Hangzhou Jiuyuan Gene Engineering Co., Ltd.
杭州九源基因工程股份有限公司
(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 2566)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED DECEMBER 31, 2024

The board (the "**Board**") of directors (the "**Directors**") of Hangzhou Jiuyuan Gene Engineering Co., Ltd. (杭州九源基因工程股份有限公司) (the "**Company**", together with its subsidiary, the "**Group**") is pleased to announce the audited consolidated annual results of the Group for the year ended December 31, 2024 (the "**Reporting Period**"), together with the comparative figures for the year ended December 31, 2023 (the "**Corresponding Period**"). The consolidated financial statements of the Group for the Reporting Period have been reviewed by the Board and the Audit Committee.

In this announcement, "we", "us" and "our" refer to the Company and where the context otherwise requires, the Group. Certain amounts and percentage figures included in this announcement have been subject to rounding adjustments or have been rounded to one or two decimal places, as appropriate. Any discrepancies in any table, chart or elsewhere totals and sums of amounts listed therein are due to rounding.

FINANCIAL HIGHLIGHTS

For the Reporting Period, the Group recorded the following financial results:

- Revenue was RMB1,369.2 million, representing an increase of 6.4% as compared to RMB1,287.4 million for 2023.

- Profit for the year attributable to owners of the Company was RMB138.6 million, representing an increase of RMB18.8 million as compared to RMB119.8 million for 2023.

- Basic earnings per share was approximately RMB0.68, representing an increase as compared to RMB0.60 for 2023.

FINANCIAL SUMMARY

	For the year ended December 31,			
	2021	2022	2023	**2024**
	RMB'000 (except percentage)			
Results of Operations:				
Revenue	1,307,251	1,125,405	1,287,408	**1,369,184**
Gross profit	950,407	854,262	990,669	**1,081,679**
Profit for the year	119,413	59,867	119,775	**138,601**
Profit attributable to Owners of the parent	119,413	59,867	119,775	**138,601**
Profitability:				
Gross profit margin	72.7%	75.9%	77.0%	**79.0%**
Profit margin attributable to owners of the parent	9.1%	5.3%	9.3%	**10.1%**
Earnings per share (RMB):				
Basic and diluted	0.60	0.30	0.60	**0.68**

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS OVERVIEW

As of the date of this announcement, the Group has achieved the following key milestones and achievements:

Commercialization

In 2024, our total revenue reached RMB1,369.2 million, representing a 6.4% year-on-year increase. Revenue from biological and medical device products amounted to RMB1,077.3 million, accounting for over 78% of the total revenue. Revenue from our orthopedics products achieved over 19% year-on-year growth at a CAGR exceeding 33% from 2021 to 2024, with continue rapid revenue growth and setting a new historical high. For the year ended December 31, 2024, the coverage rate in targeted medical institutions reached 32.5% in the China market, demonstrating continuously increasing product penetration of Guyoudao.

The strong growth momentum of Guyoudao in 2024 was primarily attributable to our persistently advanced professional academic promotion by organizing orthopedic accelerated rehabilitation training exchanges, academic salons, and inter-hospital exchange meetings. Further standardized and educated on the clinical usage methods of Guyoudao, enabling more patients to benefit from its exceptional clinical treatment efficacy. We accelerated the expansion and training of the academic promotion team of Guyoudao, enhancing staff professionalism through a multilevel professional training system. Continuous efforts were made to develop untapped prefectural and county-level markets, achieving complete provincial market coverage nationwide and significantly improving the coverage rate in Class II and Class III targeted hospitals at prefecture and county levels.

In 2024, we advanced the internationalization strategy for its core products and achieved substantive progress in overseas operations: we signed an exclusive licensing agreement with Kexing Biopharm Co., Ltd. for overseas market rights of semaglutide in major Latin American countries, with planned New Drug Application ("**NDA**") submission to Brazil's ANVISA in 2025; we entered into key terms of a product licensing agreement with Shanghai Fosun Pharmaceutical (Group) Co., Ltd., granting exclusive rights for clinical development, registration and commercialization of semaglutide, Guyoudao and JY-23 across all Middle East and North Africa countries, Sub-Saharan African countries and selected ASEAN countries, with planned NDA submission to Saudi Arabia's SFDA in 2025; we entered into a collaboration agreement with Nanjing King-Friend Biochemical Pharmaceutical Co., Ltd. on pegfilgrastim (PEGylated human granulocyte colony-stimulating factor) for joint BLA submission to the U.S. FDA; we executed an exclusive agency agreement for Guyoudao in Brazil with a local partner.

Research and Development

Established product portfolios across four therapeutic areas: orthopedics, metabolic diseases, oncology, and hematology. Adhering to a research philosophy integrating generic development with innovation transformation, and centering on gene engineering technology, we focus on developing biopharmaceuticals including polypeptides, recombinant proteins, antibody-based drugs, and biopharmaceutical-device combination products. In recent years, new product development has increasingly concentrated on orthopedics and metabolic therapeutic areas, with progressively heightened research and development investment yielding active progress in 2024. In metabolic diseases, JY29-2 became the first domestic product to submit a production license application for the treatment of diabetes treatment in April 2024, while entered the Phase III clinical trial for the treatment of obesity and overweight. The Class I innovative drug JY54 (long-acting amylin analog) has finalized molecular structure and advanced to pilot-scale development and animal testing. In orthopedics, JY23 (rhBMP-2-integrated pluripotent biological bone) completed pilot-scale development and entered animal testing and regulatory inspection phases. In oncology and hematology, new product JY06, 吉新芬® (PEGylated human granulocyte colony-stimulating factor), a long-acting biologic for chemotherapy-induced neutropenia, completed NMPA review (received marketing approval on January 14, 2025); JY53 (recombinant hyaluronidase) obtained CDE pharmaceutical excipient registration and established collaboration with Suzhou Novoprotein Scientific Co., Ltd. for nationwide promotion of subcutaneous drug delivery technology; JY43-2, an upgraded formulation of JY43 daratumumab injection (IND approval received), achieved subcutaneous administration through incorporation of novel recombinant hyaluronidase excipient, now entering pilot-scale development.

