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ALIBABA HEALTH INFORMATION TECHNOLOGY LIMITED

阿 里 健 康 信 息 技 術 有 限 公 司

(Incorporated in Bermuda with limited liability)

(Stock Code: 00241)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED MARCH 31, 2025

The board (the "**Board**") of directors (the "**Directors**") of Alibaba Health Information Technology Limited (the "**Company**" or "**Alibaba Health**") is pleased to announce the audited annual results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the year ended March 31, 2025 (the "**Reporting Period**" or "**FY2025**") together with comparative figures for the preceding financial year (the "**Corresponding Period**"). The annual consolidated financial statements have been reviewed by the audit committee of the Company (the "**Audit Committee**").

HIGHLIGHTS

During the Reporting Period, the Group achieved a steady growth in revenue, with its total revenue reaching RMB30,598.3 million, representing an increase of 13.2% year-on-year. The net profit for the Reporting Period reached RMB1,432.0 million, representing an increase of 62.2% year-on-year. The adjusted net profit totaled RMB1,949.7 million, representing an increase of 35.6% year-on-year, and adjusted net profit margin improved from 5.3% to 6.4%. The business of the Tmall Healthcare Platform continued to grow at a steady pace, along with the robust growth in the annual gross merchandise volume ("**GMV**") and the continued increase in the number of annual active users (those who made one or more actual purchase(s) on the Tmall Healthcare Platform within the past 12 months) during the Reporting Period. By actively operating the advertising business within the Tmall healthcare categories continuously empowering merchants and enhancing manufacturers' operational service capabilities, the Group achieved rapid growth in revenue during the Reporting Period. By applying large language models to provide healthcare services, the Group achieved end-to-end AI integration across its pharmaceutical e-commerce business, including traffic acquisition, supply chain management, and service delivery. Looking ahead, the Group will continue to actively explore the application of large models in healthcare services, in a bid to further optimize operational efficiency and improve process quality across the healthcare field.

KEY FINANCIAL FIGURES

	For the year ended March 31,		
	2025	2024	Change
	RMB'000	*RMB'000*	%
Revenue	**30,598,292**	27,026,555	13.2
Gross profit	**7,432,091**	5,895,321	26.1
Profit for the year	**1,432,014**	883,136	62.2
Adjusted net profit *(Note)*	**1,949,673**	1,437,928	35.6

Note:

Adjusted net profit is based on the profit for the respective year after excluding non-operating profit or loss items such as share-based compensation expenses, change in fair value of equity investments at fair value through profit or loss ("**FVPL**") (net of tax), gain on deemed disposal of associates (net of tax), gain or loss on partial disposal of associates (net of tax) and impairment of investments in associates (net of tax). With the exclusion of the impact of such items, which are not indicative of our key operational performance, investors can better compare our operational performance across various years.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

In FY2025, the "Internet + Healthcare" industry has undergone continuous and progressive advancement. Guided by the Central Economic Work Conference's strategy to "expand domestic demand and boost the dynamism and reliability of the domestic economy", the National Health Commission, in collaboration with other ministries and commissions, are further advancing and strengthening the reforms in "demand-side management". A series of policies have been introduced to further encourage systematic measures including optimizing the medical insurance payment mechanisms, expanding the coverage of online diagnosis and treatment, and encouraging innovative healthcare models, to promote the high-quality, multi-tiered and inclusive development of the healthcare industry. On April 7, 2025, 12 departments including the Ministry of Commerce and the National Health Commission jointly issued the Notice on "Special Action Plan to Promote Healthy Consumption"^ (《促進健康消費專項行動方案》), which clearly outlines the optimization of the structure of health-related products supply chains, encouraging the development of niche sectors such as nutritional supplements, traditional Chinese medicine ("**TCM**") wellness, health monitoring and elderly care products and services, while supporting e-commerce platforms in expanding market coverage. The Government Work Report of the Two Sessions in 2025 highlights the "implementation of special actions to boost consumption", supported by the issue of ultra-long-term special treasury bonds of RMB300 billion to promote trade-in of consumer goods, directly integrating this initiative to health consumption. Alibaba Health actively participated in these targeted initiatives, leveraging government subsidies to lower consumption barriers and addressing users' demand for replacing products through "direct discounts and subsidies" models.

