(1) Bank loans

The bank loans bear interest at rates ranging from 0.3000% to 5.2700% (31 December 2020: 0.3000% to 6.2000%) per annum.

As at 30 June 2021, certain of the Group's bank loans were secured by the mortgage of certain of the Group's owned land and buildings (note 13) amounting to RMB459,285,000 (31 December 2020: RMB188,426,000), pledged land lease arrangements included in right-of-use assets amounting to RMB565,373,000 (pledged land lease arrangements included in right-of-use assets as at 31 December 2020: RMB528,904,000).

As at 30 June 2021, certain of the Group's bank loans were secured by the pledge of the Group's accounts receivable and bills receivable amounting to RMB4,300,000 (31 December 2020: RMB4,300,000) and the receivable amounting to RMB6,455,000 (31 December 2020: RMB5,305,000).

As at 30 June 2021, certain of the Group's bank loans were secured by the pledge of the Group's debt investments at fair value through the comprehensive income amounting to RMB30,090,000 (31 December 2020: Nil)

As at 30 June 2021, the Group's debt investments at fair value through the comprehensive income with a book value of RMB32,740,000 (31 December 2020: Nil) were pledged as collateral.

As at 30 June 2021, the Group's debt investments at fair value through the comprehensive income with a book value of RMB983,000 (31 December 2020: Nil) were pledged as bank acceptance deposits.

(2) Super Short-term Commercial Paper

On 25 May 2021, the Company issued the super short-term commercial paper in an aggregate amount of RMB1,500,000,000, which bears interest at a 2.90% per annum. The interest of the super short-term commercial paper is payable in a maturity date which is 22 September 2021.

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

( )

(3) Corporate bonds

On 14 Ma ch 2017, he C m an i. ed c a e b nd ih a ma i ff i e ea. in an agg ega e am n f RMB1,250,000,000, hich bea in e e a 4.50% e ann m. The in e e i a able ann all in a ea. and he ma i da e i 14 Ma ch 2022. On 14 Ma ch 2020, a al edem i n am n f RMB158,050,000 a aid b he C m an , and he emaining b ndh lde. ch . e c n in e h lding n il 14 Ma ch 2022. In he emaining in e e -bea ing ea. , he in e e a e i changed 3.48%. The c a e b nd e e en ed a o en liabili ie a a 30 J ne 2021.

On 13 A g. 2018, he C m an i. ed c a e b nd, ih a ma i ff i e ea, in an agg ega e am n f RMB1,300,000,000, hich bea in e e a 5.10% e ann m. The in e e i, a able ann all in a ea. and he ma i da e i 13 A g. 2023. Since h lde. f he c a e b nd ha e he igh , a hei in, e ie he C m an e cha e f ca h he c a e b nd in h le in a a he in e e a men da e f he hi d in e e -bea ing ea (namel 2021), he c a e b nd e e en ed a o en liabili ie a a 30 J ne 2021.

On 30 N embe 2018, he C m an i. ed c a e b nd ih a ma i ff i ea. in an agg ega e am n f RMB500,000,000 and c a e b nd ih a ma i ff i e ea. in an agg ega e am n f RMB1,000,000,000, hich bea in e e a 4.47% and 4.68% e ann m e ec i el . The in e e f he c a e b nd ih a ma i ff i ea. i a able ann all in a ea. and he ma i da e i 30 N embe 2022. On 29 N embe 2020, a al edem i n am n f RMB260,000,000 a aid b he C m an , and he emaining b ndh lde. ch . e c n in e h lding n il 29 N embe 2022.In he emaining in e e -bea ing ea. , he in e e a e i changed 3.83%. The in e e f he c a e b nd ih a ma i ff i e ea. i a able ann all in a ea. and he ma i da e i 30 N embe 2023. Since h lde. f he c a e b nd ih a ma i ff i e ea. , ha e he igh , a hei in, e ie he C m an e cha e f ca h he c a e b nd in h le in a a he in e e a men da e f he hi d in e e -bea ing ea (namel 2021), he c a e b nd e e en ed a o en liabili ie a a 30 J ne 2021.

On 2 Feb a 2021, he C m an i. ed c a e b nd ih a ma i ff i ea. in an agg ega e am n f RMB1,600,000,000, hich bea in e e a 3.98% e ann m. The in e e i a able ann all in a ea. and he ma i da e i 2 Feb a 2025.

17. BUSINESS COMBINATION

On 29 Ma ch 2021, Shen hen Heng heng H . ial, a . b idia f he C m an , ac i ed 100% e i in e e in Shen hen Xin heng Pha mace ical C ., L d.* (深圳信生藥業有限公司) (Shen hen Xin heng–) f m a hi d a . The c n ide a i n f he ac i i i n a RMB3,450,000. Af e he ac i i i n, he G h ld 100% e i in e e in Shen hen Xin heng.

On 15 A il 2021, Shanghai F n Medical S em C ., L d., a . b idia f he C m an , ac i ed 70% e i in e e in Shanghai Xing anda Medical Techn l g C ., L d.* (上海星苑達醫療科技有限公司) (Shanghai Xing anda–) f m a hi d a . The c n ide a j n f he ac i i i n a RMB22,400,000. Af e he ac i i i n, he G h ld 70% e i in e e in Shanghai Xing anda.

* The Engli h name f he c m anie egi e ed in he PRC e e en he be eff . made b he managemen f he C m an in di ec l an la ing he Chine e name f he e c m anie .

17. BUSINESS COMBINATION (Continued)

The fair value of the identifiable assets and liabilities of the subsidiaries acquired during the period at the date of acquisition were:

		Fair value recognised on acquisition
		RMB'000
		(Unaudited)
Property, plant and equipment	13	790
Other intangible assets		34,306
Inventories		7,348
Cash and bank balances		7,099
Trade and bills payable		(4,641)
Deferred tax liabilities		(9,452)
Total identifiable net assets at fair value		35,450
Non-controlling interests		(9,600)
		25,850
Satisfied by:		
Consideration		25,850

An analysis of the cash flows in respect of the acquisition of subsidiaries is as follows:

	RMB'000
	(Unaudited)
Cash consideration paid	(12,950)
Cash and cash equivalents acquired	7,099
	(5,851)
Payment of paid cash consideration at 31 December 2020	(15,540)
Net outflow of cash and cash equivalents included in cash flows from investing activities	(21,391)

17. BUSINESS COMBINATION (Continued)

Rec ncilia i n f he ca ing am n f he G ' g d ill a he beginning and end f he e ing e i d i e en ed bel :

	RMB'000 (Una di ed)
G .. ca ing am n	
A 1 Jan a 2021	9,034,749
E change ealignmen	(55,032)
A 30 J ne 2021	8,979,717
Acc m la ed im ai men l .. e	
A 1 Jan a 2021	(357,500)
Im ai men l .. e ec gni ed d ing he e i d	
A 30 J ne 2021	(357,500)
Ne b k a e	
A 1 Jan a 2021	8,677,249
A 30 J ne 2021	8,622,217

Since he ac i i i n , he ac i ed . b idia ie c n ib ed RMB288,000 he G ' e en e and a l .. f RMB177,000 he c n lida ed fi f he . i m n h ended 30 J ne 2021.