Operation

In 2024, we achieved a net profit of RMB138.6 million, representing a 15.7% year-on-year increase, with gross profit margin reaching 79.00% (increased by 2.05% year-on-year) and net profit margin reaching 10.12% (increased by 0.82% year-on-year), demonstrating steady improvements in operational quality and efficiency. To support the internationalization of core products and the expansion in both domestic and overseas market, we completed feasibility studies for production line expansion of Guyoudao and finalized production line planning for semaglutide and related series products in 2024. We continuously improved its quality management system covering the entire product lifecycle. Through optimized measures and stringent controls, quality management capabilities have been steadily enhanced, ensuring effective system operations. This well-functioning system not only provides robust safeguards for product safety and stability but also further strengthens the comprehensive market competitiveness of our products. Complementing core and new product development, we attracted high-end talent, optimized talent echelons, expanded talent reserves, and refined employee training programs alongside talent echelon development.

BUSINESS PROSPECTS

Following our successful listing on the Main Board of the Hong Kong Stock Exchange on November 28, 2024, 2025 will mark a pivotal inaugural year for us in capital markets as we advance strategic initiatives across core therapeutic areas.

In orthopedics, building on our innovative product Guyoudao (rhBMP-2-containing bone repair material), we are developing a series of innovative drug-device combination products candidates including rhBMP-2-integrated pluripotent biological bone and injectable rhBMP-2-containing bone repair materials. We anticipate completing registration-related testing and animal studies for JY23 (rhBMP-2-integrated pluripotent biological bone) in 2025, followed by clinical trial initiation in China.

In metabolic diseases, leveraging our NDA submitted semaglutide biosimilar JY29-2 (for the treatment of diabetes, obesity and overweight), we are developing novel product candidates such as the combination therapies of JY54 (long-acting amylin analog) with semaglutide. In 2025, the Company will continue to follow up on the NDA review progress of JY29-2 (Jiyoutai), which JY29-2 is expected to become the first approved domestic produced semaglutide product; continue to conduct the Phase III clinical trial of JY29-2 (Jikeqin) for the treatment of obesity and overweight. We also plan to submit the IND application for our innovative drug candidate, JY54 (amylin analog), in 2025.

In oncology and hematology, in 2025, the Company will continue to follow-up on the NDA review progress for JY49 (avatrombopag) and expects its market approval; JY47 (a novel SIRPα monoclonal antibody) will initiate the Phase I clinical trial and conduct indication expansion studies. The Company will also accelerate preclinical studies for biosimilars JY43-2 (daratumumab subcutaneous injection) and JY56 (emicizumab) in 2025, which are expected to strengthen our oncology and hematology treatment portfolios.

Aligned with our R&D strategy, we are intensifying commercialization preparedness through capacity expansion for near-launch products, enhancing GMP standards via new/upgraded production lines for Guyoudao, semaglutide, existing and pipeline products, while strengthening quality systems and expanding domestic/international markets. This includes optimizing production quality assurance, supply chain management, compliance oversight, and industrial capabilities.

PRODUCT PORTFOLIO AND PIPELINE

As of the date of this announcement, we have built a diversified product portfolio comprising nine marketed products and nine product candidates which spans across our focused therapeutic areas. The following table sets forth selected information of our major product candidates as of the date of this announcement:

Product Candidates [(1)]

Product Candidate	Generic Name	Product Type	Expected Classification	Dosage Form	Target/MoA	Intended Indications	Pre-clinical	IND	Phase I	Phase II	Phase III	NDA	Commer-cialization	Next Milestone (Expected time)	Competent Authority	Source	Expiry Date of the Originator Drug's Key Patent
Metabolic Diseases Drugs																	
JY29-2 吉优泰® Jiyoutai	Semaglutide[(3)]	Peptide	Biosimilar[(4)]	Subcutaneous injection	Glucagon-like peptide-1 (GLP-1) receptor agonist	T2DM				**Filed NDA on Mar 24, 2024**				Approval from NMPA (2025H2)	NMPA	Self-developed	Mar 20, 2026
JY29-2 吉可亲® Jikeqin[(2)]	Semaglutide[(3)]	Peptide	Biosimilar[(4)]	Subcutaneous injection	Glucagon-like peptide-1 (GLP-1) receptor agonist	Obesity and overweight								File NDA (2026H1)	NMPA	Self-developed	Mar 20, 2026
JY29-2 (Oral)	Semaglutide[(3)]	Peptide	Biosimilar[(4)]	Tablets	Glucagon-like peptide-1 (GLP-1) receptor agonist	Obesity and overweight								IND application (2027)	NMPA	Self-developed	Mar 20, 2033
JY54	Amylin analog	Peptide	Category I innovative drug	Subcutaneous injection	DACRAs receptor agonist	Obesity and overweight								IND application (2025Q4)	NMPA	Self-developed	N/A
Orthopedics																	
JY23[(7)]	rhBMP-2-integrated pluripotent biological bone injection	Drug-device combination	Drug-device combination	Bone graft	Bone Morphogenetic Protein and Biomaterials	Bone repair								Initiate clinical trial (2025H2)	NMPA	Self-developed	N/A
JY23-2	Injectable rhBMP-2-integrated bone repair material	Drug-device combination	Drug-device combination	Bone graft	Bone Morphogenetic Protein and Biomaterials	Bone repair								IND application (2026)	NMPA	Self-developed	N/A
Oncology																	
JY49[(5)]	Avatrombopag	Small molecule drug	Generic small molecule drug	Tablets	Thrombopoietin receptor agonist	Thrombocytopenia induced by chronic liver diseases				**Filed NDA on Mar 15, 2024**				Commercialization (2025H2)	NMPA	Self-developed	Jan 15, 2023
JY47	SIRPα monoclonal antibody	Monoclonal antibody	Category I innovative drug	Intravenous injection	CD47-SIRPα blockade	Solid tumors								Phase I clinical trial (2025H2)	NMPA	Self-developed	N/A
JY43	Daratumumab	Monoclonal antibody	Biosimilar[(4)]	Intravenous injection	CD38 inhibitor	Multiple myeloma								Phase I clinical trial (2025 or later)	NMPA	Self-developed	Mar 23, 2026
JY43-2	Daratumumab (with recombinant human hyaluronidase)	Monoclonal antibody	Biosimilar[(4)]	Subcutaneous injection	CD38 inhibitor with recombinant human hyaluronidase	Multiple myeloma								IND application (2026)	NMPA	Self-developed	Mar 23, 2026
Hematology																	
JY56	Emicizumab	Bispecific antibody	Biosimilar[(4)]	Subcutaneous injection	Bridging coagulation factor IX and coagulation factor X	Hemophilia								IND application (2026)	NMPA	Self-developed	Nov 17, 2031

Notes:

(1) As of the date of this announcement, we expected to conduct all the clinical trials of our product candidates in China and hold the exclusive rights to develop and commercialize such drug candidates worldwide.