Besides, in the field of healthcare innovation, the Government Work Report of the Two Sessions further clarify and solidify the research, development and application of artificial intelligence ("**AI**"), supporting the widespread adoption of large-scale models, with a strategic focus on AI application in key sectors such as healthcare and education. In July 2024, the National Health Commission, the National Administration of Traditional Chinese Medicine, and the National Disease Control and Prevention Administration jointly released the "Reference Guidance for Artificial Intelligence Application Scenarios in the Healthcare Industry"^ (《衛生健康行業人工智能應用場景參考指引》), providing clear direction and references for AI applications in the healthcare industry. The guidance covers application scenarios across four major sectors of "AI+" namely, medical services management, primary health services, health industry development, and medical scientific research, establishing a standardized foundation for Alibaba Health's active exploration in the field of medical AI. During the Reporting Period, following government policy guidance, actively responding to initiatives, the various business operations of Alibaba Health continued to maintain stable growth.

During the Reporting Period, the Group achieved a steady growth in revenue, with its total revenue reaching RMB30,598.3 million, representing an increase of 13.2% year-on-year. The net profit reached RMB1,432.0 million, representing an increase of 62.2% year-on-year. The adjusted net profit totaled RMB1,949.7 million, representing an increase of 35.6% year-on-year, and adjusted net profit margin improved from 5.3% to 6.4%. The business of the Tmall Healthcare Platform continued to grow at a steady pace, along with the healthy growth in the annual GMV and the continued increase in the number of paid annual active users ("**AAU**") (those who made one or more actual purchase(s) on the Tmall Healthcare Platform within the past 12 months) during the Reporting Period. As at March 31, 2025, both the number of online proprietary merchants and the number of merchants with transactions on the Tmall Healthcare Platform sustained rapid growth, and as at the end of the Reporting Period, the number of merchants with transactions served increasing by 35% year-on-year to 48,300, along with the number of online SKUs increasing by more than 91% year-on-year to 133 million.

As at March 31, 2025, the effective GMV of direct online stores maintained a healthy growth, with the number of AAUs and the membership of direct sales business continue to rise. SKUs from direct sales business increased by 33.6% year-on-year to 1.23 million. Meanwhile, the Group continued to enhance user experience for chronic disease patients, achieving both growth in the number of chronic disease users and a 9% year-on-year increase in average duration of therapy (DOT) per user. During the Reporting Period, the Group further integrated and optimized its pharmaceutical logistics network with a focus on improving overall logistics experience. While maintaining a consistently high next-day delivery rate for medications, next-day delivery services were progressively expanded to cover 13 cities, including Guangzhou, Ningbo, Jinhua, Jiaxing, Shaoxing, Huzhou, Taizhou and Wenzhou.

In the healthcare services segment, as at the end of the Reporting Period, the total number of licensed physicians, pharmacists and nutritionists who contracted with the Group to provide online health consultation services continued to grow and reached nearly 240,000 (including Xiaolu TCM).

As the flagship healthcare platform of Alibaba Group Holding Limited ("**Alibaba Holding**", together with its subsidiaries, "**Alibaba Group**"), the Group upholds its aspiration in making healthcare services accessible and affordable while adhering to the highest industry standards of compliance and service quality. With this in mind, the Group will continue to consolidate and strengthen its established competitive strengths and business foundations in healthcare, while proactively exploring innovative business models and fostering industry development for the future to align with the evolving needs of its customers. The Group will utilize its leading digital technology and operational capabilities, with "cloud-based infrastructure" as its foundation, "cloud-based pharmacy" as its core, and "cloud-based hospital" as its growth driver to provide affordable, convenient, efficient and reliable medical and healthcare services to hundreds of millions of families.