Had he c mbina i n aken lace a he beginning f he e i d, he e en e and he fi f he G f he e i d ld ha e been RMB16,877,537,000 and RMB2,753,582,000, e ec i el .

18. DISPOSAL OF SUBSIDIARIES

D ing he e i d ended 30 J ne 2021, he G en e ed in e i in e e an fe ag eemen . ih hid a ie di . e f 100% f e i in e e in Fa -Ea e n Ca ing F d ff C .,L d.* (遠東腸衣食品有限公司), f a c n ide a i n f RMB3,540,000.

D ing he e i d ended 30 J ne 2021, he G en e ed in e i in e e an fe ag eemen . ih hid a ie di . e f 75% f e i in e e in Tai h Zhed ng Medical Ca e In e men Managemen C ., L d.* (台州市立浙東醫養投資管理有限公司), f a c n ide a i n f RMB531,467,000.

D ing he e i d ended 30 J ne 2021, he C m an ' . b idia F . han Ci Chancheng Di ic Cen al H . ial C ., L d. Chancheng H . ial–), Shanghai F . n Heal h Techn l g (G) C ., L d. F . n Heal h G –), F . han ChanXi Real E a e De el men C ., L d. F . han ChanXi–) and Shanghai Y an T i m Ma (G) C ., L d. Y an Ga den–), he C m an ' ela ed a , . igned he c n ac fe i and deb an fe f F . han ChanXi.

18. DISPOSAL OF SUBSIDIARIES (Continued)

I a ag eed ha Chancheng H . i al and F . n Heal h G an fe ed hei 100% e i . ha e f F . han Chan i and c edi '. igh . a a 31 Decembe 2020 Y an Ga den(i . . b idia a in ed). The c n ide a i n f he al an fe ice a RMB550,000,000 h gh neg ia i n b all a ie ba ed n he a ai al e l. f he al e f e i and c edi '. igh . in he a . e a ai al e (Da heng ingba Zi (2021) N . 100A) i h he benchma k da e f 31 Decembe 2020, f hich c n ide a i n f e i an fe a am n ed RMB176,113,000 and he al an fe c n ide a i n f c edi '. igh . a am n ed RMB373,887,000. The change f e i in l ed in hi an fe a c m le ed in Ma 2021, and he ind . jal and c mme cial change egi a i n a c m le ed in Ma 2021. Af e he an fe , he G n l nge held he e i f F . han Chan i.

The e . b idia ie ill n be incl ded in he c n lida ed financial . a emen . f he G he eaf e .

* The Engli h name f he c m anie egi e ed in he PRC e e en he be eff . made b he managemen f he C m an in di ec l an la ing he Chine e name f he e c m anie .

The financial inf ma i n f ab e . b idia ie a he da e f di . al i a f ll . :

18. DISPOSAL OF SUBSIDIARIES (Continued)

An anal . i f he ne infl f ca h and ca h e i alen . in e ec f he di . al f. b idia ie i a f ll . :

	RMB'000
Ca h c n ide a i n	711,120
Ca h ece i	345,693
Ca h and bank balance di . ed f	(108,084)
Ne infl f ca h and ca h e i alen . in e ec f he di . al f. b idia ie	237,609

19. COMMITMENTS

The G had he f ll ing ca i al c mmi men . a he end f he e ing e i d:

	30 June 2021 RMB'000 (Unaudited)	31 Decembe 2020 RMB'000 (A di ed)
C n ac ed, b n ided f :		
P e , lan and e i men	**2,334,273**	2,672,447
In e men . in. b idia ie and a . cia e	**834,921**	807,635
In e men in Financial a . e . a fai al e h gh fi l . .	**498,805**	342,798
A h i ed, b n . igned:		
P e aid land lea e a men . incl ded in igh - f . e a . e . , e , lan and e i men	**3,193,706**	4,003,225
	6,861,705	7,826,105