(2) After communicating with the CDE, it has agreed that we can directly enter the Phase III clinical trial on JY29-2 (Jikeqin) as we have completed the Phase I clinical trial of JY29-2 (Jiyoutai). We have completed the enrollment for the Phase III clinical trial of JY29-2 (jikeqin) on December 19, 2024.

(3) We plan to collaborate with global pharmaceutical companies in the future to develop JY29-2 for markets outside of China where our partners will be responsible for clinical trials overseas.

(4) According to the "Technical Guidelines for the Development and Evaluation of Biosimilars (Trial)" (《生物類似藥研發與評價技術指導原則（試行）》) issued by the CDE in 2015, biosimilars are only required to undergo Phase I and Phase III clinical trials.

(5) We have completed the bioequivalence studies on JY49 as of the date of this announcement, and no additional clinical trials are required for this drug candidate as a generic small molecule drug. We filed the NDA with the NMPA on March 15, 2024.

FINANCIAL REVIEW

Revenue

	Year ended December 31,	
	2024	2023
	RMB'000	*RMB'000*
Revenue from Sale of Goods	**1,298,951**	1,218,477
Revenue from Pharmaceutical Services	**70,233**	68,931
	1,369,184	1,287,408

During the Reporting Period, our revenue was RMB1,369.2 million, representing an increase of 6.4% as compared to RMB1,287.4 million for the same period of 2023. The increase in revenue was mainly attributable to an increase of RMB80.5 million in revenue from sales of goods.

Sale of goods

Revenue from sales of goods increased by 6.6% from RMB1,218.5 million in the year ended December 31, 2023 to RMB1,299.0 million in the year ended December 31, 2024, in line with the increase in sales revenue from Guyoudao. Our revenue generated from sales of Guyoudao increased by 19.1% from RMB708.9 million in the year ended December 31, 2023 to RMB844.0 million in the year ended December 31, 2024, mainly due to the continuous growth of its sales volume.

Pharmaceutical services

Revenue from pharmaceutical services remained relatively stable at RMB68.9 million in the year ended December 31, 2023 and at RMB70.2 million in the year ended December 31, 2024.

Cost of Sales

Our cost of sales decreased by 3.1% from RMB296.7 million in the year ended December 31, 2023 to RMB287.5 million in the year ended December 31, 2024, primarily driven by (i) the increased proportion of sales revenue from Guyoudao, which has a comparatively high gross profit margin and (ii) reduced production costs of Guyoudao achieved through optimization of manufacturing operation.

Gross Profit and Gross Profit Margin

As a result of the foregoing, our gross profit increased by 9.2% from RMB990.7 million in the year ended December 31, 2023 to RMB1,081.7 million in the year ended December 31, 2024. Our gross profit margin increased from 77.0% in the year ended December 31, 2023 to 79.0% in the year ended December 31, 2024, primarily because (i) the increased proportion of sales revenue from Guyoudao, which has a comparatively high gross profit margin and (ii) reduced production costs of Guyoudao achieved through optimization of manufacturing operation.

Other Income and Gains

	Year ended December 31,	
	2024	2023
	RMB'000	*RMB'000*
Other Income		
Government grants*	**16,358**	6,410
Bank interest income	**1,282**	283
Others	**6**	–
Total Other Income	**17,646**	6,693
Gains		
Foreign exchange gains, net	**1,080**	206
Total other income and gains	**18,726**	6,899

Note:* Government grants have been received from the PRC local government authorities to support the subsidiaries' research and development activities. There are no unfulfilled conditions related to these government grants.

Our other income and gains increased by 171.4% from RMB6.9 million in the year ended December 31, 2023 to RMB18.7 million in the year ended December 31, 2024, primarily due to an increase in government grants of RMB9.9 million.

Selling and Marketing Expenses

	Year ended December 31,	
	2024	2023
	RMB'000	*RMB'000*
Marketing and promotion expenses	**432,388**	419,761
Travelling expenses	**98,418**	68,400
Labor costs	**169,094**	157,422
Others*	**20,101**	18,162
	720,001	663,745

Note:* "Others" primarily comprise expenses related to offices, leases and maintenance, depreciation and amortization, and other miscellaneous expenses.

Our selling and marketing expenses increased from RMB663.7 million in the year ended December 31, 2023 to RMB720.0 million in the year ended December 31, 2024, primarily due to an increase in travelling expenses of RMB30.0 million, which was primarily attributed to enhanced marketing activities driven by the Company's strategy to penetrate prefecture and county-level markets.

Administrative Expenses

	Year ended December 31,	
	2024	2023
	RMB'000	*RMB'000*
Labor costs	**37,643**	37,105
General operating expenses	**14,674**	9,373
Depreciation and amortization	**1,735**	1,931
Professional consulting fees	**30,872**	10,563
Others*	**3,450**	907
	88,374	59,879

Note:* "Others" primarily comprises taxes and other miscellaneous expenses.

Our administrative expenses increased form RMB59.9 million in the year ended December 31, 2023 to RMB88.4 million in the year ended December 31, 2024, primarily due to an increase of professional consulting fees of RMB20.3 million in relation to the listing expenses.

Research and Development Costs

	Year ended December 31,	
	2024	2023
	RMB'000	*RMB'000*
Labor costs	**45,748**	59,261
Costs of materials	**15,834**	15,368
Depreciation and utilities	**15,262**	18,722
Testing and experiment costs	**25,026**	23,049
Outsourcing and professional consulting fees	**881**	2,564
Others*	**6,146**	8,793
	108,897	127,757

Note:* "Others" primarily comprises repair fees, office expenses, travel and conference expenses and other miscellaneous expenses.

Our research and development costs decreased form RMB127.8 million in the year ended December 31, 2023 to RMB108.9 million in the year ended December 31, 2024, primarily due to a decrease in labor costs of RMB13.5 million, mainly attributable to JY29-2 (Jikeqin) entering Phase III clinical trials, which qualifies for capitalization.