Pharmaceutical E-commerce Business

The Group's pharmaceutical e-commerce business remains user-centric, fully leveraging its well-established brand strengths and resources accumulated over the years. Leveraging its strengths in e-commerce, big data and cloud computing, the Group operates through an integrated model combining Tmall Healthcare E-commerce Platform, pharmaceutical direct sales business and e-commerce advertising business. The Group actively expands its cooperation with recognized upstream manufacturers and distributors in pharmaceutical, nutritional, healthcare, and medical device segments, so as to provide a comprehensive internet-based health solutions that are tailored to users' diverse needs. During the Reporting Period, by actively operating the advertising business within the Tmall healthcare categories (for further details, please refer to the announcement of the Company dated November 28, 2023), continuously empowering merchants and enhancing manufacturers' operational service capabilities, the Group achieved rapid growth in revenue as compared to the Corresponding Period.

- ***Pharmaceutical E-Commerce Platform Business — Tmall Healthcare Platform***

  During the Reporting Period, as a leading online pharmaceutical and healthcare products service platform in China, Tmall Healthcare Platform continued to leverage its digital capabilities to drive business innovation. By collaborating with business and industry partners to jointly explore new development trends, expand market boundaries and focus on user demand trends, the Group provides users with more accessible and quality healthcare services. During the Reporting Period, the annual GMV and the number of AAUs continued to increase. The number of merchants with transactions served increased rapidly by 35% year-on-year to 48,300, and online SKUs grew by over 91% to 133 million as at March 31, 2025.

The injection of the advertising business (for further details, please refer to the announcement of the Company dated November 28, 2023) further enhanced the comprehensiveness of the Tmall Healthcare Platform business model. During the Reporting Period, while providing more customized services to merchants, the Group actively promoted the business growth of merchants and improved the merchant experience and satisfaction, achieving rapid growth in revenue year-on-year.

- ***Pharmaceutical Direct Sales Business***

  Adhering to its operation motto of "authenticity, affordability, professionalism and reliability", the Group's pharmaceutical direct sales business is committed to providing consumers from Tmall, Taobao, Alipay, Ele.me and other segments with comprehensive and affordable healthcare services, including prescription drugs, over-the-counter (OTC) drugs, nutritional supplements, medical devices and contact lenses.

  During the Reporting Period, the revenue of the pharmaceutical direct sales business reached RMB26,124.4 million, representing an increase of 10.0% year-on-year. During the Reporting Period, by adopting a refined consumer-centric operational approach, the Group further expanded collaborations with different manufacturers in the industry to broaden its business and products so as to meet the diversified needs of consumers. The number of AAUs and average revenue per user ("**ARPU**") of direct online stores continued to grow, with SKUs increasing by 33.6% year-on-year to 1.23 million. During the Reporting Period, the Group further integrated and optimized its pharmaceutical logistics network with a focus on improving overall logistics experience. While maintaining a consistently high next-day delivery rate for medications, next-day delivery services were progressively expanded to cover 13 cities, including Guangzhou, Ningbo, Jinhua, Jiaxing, Shaoxing, Huzhou, Taizhou and Wenzhou.

Healthcare and Digital Services Business

During the Reporting Period, the Group continued to enhance users' experience of the professional healthcare services by providing its users with a seamless online-to-offline system of healthcare services (including TCM, medical checkups, medical consultation, appointment-booking, vaccination, dental care, mental care, optometry and nursing) through a variety of channels such as Tmall, Taobao, Alipay, AMap, DingTalk, Freshippo and Quark. As at March 31, 2025, the total number of licensed physicians, pharmacists and nutritionists who contracted with the Group to provide online health consultation services continued to grow and reached nearly 240,000.