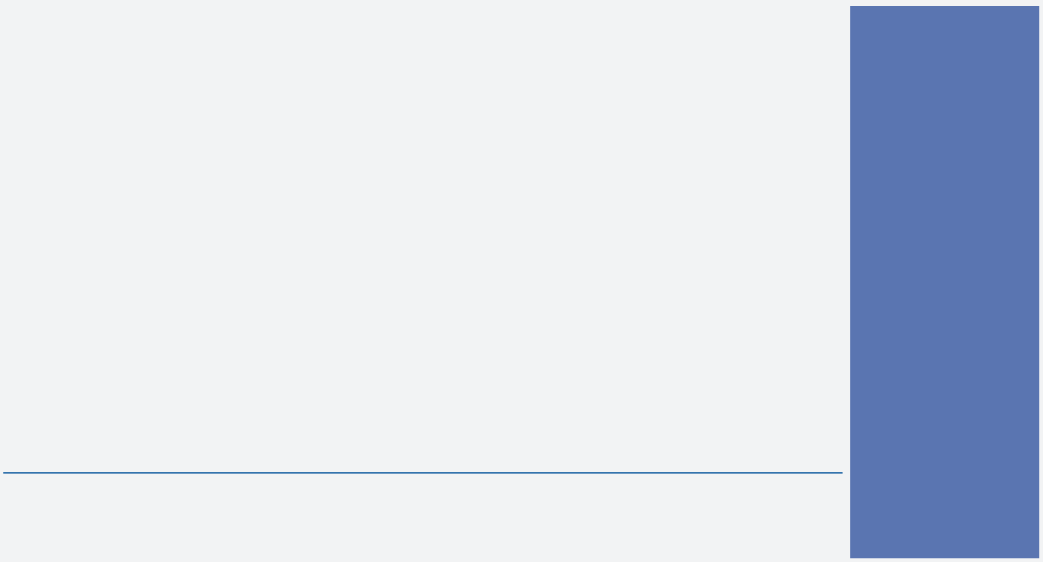
20. RELATED PARTY TRANSACTIONS

(a) Sales of pharmaceutical products and services

	For the six months ended 30 June	
	2021	2020
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Sinopharm Group Co., Ltd. and its subsidiaries *(Note 4 & 6 & 15)*	**1,809,891**	1,395,932
C.Q. Pharmaceutical Holding Co., Ltd. and its subsidiaries *(Note 1 & 4 & 16)*	**326,501**	188,335
Shanghai Lingjian Information Technology Co., Ltd. *(Note 1 & 4)*	**7,936**	4,030
Shanghai Fosun Jiangxing Venture Investment Partnership (Limited Partnership) *(Note 1 & 4)*	**5,139**	
Tianjin Fosun Haihe Healthcare Industry Fund Partnership (Limited Partnership) *(Note 1 & 4)*	**2,436**	
New Fosun Health Commercialization and its subsidiaries *(Note 1 & 4 & 6)*	**2,039**	737
Fosun Kite Biological Technology Co., Ltd. *(Note 2 & 4)*	**2,030**	14
Jingfukang Pharmaceutical Group Co.,Ltd. *(Note 1 & 4)*	**1,251**	1,777
Shanghai Lunan Fosun Pharmaceutical Science and Technology Development Ltd. *(Note 2 & 4)*	**671**	406
Shanghai Di'ai Medical Investment Co., Ltd. *(Note 1 & 4)*	**637**	2,555
Fosun International Limited and its subsidiaries *(Note 3 & 4 & 10 & 16)*	**252**	98,576
Gland Chemical Pvt. Ltd. *(Note 4 &)*	**148**	4,315
Shanghai Fosun Public Welfare Foundation *(Note 4 &)*	**40**	84,471
Shanghai Xingmai Information Technology Co., Ltd. *(Note 1 & 4)*	**26**	13
Tongde Equity Investment and Management (Shanghai) Co.,Ltd. *(Note 4 & 7)*	**19**	16
Initial Surgical Fosun Medical Technology (Shanghai) Co., Ltd. *(Note 1 & 4)*	**6**	68,855
Shanghai Fosun Bund Pace Co., Ltd. *(Note 4 &)*	**6**	16
Fosun United Health Insurance Co., Ltd. *(Note 4 &)*	**4**	42
Sanya Kids Children's Hospital Shanghai *(Note 1 & 4)*	**3**	3
Initial Surgical Fosun (Hong Kong) Co., Ltd. *(Note 1 & 4)*	**—**	92,686
Zhejiang Di'an Diagnostic Co., Ltd. and its subsidiaries *(Note 4 &)*	**—**	7,036
Shanghai Xingana Medical Technology Development Co., Ltd. *(Note 2 & 4 & 17)*	**—**	1,612
Salada Biomedical, Inc. *(Note 1 & 4)*	**—**	1,262
	2,159,035	1,952,689

20. RELATED PARTY TRANSACTIONS (Continued)

(b) Purchase of pharmaceutical products and services(For the six mtinhs endedTjEM



20. RELATED PARTY TRANSACTIONS (Continued)

(c) Leasing and property management services (Continued)

	For the six months ended 30 June	
	2021	2020
	RMB'000	RMB'000
As lessee	**(Unaudited)**	(Una di ed)
F . n In e na i nal Limi ed and i . . b idia ie (3 & 5 & 13 & 16)	**5,242**	2,952
Dhananja a P e ie LLP (5 &)	**114**	117
Sa ikala P e ie LLP (5 &)	**41**	43
	5,397	3,112

	For the six months ended 30 June	
	2021	2020
	RMB'000	RMB'000
Property management services	**(Unaudited)**	(Una di ed)
F . n In e na i nal Limi ed and i . . b idia ie (3 & 5 & 14 & 16)	**6,818**	6,904

(d) Loans from/to a related parties

The C m an en e ed in a financial . e ice ag eemen i h F . n G Finance C a i n Limi ed (F . n Finance–), . an hich F . n Finance . hall ide financial . e ice he C m an and i . . b idia ie , inc ding de , . i . e ice, c edi . e ice, . e lemen . e ice and he financial . e ice a a ed b he China Banking Reg la C mmi . i n f a e i d f m 1 Jan a 2020 and ended 31 Decembe 2022. The ma im m dail . anding balance f de . i . laced b he G i h F . n Finance i RMB1,000,000,000. The ma im m dail . anding balance f l an g an ed b F . n Finance he G i RMB1,000,000,000.

	30 June	31 Decembe
	2021	2020
	RMB'000	RMB'000
Deposits in Fosun Finance	**(Unaudited)**	(A di ed)
F . n Finance (3 & 16)	**965,024**	447,750

20. RELATED PARTY TRANSACTIONS (Continued)

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

A loan from a related party	30 June 2021 RMB'000 (Unaudited)	31 Decembe 2020 RMB'000 (A di ed)
F n Finance (3 & 16)	**73,450**	59,300

F n Ind ial C , Limi ed (F n Ind ial–) ffe ed Na e S n hine (Fa Ea) Limi ed a ne- ea l an f RMB5,814,000 a a a e f 3%.

Shanghai F n Pha mace ical Ind ial De el men C ., L d. ffe ed F n Ki e Bi l gical Techn l g C ., L d. a fi e- ea l an f RMB188,840,000 a a a e f 10% highe han he benchma k lending a e f he. ame e i d.

Shanghai F n Heal h Techn l g (G) C ., L d ffe ed S a Kid Child en'. H . i al Shanghai a. h - e m l an f RMB3,400,000 a a a e f 3.85%.

Shanghai F n Child en'. H . i al Managemen C ., L d ffe ed S a Kid Child en'. H . i al Shanghai a. h - e m l an f RMB4,291,000 a a a e f he benchma k lending a e f he. ame e i d.

Loans to related parties	30 June 2021 RMB'000 (Unaudited)	31 Decembe 2020 RMB'000 (A di ed)
Na e'. n hine (Fa Ea) limi ed (1)	**5,814**	7,830
F n Ki e Bi l gical Techn l g C ., L d. (2)	**188,840**	188,840
S a Kid Child en'. H . i al Shanghai (1)	**7,691**	
	202,345	196,670

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

Interest income	Six months ended 30 June 2021 RMB'000 (Unaudited)	2020 RMB'000 (Una di ed)
F n Ki e Bi l gical Techn l g C ., L d. (2)	**4,678**	4,706
F n Finance (3 & 16)	**4,560**	3,358
S a Kid Child en'. H . i al Shanghai (1)	**182**	
Na e'. S n hine (Fa Ea) Limi ed (1)	**112**	160
	9,532	8,224

20. RELATED PARTY TRANSACTIONS (Continued)

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

The interest rate for deposits in Fosun Finance is made reference to the benchmark interest rate and the market interest rate. The annual interest rate for demand deposits is 0.35% (for the six months ended 30 June 2020: 0.35%), the seven-day notice deposits interest rate is 1.89% (for the six months ended 30 June 2020: 1.89%), the agreed deposits interest rate is 1.15% (for the six months ended 30 June 2020:1.15%), and the fixed deposits interest rate is 1.55% 1.755% (for the six months ended 30 June 2020: 1.55% 3.85%).