Other Expenses

Our other expenses increased form RMB1.9 million in the year ended December 31, 2023 to RMB7.4 million in the year ended December 31, 2024, primarily due to our adherence to HKFRS 9, which required the calculation of expected credit loss rates for accounts receivable based on migration rates and forward-looking adjustments, and led to an increase in the provision for bad debts.

Finance Costs

Our finance costs decreased form RMB9.4 million in the year ended December 31, 2023 to RMB7.1 million in the year ended December 31, 2024, primarily due to a decrease of interest on bank borrowings of RMB2.3 million, which was attributable to a decrease in our loan and loan interest rate.

Income Tax Expense

Our income tax expense increased form RMB15.2 million in the year ended December 31, 2023 to RMB30.0 million in the year ended December 31, 2024, primarily due to an increase in our profit before tax, and a reduction in the amount of R&D expenses eligible for deduction, resulting in higher taxable income.

Liquidity and Capital Resources

The Group maintained a sound financial position. As of December 31, 2024, we had cash and cash equivalents of RMB537.6 million (as of December 31, 2023: RMB93.2 million). As of December 31, 2024, the Group had a balance of interest-bearing bank borrowings of RMB119.8 million (as of December 31, 2023: RMB165.4 million). As of December 31, 2024, the gearing ratio of the Group (total liabilities divided by total assets) was 21.1% (as of December 31, 2023: 31.3%).

Currently, the Group follows a set of funding and treasury policies to manage its capital resources and prevent risks involved. The Group expects to fund its working capital and other capital requirements from a combination of various sources, including but not limited to internal financing and external financing at reasonable market rates. In order to better control and minimize the cost of funds, the Group's treasury activities are centralized and all cash transactions are dealt with the banks with good reputation.

Most assets and liabilities of the Group were denominated in RMB, HKD, USD and Euro. Currently, the Group does not employ any financial instruments or enter into any foreign exchange contracts to hedge against foreign exchange risk. However, by closely monitoring the net exposure of foreign exchange risk, the Group managed the foreign exchange risk, thus minimizing the impact of foreign exchange fluctuations.

EMPLOYEES AND REMUNERATION POLICY

As of December 31, 2024, the Group had a total of 1,541 full-time employees. We are committed to making sure that working conditions throughout our business network are safe and that employees are treated with care and respect. We believe we offer our employees competitive compensation packages, reflecting our stakeholder-centric ethos which we believe leads to sustainable and durable growth. As required by PRC regulations, we participate in various government statutory employee benefit plans, including social insurances, namely pension insurance, medical insurance, unemployment insurance, work-related injury insurance, maternity insurance, and housing funds. We are required under PRC law to make contributions to employee benefit plans at specified percentages of the salaries, bonuses and certain allowances of our employees, up to a maximum amount specified by the local government regulations from time to time. Our compensation package also comprises year-end bonuses, communication, transport and meal allowances, staff dormitory, paid leaves, and holiday benefits. In addition, we provide career development opportunities and promote an inventive, collaborative, and productive work environment, which we believe fosters long-lasting self-motivation for our employees.

Our employees typically enter into standard employment contracts with us. We place a high value on recruiting, training, and retaining qualified employees. We maintain high standards on selecting and recruiting talent worldwide and provide competitive compensation packages. Remuneration packages for our employees mainly comprise base salary and performance-based bonus. To maintain and enhance the quality, knowledge and skill levels of our workforce as well as their familiarity with industry quality standards and work safety standards, we provide our employees with periodic training, including orientation programs for new employees, technical training, professional and management training and health and safety training.

SIGNIFICANT INVESTMENTS, ACQUISITIONS AND DISPOSALS

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

The Group did not have any future plans for material investments or capital assets as of the date of this announcement. The Company will make further announcement in accordance with the Listing Rules, where applicable, if any investments and acquisition opportunities materialize.

SUBSEQUENT EVENTS AFTER THE REPORTING PERIOD

Change of Company Name

At the EGM, the Shareholders approved the change of the Company's name to Hangzhou Jiuyuan Genetic Biopharmaceutical Co., Ltd. (杭州九源基因生物醫藥股份有限公司) (the "**Proposed Name Change**"). For more details, please refer to the relevant announcements of the Company dated February 12, 2025 and March 5, 2025 and the Company's circular dated February 12, 2025. The Company is going through the registration procedures with the relevant governmental authorities in the PRC and will make further announcement on the effective date of the Proposed Name Change.

Amendments to the Articles of Association

To reflect the changes in the Company name, registered capital and the total number of issued Shares and to align the Articles of Association with certain regulation requirements, the Board proposed to amend the Articles of Association (the "**Proposed Amendments**") on February 12, 2025. The Proposed Amendments were approved at the EGM. For details, please refer to the Company's circular dated February 12, 2025 and announcements dated February 12, 2025 and March 5, 2025, respectively.

As of the date of this announcement, there were no material subsequent events after the Reporting Period other than those disclosed above.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles of Association, or the laws of the PRC, which would oblige the Company to offer new shares of the Company on a pro-rata basis to its existing shareholders.

FINAL DIVIDEND

The Board proposed to recommend the distribution of a cash dividend of RMB0.56 (inclusive of tax) for every 10 Shares to all Shareholders based on the total share capital as of the record date for profit distribution and dividend payment. As of the date of the board meeting considering this distribution of a final dividend, the total share capital of the Company is 245,398,800 Shares, which is used to calculate the total proposed cash dividend RMB13,742,332.8 (inclusive of tax), accounting for approximately 10% of the consolidated net profit attributable to the Shareholders for 2024.

The distribution of a final dividend will be submitted to the AGM in 2025 for consideration and approval. The payment is expected to be made on or around July 30, 2025.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Compliance with the CG Code

The Company recognizes the importance of good corporate governance for enhancing the management of the Company as well as preserving the interests of the Shareholders as a whole. The Company has adopted the code provisions set out in the CG Code as its own code of corporate governance practices.