- ***Healthcare Services***

  During the Reporting Period, the Group continued to expand the application and implementation of discipline-specific digital intelligent solutions in its internet hospital business, extending from oncology and autoimmune specialties to additional disciplines including neurosurgery, orthopaedics, psychiatry and gynaecology. The enhanced digital capabilities enable doctors to refine patient management and deliver more efficient patient education.

  During the Reporting Period, the business of Xiaolu TCM continued to grow steadily. As at March 31, 2025, the number of Xiaolu TCM registered TCM practitioners increased to 140,000, and the number of dispensing centers increased to 137, reflecting significant improvement in both the service coverage and quality standard. During the Reporting Period, Xiaolu TCM launched an AI-assisted diagnosis system, which is Alibaba Cloud Bailian (阿里雲百煉) platform and fully integrated with the DEEPSEEK reasoning large model. Based on the analysis of millions of clinical case data, the system significantly improves efficiency in scenarios such as doctor-assisted consultations.

- ***Digital Tracking Business***

  The "Ma Shang Fang Xin"^ (碼上放心) tracking platform business continued to maintain efficient and healthy growth. On March 19, 2025, the National Healthcare Security Administration, the Ministry of Human Resources and Social Security, the National Health Commission and the National Medical Products Administration jointly issued the "Notice on Strengthening the Collection and Application of Drug Tracking Codes in Healthcare Security and Work Injury Insurance"^ (《關於加強藥品追溯碼在醫療保障和工傷保險領域採集應用的通知》), which mandates the use of drug tracking codes to track drugs throughout the whole process covering production, distribution and usage. It also promotes the comprehensive collection and application of drug tracking codes in healthcare security and work injury insurance, ultimately enabling the tracking codes to be fully collected in medical institutions. Proactively responding to these policy incentives, the "Ma Shang Fang Xin" platform has further promoted the coverage of the entire value chain from drug production, distribution, retail-end pharmacies and healthcare institutions. In terms of innovation, through "Ma Shang Fang Xin" platform, the Group also launched a "Digital Compliance for Drug Distribution" service, which enables the automated despatch of drug inspection reports through routine drug tracking code scanning. This service enhances efficiency in the traceability process while promoting environmental protection. To date, over 1,500 drug manufacturers and authorized marketing providers, along with more than 7,100 distribution companies, have adopted the service, and this service has cumulatively issued over 8.5 million digital drug inspection reports. By virtue of its "one object, one code" capability, the "Ma Shang Fang Xin" platform will continue to collaborate with enterprises to explore digital applications of tracking codes in drug distribution.

By applying large language models to provide healthcare services, the Group achieved end-to-end AI integration across its pharmaceutical e-commerce business, including traffic acquisition, supply chain management, and service delivery. Leveraging upgraded AI capabilities, the Group has further enhanced operational efficiency in multiple areas, including optimized search and recommendation models for pharmaceuticals, smart pharmacy supply chain systems, intelligent product operations, and smart customer services. These advancements have not only driven growth in GMV but also enabled it to meet users' demands for faster and more efficient services. Looking ahead, the Group will continue to explore the application of large language models in the healthcare service segment, aiming to further improve efficiency and process quality across the healthcare field.

Public Service

During the Reporting Period, the Group was committed to fulfilling its corporate social responsibility. With a continued focus on the availability of healthcare services to vulnerable groups such as the children, the elderly and the residents in remote areas, it is dedicated to addressing the uneven distribution of medical resources and other social and livelihood issues. As at March 31, 2025, the "Care Campaign for Babies with Methylmalonic Acidemias" ensured the accessibility of special medical nutrition food to children with rare diseases across 31 provinces, autonomous regions and municipalities nationwide, providing assistance such as special medical milk powder, medical expense support and MDT consultation services for children with 17 types of genetic metabolic rare diseases, including babies with Methylmalonic Acidemias. Alibaba Health, in collaboration with Sonova, China Association of Gerontology and Geriatrics and China Ageing Development Foundation, launched the "Hearing Aid Campaign 2024" public service, providing free hearing screening services to 5,011 senior citizens in 25 communities across the country through self-screening, free consultation, and door-to-door testing and other activities. By combining convenient hearing self-screening with offline free consultation by professional audiologists, it facilitated the elderly better understand their hearing loss levels, raised awareness among the elderly about hearing loss and promoted public attention to elderly hearing health. Tmall Health launched the "Physical Examination for the Visually Impaired" public service, providing customized physical examination services to 500 visually impaired individuals in over 10 cities, with dedicated quick access to "physical examination for the visually impaired" and improved examination packages tailored for the visually impaired community.