	Six months ended 30 June	
	2021	2020
	RMB'000	RMB'000
Interest expense	**(Unaudited)**	(Unaudited)
Fosun Finance *(Note 3 & 16)*	**1,432**	1,058

(1) The ultimate controlling shareholder of the Group.

(2) The major investor of the Group.

(3) The subsidiaries of Fosun International Limited, the intermediate holding company of the Group.

(4) The sales and purchase transactions undertaken in commercial terms similar to those offered by/to unrelated customers/suppliers in the ordinary course of business of the Company.

(5) The fees for the leasing and property management services received from/paid to the related companies were determined based on prices available from/to the related companies.

(6) The associates of the Group.

(7) The joint ventures of the Group.

(8) The other related parties of the Group.

(9) In April 2021, the Company's subsidiaries Chancheng Hospital, Fosun Health Group, Foshan ChanXi and Yuexiu Gaoden signed the contract for equity and debt transfer of Foshan ChanXi. It was agreed that Chancheng Hospital and Fosun Health Group transferred their 100% equity of Foshan Chanxi and credits to Yuexiu Gaoden, a subsidiary of Fosun International Limited. For details, refer to Note 18. Discontinued operations.

(10) During this period, the Group offered Fosun International Limited and its subsidiaries, which mainly include Shanghai Fosun High Tech (Group) Co., Ltd., Shanghai Gaodi Real Estate Management Co., Ltd., Beijing Gaodi Real Estate Management Co., Ltd., Shanghai Yunji Information Technology Co., Ltd.,Shanghai Ping'an Investment Management Co., Ltd., Shanghai Fosun Zhijian Information Technology Co., Ltd, Shanghai Fosun Venture Capital Management Co., Ltd, Shanghai Fosun Time Management Co., Ltd., Shanghai Xingchang Health Technology Co., Ltd., Shanghai Fosun Changwei Investment Management Co., Ltd., Shanghai Xingyi Health Management Co., Ltd., Shanghai Fosun Heng Insurance Broker. Ltd., Liang Fosun Credit Investigation Management Co., Shanghai Zhuoke Information Technology Co., Ltd., Zhangjiagang (Shanghai) Network Technology Co. Ltd., Fosun Industrial Investment Co., Ltd., Shanghai Xingjian management Consulting Co., Ltd, Glomed Trade S.A, Ltd. and others.

(11) During this period, the Group received deposit and service from Fosun International Limited and its subsidiaries mainly. The Fosun International Limited and its subsidiaries include Fosun High Tech (Group) Co., Ltd., Shanghai Yunji Information Co., Ltd., Zhejiang Fosun Comic Co.,Ltd., Hainan Fosun Trading Co., Ltd ,Shanghai Xingyi Health Management Co., Ltd., Shanghai Gaodi Real Estate Management Co., Ltd., and Shanghai Yilian Enterprise Management Co., Ltd.

20. RELATED PARTY TRANSACTIONS (Continued)

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

( )

(12) D ing hi e i d, he G leased he ffice b ilding he F . n In e na i nal Limi ed and i. . b idia ie . The F . n In e na i nal Limi ed and i. . b idia ie incl de F . n High Tech (G) C ., L d., Shanghai Ping'a In e men Managemen C ., L d., Shanghai F . n Zhijian Inf ma i n Techn l g C ., L d., Liang H C edi In e iga i n Managemen C ., L d. and Shanghai Z k Inf ma i n Techn l g . C ., L d.

(13) D ing hi e i d, he G leased ffice b ilding f m he F . n In e na i nal Limi ed and i. . b idia ie . The F . n In e na i nal Limi ed and i. . b idia ie incl de Shanghai Ne Shih a In e men and Managemen C ., L d. and Ch angh Finance Lea ing C ., L d.

(14) D ing hi e i d, he G ecei ed managemen . e ice f m he F . n In e na i nal Limi ed and i. . b idia ie . The F . n In e na i nal Limi ed and i. . b idia ie incl de Shanghai Ga di Real E a e Managemen C ., L d. and Beijing Ga di Real E a e Managemen C ., L d.

(15) Sin ha m G C .,L d. i a maj . b idia f Sin ha m Ind . ial In e men C ., L d., an a . cia e f he G .

(16) The ela ed a an ac in al c n i e c nnec ed an ac in c n in ing c nnec ed an ac in a defined in Cha e 14A f he Li ing R le . The G c nfi med ha i ha c m lied i h he di cl . e e i emen . in acc dance i h Cha e 14A f he Li ing R le in e ec f he e an ac in .

(17) Shanghai Xing a Medical Techn l g De el men C .,L d. a ac ied b he G n 19 Ma ch 2020, and bec me a . b idia f he C m an .

(f) Compensation of key management personnel of the Group

	Six months ended 30 June	
	2021	2020
	RMB'000	RMB'000
	(Unaudited)	(Una di ed)
Pe f mance ela ed b n . e	**49,724**	50,051
Sala ie , all ance and benefi . in kind	**17,451**	15,410
Pen in . cheme c n ib i n	**526**	243
	67,701	65,704

(g) Guarantees

	Guarantee amount	Start date	End date	Fulfilled or not
F . n In e na i nal C ., L d.	108,952,000	2021/6/22	2021/12/2	N
F . n In e na i nal C ., L d.	43,606,000	2021/6/17	2021/12/2	N

F he e i d ended 30 J ne 2021, F . n In e na i nal C ., L d. and he g b ained . h - e m bank l an ba ed n he e ec i e e i a i he c m an '. . b idia F . n medical h lding AB.

20. RELATED PARTY TRANSACTIONS (Continued)

(h) Donations

	Six months ended 30 June	
	2021	2020
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Fosun Charity Fund	**8,708**	17,959

For the six months ended 30 June 2021, the Group donated RMB8,708,000 (six months ended 30 June 2020: RMB17,959,000) to social welfare projects through Fosun Charity Fund.