Pursuant to code provision C.2.1 of Part 2 of the CG Code, companies listed on the Stock Exchange are expected to comply with, but may choose to deviate from the requirement that the responsibilities between the chairman and the general manager should be segregated and should not be performed by the same individual. We do not have a separate chairman and general manager and Mr. Fu Hang currently performs these two roles. The Board believes that vesting the roles of both the chairman and general manager in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. In addition, all major decisions are made in consultation with members of the Board, including the relevant Board committees, and three independent non-executive Directors. The Board will continue to review and consider splitting the roles of the chairman of the Board and the general manager of the Company if and when it is appropriate taking into account the circumstances of the Group as a whole.

Save as disclosed above, the Company has complied with all code provisions under the CG Code throughout the period from the Listing Date to December 31, 2024. In order to maintain a high standard of corporate governance, the Board will continue to review and monitor the operation of the Company.

Compliance with the Model Code for Securities Transactions

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules to regulate all dealings by Directors, Supervisors and relevant employees who, because of such office or employment, are likely to possess inside information in relation to the Company or its securities. The Company has also devised its own code of conduct regarding Directors' dealings in the Company's securities (the "**Code of Conduct**") on terms no less exacting than the Model Code as set out in Appendix C3 to the Listing Rules.

Specific enquiry has been made of all the Directors and Supervisors, and the Directors and Supervisors have confirmed that they have complied with the Code of Conduct throughout the period from the Listing Date to December 31, 2024. No incident of non-compliance of the Model Code by the relevant employees was noted by the Company throughout the period from the Listing Date to December 31, 2024.

Material Litigation

During the Reporting Period, the Company was not engaged in any material litigation or arbitration of material importance, or the Directors were not aware of any material litigation or claim pending or threatened against the Group.

Purchase, Sale or Redemption of the Listed Securities of the Company

During the Reporting Period, neither the Company nor its subsidiary has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares). As of December 31, 2024, the Company did not hold any treasury shares.

Audit Committee

The Company has established an Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the CG Code and published on the website of the Hong Kong Stock Exchange accordingly. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal control system of the Group and provide advice and comments to the Board. As of the date of this announcement, the Audit Committee comprises three independent non-executive Directors, namely, Mr. Zhou Zhihui (周智慧), Ms. Ho Mei Yi (何美儀) and Dr. Zhou Demin (周德敏), with Mr. Zhou Zhihui serving as the chairman. Mr. Zhou Zhihui has the appropriate professional experiences as required under Rules 3.10(2) and 3.21 of the Listing Rules.

The Audit Committee had reviewed, together with the management, the accounting principles and policies adopted by the Group and discussed internal controls and financial reporting matters including a review of the audited consolidated financial statements and annual results of the Group for the year ended December 31, 2024.

Scope of Work for Annual Results Announcement by Auditor

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended December 31, 2024 as set out in this announcement have been agreed by the Group's auditors to the amounts set out in the Group's audited consolidated financial statements for the year ended December 31, 2024. The work performed by the Group's auditors in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by the Group's auditors in this announcement.

ANNUAL GENERAL MEETING

The forthcoming AGM will be held on Wednesday, June 11, 2025. A notice convening the AGM will be published on the Company's website and the website of the Hong Kong Stock Exchange or dispatched to the Shareholders (if requested) in accordance with the requirements of the Listing Rules in due course.

Corporate communications will be available electronically on both the Company's website at www.china-gene.com and the website of the Hong Kong Stock Exchange at www.hkexnews.hk. Actionable Corporate Communications will be sent to Shareholders individually via the email address provided by them or in printed form (if no functional email addresses are provided).

If the Shareholders want to change the means of receipt and language of corporate communications, they may send an email to hurong@china-gene.com specifying their name, address and request to receive the corporate communications in printed form. Any instructions to receive future communications in printed form will remain valid for one year from the receipt date of the Shareholder's instruction.

CLOSURE OF REGISTER OF MEMBERS

i For attending and voting at the AGM

In order to determine the rights of H Shareholders to attend and vote at the AGM of the Company to be held on Wednesday, June 11, 2025, the register of members of H Shares will be closed from Friday, June 6, 2025 to Wednesday, June 11, 2025 (both days inclusive), during which period no transfer of H Shares will be registered. Members whose names appear on the register of members of the Company on Wednesday, June 11, 2025 will be entitled to attend and vote at the AGM. In order to be eligible for attending the AGM, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's H share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Thursday, June 5, 2025.

ii For entitlement of the proposed final dividend

In order to determine the entitlement to the proposed final dividend for the year of 2024, the register of members of H Shares will be closed from Tuesday, June 17, 2025 to Thursday, June 19, 2025 (both days inclusive), during which period no transfer of H Shares will be registered. In order to qualify for the proposed final dividend, all completed share transfer documents, accompanied by the relevant share certificates, must be lodged with the Company's H share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Monday, June 16, 2025.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	**2024** *RMB'000*	2023 *RMB'000*
REVENUE	*4*	**1,369,184**	1,287,408
Cost of sales		**(287,505)**	(296,739)
Gross profit		**1,081,679**	990,669
Other income and gains	*4*	**18,726**	6,899
Selling and marketing expenses		**(720,001)**	(663,745)
Administrative expenses		**(88,374)**	(59,879)
Research and development costs		**(108,897)**	(127,757)
Other expenses		**(7,360)**	(1,869)
Finance costs	*6*	**(7,145)**	(9,386)
PROFIT BEFORE TAX	*5*	**168,628**	134,932
Income tax expense	*7*	**(30,027)**	(15,157)
PROFIT FOR THE YEAR		**138,601**	119,775
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**138,601**	119,775
Profit attributable to:			
Owners of the parent		**138,601**	119,775
Total comprehensive income attributable to:			
Owners of the parent		**138,601**	119,775
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted (RMB)	*9*	**0.68**	0.60

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	**31 December 2024 RMB'000**	31 December 2023 RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment		**352,977**	371,469
Right-of-use assets		**1,254**	2,090
Intangible assets	*10*	**157,816**	91,347
Prepayments, other receivables and other assets		**1,001**	3,052
Total non-current assets		**513,048**	467,958
CURRENT ASSETS			
Inventories		**149,123**	169,814
Trade and bills receivables	*11*	**672,178**	532,511
Prepayments, other receivables and other assets		**13,650**	21,655
Due from related parties		**37,374**	22,560
Restricted bank deposits		**20**	20
Cash and cash equivalents	*12*	**537,629**	93,178
Total current assets		**1,409,974**	839,738
CURRENT LIABILITIES			
Trade payables	*13*	**27,000**	42,424
Lease liabilities		**937**	773
Other payables and accruals		**196,098**	158,198
Due to related parties		**644**	815
Interest-bearing bank borrowings		**81,014**	130,837
Contract liabilities		**21,626**	14,034
Tax payable		**14,366**	435
Total current liabilities		**341,685**	347,516
NET CURRENT ASSETS		**1,068,289**	492,222
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,581,337**	960,180