Future Prospects

As the industry's leading digital health management company and the flagship platform of Alibaba Group in the healthcare sector, Alibaba Health always takes user value as the starting point. By deeply integrating AI technology with full-chain healthcare and pharmaceutical service capabilities, it continues to actively build an intelligent healthcare ecosystem that synergizes online and offline services, so as to provide affordable, convenient, efficient and reliable medical and healthcare services to hundreds of millions of families.

FINANCIAL REVIEW

The key financial data of the Group for the years ended March 31, 2025 and 2024 is summarized as follows:

	2025	2024	Change
	RMB'000	*RMB'000*	*%*
Revenue	**30,598,292**	27,026,555	13.2
Gross profit	**7,432,091**	5,895,321	26.1
Gross profit margin	**24.3%**	21.8%	N/A
Fulfilment	**(2,567,707)**	(2,413,212)	6.4
Selling and marketing expenses	**(2,258,374)**	(1,776,564)	27.1
Administrative expenses	**(407,432)**	(359,980)	13.2
Product development expenses	**(720,053)**	(705,382)	2.1
Other income and gains	**663,236**	674,755	(1.7)
Other expenses and losses	**(514,521)**	(363,644)	41.5
Finance costs	**(2,609)**	(5,969)	(56.3)
Share of profits/(losses) of a joint venture	**(19,136)**	1,039	N/A
Share of losses of associates	**(45,527)**	(6,965)	553.7
Income tax expense	**(127,954)**	(56,263)	127.4
Profit for the year	**1,432,014**	883,136	62.2
NON-HKFRS ADJUSTMENTS			
Adjusted net profit	**1,949,673**	1,437,928	35.6

— **Revenue**

Revenue of the Group for the Reporting Period amounted to RMB30,598,292,000, representing an increase of RMB3,517,737,000 or 13.2% as compared with RMB27,026,555,000 for the Corresponding Period. The increase in revenue was mainly attributable to the steady development of the pharmaceutical direct sales business and pharmaceutical e-commerce platform business during the Reporting Period.

— ***Pharmaceutical Direct Sales Business***

The pharmaceutical direct sales business of the Group primarily comprises the direct business-to-customer ("**B2C**") retail, related advertising business and the business-to-business ("**B2B**") centralized procurement and distribution business. During the Reporting Period, the overall revenue from pharmaceutical direct sales business reached RMB26,124,420,000, representing an increase of 10.0% year-on-year. The growth in revenue from the pharmaceutical direct sales business was mainly attributable to the constant enrichment of categories of goods sold through the direct B2C retail and SKUs, as well as the continuous optimization of user experience by adopting a number of measures, such as improving information security and providing more professional consultation services.

— ***Pharmaceutical E-commerce Platform Business***

The pharmaceutical e-commerce platform business of the Group comprises (i) the e-commerce platform business acquired from Alibaba Group (including categories of, among others, pharmaceutical products, healthcare food, medical devices, adult and family planning products and contact lenses); (ii) the provision of outsourced services to Tmall Healthcare Platform (in respect of categories other than those that have already been acquired) and (iii) new pharmaceutical retail business. At the same time, the integration of its marketing review services and value-added services has established a complete solution loop of health brand merchant solutions, further enhancing the operational completeness of platform model. During the Reporting Period, total revenue of the pharmaceutical e-commerce platform business amounted to RMB3,588,499,000, representing an increase of 54.0% year-on-year.