(i) Outstanding balances with related parties:

(i) As at 30 June 2021, the Group had a balance due from the intermediate holding company and its subsidiaries of RMB1,832,622,000 (31 December 2020: RMB453,466,000). The balances are unsecured, interest-free and had no fixed terms of collection, except for deposits in Fosun Finance.

(ii) As at 30 June 2021, the Group had a balance due from associates and its subsidiaries of RMB1,007,723,000 (31 December 2020: RMB999,726,000). The balances are unsecured, interest-free and had no fixed terms of collection, except for loans offered to Nanjing Sunshine (Fangda) Limited and Sanya Kidschildren's Hospital Shanghai.

(iii) As at 30 June 2021, the balances due from joint ventures and their subsidiaries of RMB195,567,000 (31 December 2020: RMB192,914,000) are unsecured, interest-free and had no fixed terms of collection, except for loans offered to Fosun Kawe.

(iv) As at 30 June 2021, the balances due from the related companies of RMB4,041,000 (31 December 2020: RMB2,570,000) are unsecured, interest-free and repayable on demand.

(v) As at 30 June 2021, the Group had a balance due to the intermediate holding company and its subsidiaries of RMB186,447,000 (31 December 2020: RMB132,698,000). The balances are unsecured, interest-free and had no fixed terms of repayment, except for borrowing from Fosun Finance.

(vi) As at 30 June 2021, the balances due to associates and their subsidiaries included an amount of RMB235,923,000 (31 December 2020: RMB300,538,000) which are unsecured, interest-free and had no fixed terms of repayment.

(vii) As at 30 June 2021, the balances due to joint ventures and their subsidiaries with the amount of RMB9,439,000 (31 December 2020: RMB9,446,000) are non-trade in nature, unsecured, interest-free and had no fixed terms of repayment.

(viii) As at 30 June 2021, the balances due to the related companies included an amount of RMB139,000 (31 December 2020: RMB10,563,000) which are unsecured, interest-free and had no fixed terms of repayment, except for lease liabilities.

20. RELATED PARTY TRANSACTIONS (Continued)

(i) Outstanding balances with related parties: (Continued)

(i) Ce ain . b idia ie f he G en e ed in en al ag eemen . i h ela ed a ie . The e en al e f he lea e a men . be made e he lea e e m e ec gni ed a lea e liabili ie .

21. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The ca ing am n. and fai al e f he G '. financial in men . , he han h . e i h ca ing am n. ha ea nabl a ima e fai al e , a e a f ll . :

	Carrying amounts		Fair values	
	30 June 2021 RMB'000 (Unaudited)	31 Decembe 2020 RMB'000 (A di ed)	**30 June 2021 RMB'000 (Unaudited)**	31 Decembe 2020 RMB'000 (A di ed)
Financial Assets:				
E i in e men . de igna ed a fai al e h gh he c m ehen i e inc me	**6,243**	1,043	**6,243**	1,043
Deb in e men . a fai al e h gh he c m ehen i e inc me	**472,998**	628,881	**472,998**	628,881
Financial a . e . a fai al e h gh fi l . .	**4,726,982**	3,430,865	**4,726,982**	3,430,865
O he n n-c en a . e .	**294,076**	188,840	**297,354**	188,840
	5,500,299	4,249,629	**5,503,577**	4,249,629
Financial liabilities:				
N n-c en i n f in e e -bea ing bank b ing	**6,674,021**	7,145,884	**6,694,426**	7,172,117
O he b ing (he han lea e liabili ie)	**5,227,887**	6,620,107	**5,195,438**	6,673,003
Financial liabili ie incl ded in he l ng- e m liabili ie	**248,335**	241,773	**248,335**	241,773
O he a able and acc al	**71,200**	73,503	**71,200**	73,503
	12,221,443	14,081,267	**12,209,399**	14,160,396

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

The G ' finance de a men headed b he finance manage i e n ible f de e mining he licie and ced e f he fai a e mea emen f financial in men . The c a e finance eam e di ec l he chief financial ffice . A each e ing da e, he c a e finance eam anal e he m emen . in he a e f financial in men . and de e mine he maj in . a lied in he a a i n. The a a i n i e ie ed and a ed b he chief financial ffice .

The fai a e f he financial a . e . and liabili ie a e incl ded a he am n a , hich he in men c ld be e changed in a o en an ac in be een illing a ie , he han in a f ced li ida i n . ale. The f ll ing me h d and a . m in e e . ed e ima e he fai a e f h . e financial a . e . and liabili ie mea ed a fai a e:

The fai a e f he n n-o en i n f in e e -bea ing bank and he b ing ha e been calc la ed b di c n ing he e ec ed f e ca h fl . . ing a e o en l a ailable f in men . i h . imila e m , c edi i k and emaining ma i ie . The G ' n n n- e f mance i k f n n-o en i n f in e e -bea ing bank and he b ing a a 30 June 2021 a a . e . ed be in ignifican .

The fai a e f li ed c a e b nd i . ed b he c m an and li ed e i in e men . i h a l ck- e i d a e ba ed n ed ma ke ice . The fai a e f li ed e i in e men . j h a l ck- e i d ha e been e ima ed ba ed n a . m in ha a e . ed b b e able ma ke ice and di c n f lack f ma ke abili . The fai a e f nli ed e i in e men . ha a e n aded in an ac i e ma ke a e de e mined b . ing a a i n echni e . The Di ec . belie e ha he e ima ed fai a e e l ing f m he a a i n echni e, hich a e ec ded in he c n lida ed . a emen f financial . i i n, and he ela ed change in fai a e , hich a e ec ded in he c m ehen i e inc me fi l . . , a e ea nable, and ha he e e he m . a ia e a e a he end f he e ing e i d.

Bel i a . mma f . ignifican n b e able in . he a a i n f financial in men . a a 30 June 2021:

Unobservable inputs for Level 3 assets

The financial a . e . mea ed a fai a e held b he G hich e e cla . ified in Le el 3 ima il c e nd nli ed e i in e men . n ed in an ac i e ma ke .

F he fai a e f he nli ed e i in e men . i ba ed n a a i n echni e f hich he in ha i . ignifican he fai a e mea emen i n b e able. F ce ain nli ed e i in e men . , he G ad . a i n f m c n e a ie ' a i n a a i n echni e de e mine he fai a e. Va a i n echni e incl de a di c n ed ca h fl anal . i , he ma ke c m a i n a ach, e c. The fai a e mea emen f he e financial in men . ma in l e n b e able in . . ch a ice b k a i , ice ea ning a i , li idi di c n , e c. Fai a e change e l ing f m change in he n b e able in . a n . ignifican . The Finance De a men e i dicall e ie . all . ignifican n b e able in . and a a i n adj . men . ed mea e he fai a e f financial in men . in Le el 3.