	31 December 2024 *RMB'000*	31 December 2023 *RMB'000*
NON-CURRENT LIABILITIES		
Lease liabilities	**–**	937
Interest-bearing bank borrowings	**38,769**	34,523
Other payables and accruals	**8,056**	7,267
Deferred tax liabilities	**16,501**	19,561
Total non-current liabilities	**63,326**	62,288
Net assets	**1,518,011**	897,892
EQUITY		
Equity attributable to owners of the parent		
Share capital	**245,399**	200,000
Reserves	**1,272,612**	697,892
Total equity	**1,518,011**	897,892

NOTES TO FINANCIAL STATEMENTS

1. CORPORATE AND GROUP INFORMATION

The Company is a limited company established in the People's Republic of China (the "PRC") on 31 December 1993. The registered office of the Company is located at No.23, Eighth Street, Baiyang Street, Qiantang District, Hangzhou, Zhejiang Province, PRC. On 5 December 2023, the Company was converted to a joint stock limited liability company and the registered capital of the Company was RMB200,000,000, which was divided into 200,000,000 shares, with a nominal value of RMB1.00 each. The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 28 November 2024.

During the year, the Company and its subsidiary were principally engaged in the research and development, manufacture and commercialisation of biopharmaceutical products.

2.1 BASIS OF PREPARATION

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

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiary (collectively referred to as the "Group") for the year ended 31 December 2024. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(a) the contractual arrangement with the other vote holders of the investee;

(b) rights arising from other contractual arrangements; and

(c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiary are prepared for the same reporting period as the Company, using consistent accounting policies. The results of the subsidiary are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities and any non-controlling interest; and recognises the fair value of any investment retained, and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

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

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

The nature and the impact of the revised HKFRS Accounting Standards are described below:

(a) Amendments to HKFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. Since the Group has no sale and leaseback transactions with variable lease payments that do not depend on an index or a rate occurring from the date of initial application of HKFRS 16, the amendments did not have any impact on the financial position or performance of the Group.

(b) The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The 2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period.

    The Group has reassessed the terms and conditions of its liabilities as at 1 January 2023 and 2024 and concluded that the classification of its liabilities as current or non-current remained unchanged upon initial application of the amendments. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.

(c) Amendments to HKAS 7 and HKFRS 7 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. As the Group does not have supplier finance arrangements, the amendments did not have any impact on the Group's financial statements.

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is not organised into business units based on their products and has only one reportable operating segment. Management monitors the operating results of the Group's operating segment as a whole for the purpose of making decisions about resource allocation and performance assessment.

Geographical information

(a) Revenue from external customers

	2024	2023
	RMB'000	*RMB'000*
Mainland China	**1,315,886**	1,245,501
Other countries/regions	**53,298**	41,907
Total revenue	**1,369,184**	1,287,408

The revenue information above is based on the locations of the customers.

(b) Non-current assets

	2024	2023
	RMB'000	*RMB'000*
Mainland China	**513,048**	467,958

The non-current asset information above is based on the locations of the assets and excludes financial instruments and deferred tax assets.

Information about major customers

Revenue from the major customers (aggregated if under common control) which amounted to 10% or more of the Group's revenue is set out below:

	2024	2023
	RMB'000	*RMB'000*
Customer A	**319,185**	281,521
Customer B	**115,473**	131,218
Total	**434,658**	412,739

4. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	2024	2023
	RMB'000	*RMB'000*
Revenue from contracts with customers	**1,369,184**	1,287,408

(a) Disaggregated revenue information

	2024	2023
	RMB'000	*RMB'000*
Types of goods or services		
Sale of goods	**1,298,951**	1,218,477
Pharmaceutical services	**70,233**	68,931
Total	**1,369,184**	1,287,408
Geographical markets		
Mainland China	**1,315,886**	1,245,501
Other countries/regions	**53,298**	41,907
Total	**1,369,184**	1,287,408
Timing of revenue recognition		
Transferred at a point in time	**1,369,184**	1,287,408
Total	**1,369,184**	1,287,408

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period and recognised from performance obligations satisfied in previous periods:

	2024	2023
	RMB'000	*RMB'000*
Revenue recognised:		
Sale of goods	**14,009**	15,846

(b) Performance obligations

Information about the Group's performance obligations is summarised below:

(i) Sale of goods

The performance obligation is satisfied upon delivery of the goods and payment is generally due within 30 to 90 days from the date of billing, with longer payment term of drug-device combination product.

(ii) Pharmaceutical services

Preclinical drug development services

The performance obligation is satisfied over time or at the point when services are rendered and payment is generally due within 10 days from the date of billing.

Technology transfer

The performance obligation is satisfied upon the transfer of technology and payment is generally due within 15 days from the date of transfer.

Outsourcing manufacturing services

The performance obligation is satisfied at the point when services are rendered, where payment in advance is normally required.

As all the amounts of transaction prices allocated to the remaining performance obligations are expected to be recognised as revenue within one year or less, the Group doesn't need to disclose the information about its remaining performance obligations.

An analysis of other income and gains is as follows:

	2024	2023
	RMB'000	*RMB'000*
Other income		
Government grants*	**16,358**	6,410
Bank interest income	**1,282**	283
Others	**6**	–
Total other income	**17,646**	6,693
Gains		
Foreign exchange gains, net	**1,080**	206
Total other income and gains	**18,726**	6,899

* Government grants have been received from the PRC local government authorities to support the Company's research and development activities. There are no unfulfilled conditions related to these government grants.