— ***Healthcare and Digital Services Business***

During the Reporting Period, the Group continued to enhance user experience of professional healthcare services by providing its users with a seamless online-to-offline healthcare service (including TCM, medical checkups, testing, medical consultation and appointment-booking) through a variety of channels such as Tmall, Taobao and Alipay. Digital services business includes tracking business. "Ma Shang Fang Xin"^ (碼上放心), the Group's proprietary tracking platform, continued to grow steadily, by offering more value-added services with further penetration into the area of distribution and increasing the coverage of retail terminals. During the Reporting Period, the Group streamlined some of its innovative businesses, and therefore the revenue generated from the healthcare and digital services business decreased by 7.6% year-on-year to RMB885,373,000.

— **Gross profit and gross profit margin**

The Group recorded a gross profit of RMB7,432,091,000 for the Reporting Period, representing an increase of RMB1,536,770,000 or 26.1% from RMB5,895,321,000 for the Corresponding Period. Gross profit margin for the Reporting Period was 24.3%, representing an increase of 2.5 percentage points from 21.8% for the Corresponding Period. This was mainly attributable to the Group's penetration in the areas of operation refinement and digital upgrades during the Reporting Period, resulting in an optimization in operating efficiency and an improvement in pricing capabilities.

— **Fulfillment**

Warehousing, logistics, operation and customer service costs incurred by the Group's pharmaceutical direct sales business were included in fulfillment costs. Fulfillment expenses for the Reporting Period amounted to RMB2,567,707,000, representing an increase of RMB154,495,000 or 6.4% from RMB2,413,212,000 for the Corresponding Period. During the Reporting Period, fulfillment costs as a proportion of the revenue generated from pharmaceutical direct sales business decreased by approximately 0.4 percentage points to 9.8%, as compared with 10.2% for the Corresponding Period, reflecting higher operational efficiencies achieved by the Group in areas such as warehousing, logistics and customer service.

— **Selling and marketing expenses**

Selling and marketing expenses for the Reporting Period amounted to RMB2,258,374,000, representing an increase of RMB481,810,000 or 27.1% compared with RMB1,776,564,000 for the Corresponding Period. The selling and marketing expenses as a proportion of the Group's total revenue for the Reporting Period increased to 7.4% from 6.6% as compared with the Corresponding Period.

— **Administrative expenses**

Administrative expenses for the Reporting Period amounted to RMB407,432,000, representing an increase of RMB47,452,000 or 13.2% as compared with RMB359,980,000 for the Corresponding Period. The administrative expenses as a proportion of the Group's total revenue remained relatively stable at 1.3% as compared with the Corresponding Period.

— **Product development expenses**

Product development expenses for the Reporting Period amounted to RMB720,053,000, representing an increase of RMB14,671,000 or 2.1% as compared with RMB705,382,000 for the Corresponding Period. The product development expenses as a proportion of the Group's total revenue for the Reporting Period decreased to 2.4% from 2.6% as recorded for the Corresponding Period, which was mainly due to optimization of cost controls and research and development strategies during the Reporting Period.

— **Other income and gains**

Other income and gains for the Reporting Period amounted to RMB663,236,000, which primarily comprised interest income, change in fair value of financial assets at FVPL, and gain on disposal of investments incurred during the year. The decrease from RMB674,755,000 for the Corresponding Period was mainly due to the decrease in interest income received during the Reporting Period.

— **Other expenses and losses**

Other expenses and losses for the Reporting Period amounted to RMB514,521,000, which primarily comprised exchange gain or loss and impairment of associates. The increase from RMB363,644,000 for the Corresponding Period was mainly due to losses arising from impairment of associates for the Reporting Period.