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

Unobservable inputs for Level 3 liabilities

Significan n b e able a a i n in f he . ha e edem i n i n g an ed n n-c n lling . ha eh lde . f . b idia ie inc ded in he a able and acc al and he l ng- e m liabili ie f RMB71,200,000 (31 Decembe 2020: RMB73,503,000) i EBITDA (Ea ning Bef e In e e , Ta e , De ecia i n and Am i a i n) f N a d ing he ea 2020.

Fair value hierarchy

The f ll ing able il . a e he fai a e mea emen hie a ch f he G '. financial in men . :

Assets measured at fair value:

30 2021( )

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	Total RMB'000
Financial a . e . a fai a e h gh fi l . .	3,017,461	206,237	1,503,284	4,726,982
E i in e men . de igna ed a fai a e h gh he c m ehen i e inc me	—	6,243	—	6,243
Deb in e men . a fai a e h gh he c m ehen i e inc me	—	472,998	—	472,998
	3,017,461	685,478	1,503,284	5,206,223

31 2020 ( )

	Q ed ice in ac i e ma ke . (Le el 1) RMB'000	Fai a e mea emen . ing Significan b e able in . (Le el 2) RMB'000	Significan n b e able in . (Le el 3) RMB'000	T al RMB'000
Financial a . e . a fai a e h gh fi l . .	1,215,451	701,386	1,514,028	3,430,865
E i in e men . de igna ed a fai a e h gh he c m ehen i e inc me		1,043		1,043
Deb in e men . a fai a e h gh he c m ehen i e inc me		628,881		628,881
	1,215,451	1,331,310	1,514,028	4,060,789

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

Fair value hierarchy (Continued)

Assets measured at fair value: (Continued)

The movements in fair value measurements in Level 3 during the period are:

For the six months ended 30 June 2021

	Financial assets at fair value through profit and loss RMB'000 (Unaudited)	Equity investments Designated at fair value through other comprehensive income RMB'000 (Unaudited)
As at 1 January 2021	1,514,028	—
Total losses recognised in the statement of profit or loss included in the gains	(159,575)	—
Total losses recognised in other comprehensive income	(9,123)	—
Additions	191,582	—
Disposals	(33,628)	—
As at 30 June 2021	1,503,284	—

The movements in fair value measurements in Level 3 during the year are:

For the six months ended 30 June 2020

	Financial assets at fair value through profit and loss RMB'000 (Unaudited)	Equity investments Designated at fair value through other comprehensive income RMB'000 (Unaudited)
As at 1 January 2020	1,825,724	53,246
Total gains recognised in the statement of profit or loss included in the gains	118,774	
Total gains recognised in other comprehensive income		6,284
Additions	68,397	
Disposals	(321,675)	
Exchange realignment	2,787	
As at 30 June 2020	1,694,007	59,530

During the period, the fair value measurements of financial assets at fair value through profit or loss held by the Group with the carrying amount of RMB354,697,000 were transferred from Level 2 to Level 1 (six months ended 30 June 2020:Nill) due to the fact that the investee companies were listed and had active quoted market prices. And there were no transfers from Level 3 of financial assets (six months ended 30 June 2020: Nil).

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

Fair value hierarchy (Continued)

Liabilities measured at fair value:

30 2021( )

	Fair value measurement using			
	Quoted prices in active Markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	Total RMB'000
Am n. incl ded in he a able and acc al	—	—	71,200	71,200

31 2020 ( )

	Q ed ice in ac i e Ma ke . (Le el 1) RMB'000	Fai a e mea emen . ing Significan b e able in . (Le el 2) RMB'000	Significan n b e able in . (Le el 3) RMB'000	T al RMB'000
Am n. incl ded in he a able and acc al			73,503	73,503

The m emen . in fai a e mea emen . in Le el 3 d ing he Pe i d a e a f ll . :

	Six months ended 30 June	
	2021 RMB'000 (Unaudited)	2020 RMB'000 (Una di ed)
A a 1 Jan a	73,503	2,818,244
L . e ec gni ed in he e e e	(2,303)	
Addi i n	—	35,026
Se lemen	—	(209,286)
A a 30 J ne	71,200	2,643,984

D ing he e i d, he e e en an fe f fai a e mea emen be een Le el 1 and Le el 2 f financial liabili ie (i m n h ended 30 J ne 2020: Nil).

22. CONTINGENT LIABILITIES

As at 30 June 2021 and 31 December 2020, the Group did not have any contingent liabilities.

23. EVENTS AFTER THE REPORTING PERIOD

Sold back of the "18 Fosun Pharma 01" Corporate Bonds

The bondholders of 18 Fosun Pharma 01 registered to sell back all or a part of their holdings of 18 Fosun Pharma 01 during the period from 19 July 2021 to 23 July 2021. The sold back price was at par value of the bond at RMB100 each. According to the announcement of the Shanghai Branch of China Securities Depository and Clearing Co., Ltd. on the open bond sold back, 974,999 lots of 18 Fosun Pharma 01 (bond code: 143422) were registered to be sold back during the sold back period, which were amounted to RMB974,999,000. The coupon rate of the remaining bond is adjusted to 3.50% and the maturity date is 12 August 2023. The remaining 18 Fosun Pharma 01 were transferred from interest-bearing bank and the borrowings in current liabilities as at 30 June 2021 to interest-bearing bank and the borrowings in non-current liabilities as at the date of approval of this report.

Placing of new shares of Sisram Medical Ltd

A total of 24,000,000 new shares (Placing Shares) of Sisram Medical Ltd, a subsidiary of the Company, have been placed to independent third parties. The Company's shareholding decreased from 74.76% to 70.91% as a result of the issue of the Placing Shares.

24. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The interim condensed consolidated financial statements were approved and authorised for issue by the board of Directors on 23 August 2021.

Definitions

In hi in e im e , nle . he c n e he i e e ie , he f ll ing e m . hall ha e he meaning . e bel .