5. PROFIT BEFORE TAX

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

	2024	2023
	RMB'000	*RMB'000*
Cost of inventories sold	**247,037**	252,878
Cost of services provided	**40,468**	43,861
	287,505	296,739
Research and development costs	**108,897**	127,757
Depreciation of property, plant and equipment*	**35,388**	34,928
Depreciation of right-of-use assets	**836**	884
Amortisation of intangible assets**	**715**	323
Loss on disposal of items of property, plant and equipment	**271**	410
Write-down of inventories to net realisable value	**9,303**	1,176
Impairment losses on financial assets, net	**6,499**	1,219
Lease payments not included in the measurement of lease liabilities	**1,634**	1,357
Foreign exchange differences, net	**(1,080)**	(206)
Auditor's remuneration	**2,280**	200
Listing expenses	**24,008**	9,926
Bank interest income	**(1,282)**	(283)
Government grants	**(16,358)**	(6,410)
Employee benefit expense (including directors', chief executive's and supervisors' remuneration):		
Salaries and other benefits	**326,406**	307,428
Pension scheme contributions	**23,039**	17,953
Equity-settled share award expense***	**5,299**	11,933
	354,744	337,314

* The depreciation of property, plant and equipment is included in "Cost of sales", "Administrative expenses", "Research and development costs" and "Selling and marketing expenses" in the consolidated statement of profit or loss and other comprehensive income.

** The amortisation of intangible assets is included in "Selling and marketing expenses", "Administrative expenses" and "Research and development costs" in the consolidated statement of profit or loss and other comprehensive income.

*** Equity-settled share award expense is included in "Cost of sales", "Administrative expenses", "Research and development costs" and "Selling and marketing expenses" in the consolidated statement of profit or loss and other comprehensive income.

6. FINANCE COSTS

An analysis of finance costs is as follows:

	2024	2023
	RMB'000	*RMB'000*
Interest on bank borrowings	**7,073**	9,329
Interest on lease liabilities	**72**	57
Total	**7,145**	9,386

7. INCOME TAX

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

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and the Implementation Regulation of the EIT Law, the EIT rate for the PRC subsidiary was 25% during the reporting period. The Company was accredited as a "High and New Technology Enterprise" ("HNTE") in 2021 and the certificate was extended in December 2023. Therefore, the Company was entitled to a preferential EIT rate of 15% for the reporting period. The qualification as a HNTE is subject to review by the relevant tax authority in the PRC every three years.

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

	2024	2023
	RMB'000	*RMB'000*
Current tax – Mainland China		
Charge for the year	**33,087**	435
Deferred tax	**(3,060)**	14,722
Total tax charge	**30,027**	15,157

A reconciliation of the tax charge applicable to profit before tax at the statutory rate to the tax expense at the effective tax rate is as follows:

	2024	2023
	RMB'000	*RMB'000*
Profit before tax	**168,628**	134,932
Tax at the statutory tax rate of 25%	**42,157**	33,733
Lower tax rate for specific provinces or enacted by local authority	**(16,863)**	(13,493)
Expenses not deductible for tax	**13,234**	8,667
Additional deductible allowance for research and development costs	**(10,375)**	(13,750)
Adjustments in respect of current tax of previous periods*	**1,874**	–
Tax charge at the Group's effective tax rate	**30,027**	15,157

* The amount represented the adjustment of additional deductible allowance for research and development costs according to the annual income tax filing in May 2024.

8. DIVIDENDS

	2024	2023
	RMB'000	*RMB'000*
Proposed final - RMB0.056 (2023: nil) per ordinary share	**13,742**	–

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

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

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 204,228,929 (2023: 200,000,000) outstanding during the year.

The weighted average number of ordinary shares used in the calculation is the number of ordinary shares outstanding during the year, as used in the basic earnings per share calculation.

The Group had no potentially dilutive ordinary shares outstanding during the years ended 31 December 2024 and 2023.

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

	2024	2023
	RMB'000	*RMB'000*
Earnings		
Profit attributable to ordinary equity holders of the parent, used in the basic and diluted earnings per share calculation	**138,601**	119,775
Shares		
Weighted average number of ordinary shares outstanding during the year used in the basic and diluted earnings per share calculation	**204,228,929**	200,000,000
Earnings per share (RMB per share)	**0.68**	0.60

10. INTANGIBLE ASSETS

31 December 2024	**Software** *RMB'000*	**Patents and licences** *RMB'000*	**Trademark** *RMB'000*	**Deferred development costs** *RMB'000*	**Total** *RMB'000*
At 1 January 2024:					
Cost	**4,808**	**32,086**	**124**	**90,298**	**127,316**
Accumulated amortisation	**(3,759)**	**(32,086)**	**(124)**	**–**	**(35,969)**
Net carrying amount	**1,049**	**–**	**–**	**90,298**	**91,347**
At 1 January 2024, net of accumulated amortisation	**1,049**	**–**	**–**	**90,298**	**91,347**
Additions	**589**	**–**	**–**	**66,595**	**67,184**
Amortisation provided during the year	**(715)**	**–**	**–**	**–**	**(715)**
At 31 December 2024, net of accumulated amortisation	**923**	**–**	**–**	**156,893**	**157,816**
At 31 December 2024:					
Cost	**5,397**	**32,086**	**124**	**156,893**	**194,500**
Accumulated amortisation	**(4,474)**	**(32,086)**	**(124)**	**–**	**(36,684)**
Net carrying amount	**923**	**–**	**–**	**156,893**	**157,816**

31 December 2023	Software *RMB'000*	Patents and licences *RMB'000*	Trademark *RMB'000*	Deferred development costs *RMB'000*	Total *RMB'000*
At 1 January 2023:					
Cost	3,626	32,086	124	65,599	101,435
Accumulated amortisation	(3,440)	(32,086)	(120)	–	(35,646)
Net carrying amount	186	–	4	65,599	65,789
At 1 January 2023, net of accumulated amortisation	186	–	4	65,599	65,789
Additions	399	–	–	24,699	25,098
Transfer from construction in progress	783	–	–	–	783
Amortisation provided during the year	(319)	–	(4)	–	(323)
At 31 December 2023, net of accumulated amortisation	1,049	–	–	90,298	91,347
At 31 December 2023:					
Cost	4,808	32,086	124	90,298	127,316
Accumulated amortisation	(3,759)	(32,086)	(124)	–	(35,969)
Net carrying amount	1,049	–	–	90,298	91,347