%–	e cen
A Sha e( )–	d me ic . ha e( ) f he C m an i h a n minal a e f RMB1.00 each, hich a e li ed n he Shanghai S ck E change and aded in RMB
A Sha eh lde ( )–	h lde ( ) f A Sha e
Ann al Gene al Mee ing–	he ann al gene al mee ing f he C m an
–A icle f A . cia i n–	he a icle f a . cia i n f he C m an
A . alia–	C mm n eal h f A . alia
BI–	B . ine . In elligence
Bi NTech–	Bi NTech SE, a c m an egi e ed in Ge man , hich i li ed n he Na i nal A . cia i n f Sec i ie Deale . A ma ed Q a i n (S ck C de: BNTX)
B a d–	he b a d f Di ec .
B ea –	B ea Medical H lding AB, a c m an egi e ed in S eden, and a . b idia f he C m an
BSE–	BSE Limi ed, an Indian . ck e change l ca ed in M mbai
CG C de–	he C a e G e nance C de and he C a e G e nance Re c n ained in A endi 14 he H ng K ng Li ing R le
cGMP–	G en G d Man fac e P ac ice
Ch ng ing Xing ng Medical C . me l g H . i al–	Ch ng ing Xing ng Medical C . me l g H . i al Managemen Limi ed* (重慶星榮醫美醫院管理有限公司), a . b idia f he C m an
CMO–	C n ac Man fac e O gani a i n
C m an –	Shanghai F . n Pha mace ical (G) C ., L d.* (上海復星醫藥(集團)股份有限公司), a j in . ck c m an e abli hed in he PRC i h limi ed liabili , h . e H Sha e and A Sha e a e li ed and aded n he main b a d f he H ng K ng S ck E change and he Shanghai S ck E change, e ec i el
c n lling . ha eh lde ( )–	ha he meaning gi en i nde he H ng K ng Li ing R le and in he c n e f C m an , mean Me . . . G G angchang, Wang Q nbin, F . n In e na i nal H lding , F . n H lding , F . n In e na i nal and F . n High Tech

Definitions

CSRC–	China Sec i ie Reg la C mmi . i n* (中國證券監督管理委員會), a eg la b d e n ible f he . e_i i n and eg la i n f he PRC na i nal . ec i ie ma ke
Di ec (,)–	di ec (,) f C m an
DTP–	Di ec Pa ien
EU–	E ean Uni n
Fa ea Ca ing –	Fa -Ea e n Ca ing C ., L d.* (遠東腸衣食品有限公司)
F . han Chancheng H . i al–	F . han F n Chancheng H . i al Limi ed* (佛山復星禪誠醫院有限公司), f me l kn n a F . han Chancheng Cen al H . j al C m an Limi ed* (佛山市禪城區中心醫院有限公司), a f - fi medical in i i n e abli hed i h he a _al f he P la i n, Heal h and D g Admini a i n f Chancheng Di ic , F . han (佛山市禪城區人口和衛生藥品監督管理局), a . b idia f he C m an
F . han Chan i–	F . han Chan i Real E a e De_el men C ., L d.* (佛山禪曦房地產開發有限公司)
F . hi n Medical–	Shanghai F . hi n Medical S . em C ., L d.* (上海復星醫療系統有限公司), a . b idia f he C m an
F . n Heal hca e–	Shanghai F . n Heal h Techn l g (G) C ., L d.* (上海復星健康科技(集團)有限公司), f me l kn n a Shanghai F . n Heal hca e (G) C ., L d.* (上海復星醫療(集團)有限公司), a . b idia f he C m an
F . n High Tech–	Shanghai F . n High Techn l g (G) C m an Limi ed* (上海復星高科技(集團)有限公司), a di ec h ll - ned . b idia f F . n In e na i nal and a c n lling . ha eh lde f he C m an . F . n High Tech i a c nnec ed e . n nde R le 14A.07(1) f he H ng K ng Li ing R le
F . n H lding –	F . n H lding Limi ed (復星控股有限公司), a di ec h ll - ned . b idia f F . n In e na i nal H lding and a c n lling . ha eh lde f he C m an
F . n In e na i nal H lding –	F . n In e na i nal H lding Limi ed (復星國際控股有限公司), hich i held a 85.29% and 14.71% b Me . . G G angchang and Wang Q nbin a a he end f he Re ing Pe i d, e ec i el , and a c n lling . ha eh lde f he C m an
F . n In e na i nal–	F . n In e na i nal Limi ed (復星國際有限公司), an indi ec . b idia f F . n In e na i nal H lding and a c n lling . ha eh lde f he C m an , hich i li ed n he H ng K ng S ck E change (S ck C de: 00656)
F . n Ki e–	F . n Ki e Bi l gical Techn l g C ., L d.* (復星凱特生物科技有限公司), a j in _en e f he C m an
F . n Pha mace ical Ind . ial–	Shanghai F . n Pha mace ical Ind . ial De_el men C m an Limi ed* (上海復星醫藥產業發展有限公司), a . b idia f he C m an

Definitions

Gland Pha ma Sha e O in Incen i e Scheme–	he . ha e in incen i e . cheme ad ed b Gland Pha ma, he ad in f hich a a ed b he Sha eh lde . a he Ann al Gene al Mee ing held n 25 Jne 2019 and he . ha eh lde . f F . n In e na i nal a i . ann al gene al mee ing held n 5 Jne 2019
Gland Pha ma–	Gland Pha ma Limi ed, a c m an egi e ed in India and a . b idia f he C m an , hich i li ed n he BSE and NSE (S ck C de: GLAND)
GMP–	G d Man fac e P ac ice
G –, e– –. –	he C m an and i . b idia ie (he C m an and an ne m e f i . b idia ie , a he c n e ma e i e)
H Sha e( )–	e . ea li ed f eign . ha e( ) in he dina . ha e ca i al f he C m an , i h a n minal al e f RMB1.00 each, hich a e li ed n he H ng K ng S ck E change and aded in H ng K ng d lla .
H Sha eh lde ( )–	h lde ( ) f H Sha e
HKFRS–	he H ng K ng Financial Re ing S anda d
H ng K ng d lla . – –HK$–	H ng K ng d lla . , he la f l c enc f H ng K ng
H ng K ng Li ing Rule –	he Rule G e ning he Li ing f Sec i ie n he H ng K ng S ck E change
H ng K ng S ck E change–	The S ck E change f H ng K ng Limi ed
H ng K ng–	he H ng K ng S ecial Admini a i e Regi n f he PRC
INR–	Ree , he la f l c enc f India
In i i e F . n HK–	In i i e S gical-F . n (H ngk ng) C ., Limi ed, a c m an egi e ed in H ng K ng and an a . cia e f he C m an
In i i e F . n Shanghai–	In i i e S gical-F . n Medical Techn l g (Shanghai) C ., L d.* (直觀復星醫療器械技術(上海)有限公司), an a . cia ed c m an f he C m an
In i i e F . n–	In i i e F . n HK and In i i e F . n Shanghai
Ja an–	Ja an
Jin h A h ng–	Jin h A h ng Pha mace ical C m an Limi ed* (錦州奧鴻藥業有限責任公司), a . b idia f he C m an
Kelin H dai–	Shanghai Kelin In e na i nal F eigh F a ding C ., L d.* (上海科麟國際貨運代理有限公司), de egi e ed n 26 Ma ch 2021

Definitions

Ki e Pha ma–	KP EU C.V., a c m an egi e ed in he Ne he land
LIMS–	Lab a Inf ma i n Managemen S . em
Maca –	he Maca S ecial Admini a i e Regi n f he PRC
M del C de–	he M del C de f Sec i ie T an ac i n b Di ec . f Li ed l. e . e in A endi 10 he H ng K ng Li ing R le
NMPA–	Na i nal Medical P d c . Admini a i n* (中華人民共和國國家藥品監督管理局), he PRC g e nmen al a h i e n ible f he eg la i n f d g
NSE–	The Na i nal S ck E change f India Limi ed, an Indian . ck e change l ca ed in M mbai
R&D–	e ea ch and de el men
Re ing Pe i d–	he 6-m n h e i d f m 1 Jan a 2021 30 J ne 2021
Re ea ch In i e Pha mace ical–	Ch ng ing Re ea ch In i e Pha mace ical C ., L d.* (重慶醫工院製藥有限責任公司), de egi e ed n 1 Feb a 2021
RMB–	Renminbi, he la f l d enc f he PRC
SFO–	he Sec i ie and F e O dinance (Cha e 571 f he La . f H ng K ng), a amended, . lemen ed he i e m dified f m ime ime
Shanghai B i a–	Shanghai B i a Medical E i men C ., L d.* (上海博億雅醫療器械有限責任公司), de egi e ed n 27 A il 2021
Shanghai Henli . –	Shanghai Henli . Bi ech, Inc.* (上海復宏漢霖生物技術股份有限公司), a c m an li ed n he H ng K ng S ck E change (S ck c de: 02696) and a . b idia f he C m an
Shanghai Lilin–	Shanghai Lilin Medical Managemen Pa ne . hi (Limi ed Pa ne . hi)* (上海礪麟醫療管理合夥企業(有限合夥)), de egi e ed n 26 A il 2021
Shanghai Li ing R le –	he S ck Li ing R le f he Shanghai S ck E change* (《上海證券交易所股票上市規則》)
Shanghai S ck E change–	he Shanghai S ck E change* (上海證券交易所)
Sha eh lde ( )"	h lde ( ) f Sha e
Sha e –	dina . ha e in he ca i al f he C m an i h a n minal a e f RMB1.00 each, c m i ing A Sha e and H Sha e
Shen ang Tian hengda–	Shen ang Tian hengda T ading C m an * (瀋陽天晟達商貿有限公司)

Definitions

Shen hen Xin heng–	Shen hen Xin heng Pha mace ical C ., L d.* (深圳信生藥業有限公司), f me l kn n a G angd ng H i in Pha mace ical C ., L d.* (廣東匯信藥業有限公司), and a . b idia f he C m an a a he end f he Re ing Pe i d
Sin ha m Ind . ial–	Sin ha m Ind . ial In e men C ., L d.* (國藥產業投資有限公司), an a . cia e f he C m an
Sin ha m–	Sin ha m G C . L d.* (國藥控股股份有限公司), a c m an li ed n he H ng K ng S ck E change (ck c de: 01099) and a . b idia f Sin ha m Ind . ial
Si am Medical–	Si am Medical L d, a c m an li ed n he H ng K ng S ck E change (S ck c de: 01696) and a . b idia f he C m an
. b an ial . ha eh lde ( )–	ha he meaning gi en i nde he H ng K ng Li ing R le
S e i . –	he membe . f he S e i C mmi ee
S e i C mmi ee–	he . e i c mmi ee f he C m an
S ian Zh ng H . i al/ S ian Cance H . i al–	S ian Zh ng H . i al C ., L d.* (宿遷市鐘吾醫院有限責任公司)/S ian Cance H . i al* (宿遷市腫瘤醫院), a . b idia f he C m an
Tai h In e men –	Tai h In e men C ., L d.* (台州市投資有限公司)
Tai h Zhed ng Medical Ca e–	Tai h Zhed ng Medical Ca e In e men Managemen C ., L d.* (台州浙東醫養投資管理有限公司)
Tr ke –	The Re blic f Tr ke
U.S– –Uni ed S a e –	Uni ed S a e f Ame ica, i e ie and . . e . i n , an S a e f he Uni ed S a e and he Di ic f C mbia
U.S. FDA–	U.S. F d and D g Admini a i n
US d lla . – –US$–	Uni ed S a e d lla . , he la fi l d enc f he Uni ed S a e
Wanbang Cl d Heal h–	Jiang Wanbang Cl d Heal h Techn l g C ., L d.* (江蘇萬邦雲健康科技有限公司), a . b idia f he C m an
Wanbang Pha ma–	Jiang Wanbang Bi ha mace ical C m an Limi ed* (江蘇萬邦生化醫藥集團有限責任公司), a . b idia f he C m an
Wanbang Tian heng–	Shen ang Wanbang Tian heng Bi l gical Techn l g C ., L d.* (瀋陽萬邦天晟生物科技有限公司), a . b idia f he C m an
WHO-PQ–	W ld Heal h O gani a i n-P e alifica i n
W i en C de–	W i en C de f Sec i ie T an ac i n b Di ec . /Rele an Em l ee f he C m an * (《董事/有關僱員進行證券交易的書面指引》)

Definitions

"Wuhan Jihe Hospital"	Wuhan Jihe Hospital Co., Ltd.* (武漢濟和醫院有限公司), a subsidiary of the Company
"Xingyuanda"	Shanghai Xingyuanda Medical Technology Co. Ltd.* (上海星苑達醫療科技有限公司), a subsidiary of the Company as at the end of the Reporting Period
"Xuzhou Xingchen Women's and Children's Hospital"	Xuzhou Xingchen Women's and Children's Hospital Co., Ltd.* (徐州星晨婦兒醫院有限公司), a subsidiary of the Company
"Yao Pharma"	Chongqing Yao Pharmaceutical Company Limited* (重慶藥友製藥有限責任公司), a subsidiary of the Company
"Yuyuan"	Shanghai Yuyuan Tourist Mart (Group) Co., Ltd.* (上海豫園旅遊商城(集團)股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 600655)

In this report, if there is any inconsistency between the Chinese names of the entities, authorities, organisations, institutions or enterprises established in China or the awards or certificates given in China and their English translations, the Chinese versions shall prevail.