11. TRADE AND BILLS RECEIVABLES

	2024	2023
	RMB'000	*RMB'000*
Trade receivables	**594,344**	484,801
Bills receivable	**11,422**	17,458
Financial assets at fair value through other comprehensive income	**73,754**	32,965
Impairment	**(7,342)**	(2,713)
Net carrying amount	**672,178**	532,511

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

	2024	2023
	RMB'000	*RMB'000*
Within 1 year	**628,980**	527,793
1 to 2 years	**40,455**	4,446
2 to 3 years	**2,511**	272
Over 3 years	**232**	–
Total	**672,178**	532,511

12. CASH AND CASH EQUIVALENTS AND RESTRICTED BANK DEPOSITS

	2024	2023
	RMB'000	*RMB'000*
Cash and bank balances	**537,649**	93,198
Less: Restricted bank deposits	**(20)**	(20)
Cash and cash equivalents	**537,629**	93,178
Denominated in:		
RMB	**43,505**	91,913
Hong Kong dollar ("HK$")	**493,731**	–
United States dollar ("US$")	**45**	705
Euro ("EUR")	**368**	580
Total	**537,649**	93,198

13. TRADE PAYABLES

An ageing analysis of the trade payables based on the invoice date is as follows:

	2024	2023
	RMB'000	*RMB'000*
Within 1 year	**26,988**	42,245
Over 1 year	**12**	179
Total	**27,000**	42,424

The trade payables are non-interest-bearing and are normally settled within 60 days.

PUBLICATION OF THE ANNUAL RESULTS ANNOUNCEMENT AND THE ANNUAL REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This results announcement is published on the Company's website (www.china-gene.com) and the website of the Hong Kong Stock Exchange (www.hkexnews.hk). The 2024 annual report of the Company containing all relevant information required under the Listing Rules will be dispatched to the Shareholders (if requested) and published on the afore-mentioned websites in due course.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings. These terms and their definitions may not correspond to any industry standard definition and may not be directly comparable to similarly titled terms adopted by other companies operating in the same industries as the Company.

"Actionable Corporate Communications"	any corporate communication that seeks instructions from the Shareholders on how they wish to exercise their rights or make an election as the Shareholders
"AGM"	the annual general meeting of the Company to be held on Wednesday, June 11, 2025
"ANVISA"	Agência Nacional de Vigilância Sanitária, the National Health Surveillance Agency of Brazil
"Articles of Association"	the articles of association of the Company, as amended from time to time
"ASEAN"	the Association of Southeast Asian Nations
"Audit Committee"	the audit committee of the Board
"Board"	the board of directors of the Company
"CAGR"	Compound Annual Growth Rate
"CDE"	Center for Drug Evaluation of the NMPA
"CG Code"	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
"China" or the "PRC"	the People's Republic of China, but for the purpose of this announcement and for geographical reference only, references herein to "China" and the "PRC" do not apply to Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan

"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Company," "our Company," or "the Company"	Hangzhou Jiuyuan Gene Engineering Co., Ltd. (杭州九源基因工程股份有限公司), a limited liability company established under the laws of the PRC on December 31, 1993 and converted into a joint stock company with limited liability on December 5, 2023
"Corresponding Period"	for the year ended December 31, 2023
"Director(s)"	the director(s) of our Company
"Domestic Share(s)"	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which is/are subscribed for and paid up in Renminbi by domestic investors and are not listed or traded on any stock exchange
"EGM"	the first extraordinary general meeting of the Company in 2025 held on Wednesday, March 5, 2025
"FDA"	Food and Drug Administration
"Group," "our Group," "we," "us," or "our"	the Company and its subsidiary from time to time
"H Share(s)"	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which are traded in Hong Kong dollars and listed on the Stock Exchange
"HK$" or "HKD"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong Stock Exchange" or "Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Huadong Medicine"	Huadong Medicine Co., Ltd. (華東醫藥股份有限公司), a limited liability company established under the laws of the PRC on March 31, 1993, the A shares of which are listed on the Shenzhen Stock Exchange (stock code: 000963.SZ)
"Listing"	the listing of the H Shares on the Main Board of the Stock Exchange

"Listing Date"	November 28, 2024, on which the H Shares were listed and dealings in the H Shares first commenced on the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended or supplemented from time to time
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
"NMPA"	National Medical Products Administration
"Reporting Period"	the year ended December 31, 2024
"RMB" or "Renminbi"	the lawful currency of the PRC
"SFDA"	Saudi Food and Drug Authority
"Share(s)"	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, comprising the Unlisted Shares and H Shares
"Shareholder(s)"	shareholder(s) of the Company
"Supervisor(s)"	member(s) of the supervisory committee of the Company
"treasury shares"	has the meaning as defined under the Listing Rules
"Unlisted Foreign Share(s)"	ordinary share(s) issued by the Company with a nominal value of RMB1.00 each which is/are subscribed for and paid for in currency other than RMB by foreign investors and not listed on any stock exchange
"Unlisted Shares"	Domestic Shares and Unlisted Foreign Shares
"U.S." or "United States"	the United States of America, its territories and possessions, any State of the United States, and the District of Columbia

"U.S. dollar" or "US$"	United States dollar, the lawful currency of the United States
"Zhongmei Huadong"	Hangzhou Zhongmei Huadong Pharmaceutical Co., Ltd. (杭州中美華東製藥有限公司), a limited liability company established under the laws of the PRC on December 31, 1992, which is a wholly-owned subsidiary of Huadong Medicine
"%"	per cent

APPRECIATION

The Board would like to express its sincere gratitude to the Shareholders, management team, employees, business partners and customers of the Group for their support and contribution to the Group.

By order of the Board
Hangzhou Jiuyuan Gene Engineering Co., Ltd.
杭州九源基因工程股份有限公司
FU Hang
Executive Director, Chairman of the Board and General Manager

Hangzhou, the PRC, March 26, 2025

As at the date of this announcement, the Board comprises (i) Mr. Fu Hang (傅航) and Mr. Zhou Wei (周偉) as executive directors; (ii) Ms. Ma Honglan (馬紅蘭), Mr. Wu Shihang (吳詩航), Mr. Albert Esteve Cruella and Mr. Fei Junjie (費俊傑) as non-executive directors; and (iii) Mr. Zhou Zhihui (周智慧), Ms. Ho Mei Yi (何美儀) and Dr. Zhou Demin (周德敏) as independent non-executive directors.