— **Share of profits or losses of a joint venture**

Share of profits or losses of a joint venture represents the share of net operating results of the joint venture held as to 13.72% by the Group, Jiangsu Zijin Hongyun Health Industry Investment Partnership (Limited Partnership)^ (江蘇紫金弘雲健康產業投資合夥企業(有限合夥)). For the Reporting Period, the Group's share of losses of a joint venture was RMB19,136,000, as compared with a profit of RMB1,039,000 for the Corresponding Period.

— **Share of losses of associates**

The Group actively invests in the healthcare segment. The Group's share of losses of associates for the Reporting Period amounted to RMB45,527,000, representing a increase of RMB38,562,000 as compared with the losses of RMB6,965,000 recorded for the Corresponding Period. Share of losses of associates for the year was mainly attributable to the fact that some associates were still at the transformation or growing stage.

— **Non-Hong Kong Financial Reporting Standards indicator in relation to profit for the year: Adjusted net profit**

The Group's profit for the Reporting Period amounted to RMB1,432,014,000, as compared with a profit of RMB883,136,000 for the Corresponding Period. The Group's adjusted net profit for the Reporting Period amounted to RMB1,949,673,000, as compared with an adjusted net profit of RMB1,437,928,000 for the Corresponding Period. Adjusted net profit is based on the profit for the corresponding period after excluding non-operating profit or loss items such as share-based compensation expenses, change in fair value of equity investments at FVPL, net of tax, gain on deemed disposal of investments in associates, net of tax, gain or loss on partial disposal of associates, net of tax and impairment of investments in associates, net of tax. The increase of RMB511,745,000 in the adjusted net profit for the Reporting Period as compared with the previous financial year was mainly attributable to the continuous growth in the number of users on pharmaceutical direct sales business platforms, the operation refinement of the Group's business which has improved its bargaining and pricing capabilities and enhanced its operational efficiency, and the improvement in efficiency and cost sharing driven by the economies of scale on the platform.

To supplement the Group's consolidated financial statements presented in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**"), the Group has also reported its adjusted net profit, which is not required under, or presented in accordance with, HKFRSs, as an additional financial indicator. The Group believes that presenting the non-HKFRS indicator together with the relevant HKFRS indicator will facilitate investors to compare its operational performance across various periods by removing the potential impact of items which its management considers as not indicative of its operational performance. The Group believes that the non-HKFRS indicator provides investors and others with helpful information to understand and assess its consolidated operational results in the same way as its management does. However, the presentation of adjusted net profit may not be comparable with similar indicators presented by other companies. Such non-HKFRS indicator has its limitations as an analytical tool, and it should not be considered as independent of the operational results or financial position presented under HKFRSs, or as a substitute for analyzing the relevant operational results or financial position. In addition, the definition of such non-HKFRS indicator may differ from the definitions of similar indicators used by other companies.

The table below provides the adjustments made to the most direct and comparable financial indicator calculated and presented in accordance with HKFRSs (i.e. profit for the year) in arriving at the adjusted net profit (a non-HKFRS measure) for the years ended March 31, 2025 and 2024:

	For the year ended March 31,	
	2025	2024
	RMB'000	*RMB'000*
Profit for the year	**1,432,014**	883,136
Excluding		
— Share-based compensation expenses	**224,535**	266,059
— Fair value losses/(gain) on equity investments at FVPL,net of tax	**(42,847)**	341,588
— Gain on deemed disposal of associates, net of tax	**(1,969)**	(18,066)
— Loss/(gain) on partial disposal of associates, net of tax	**10,209**	(34,789)
— impairment of investments in associates, net of tax	**327,731**	—
Adjusted net profit (non-HKFRS measure)	**1,949,673**	1,437,928

FINANCIAL RESOURCES, LIQUIDITY AND FOREIGN EXCHANGE EXPOSURES

For the Reporting Period, the Group met its cash requirements primarily through cash generated from operating activities. The Group's cash and cash equivalents as stated in the statement of cash flows and cash and bank deposits as stated in the statement of financial position mainly comprise cash on hand and at banks and highly liquid time deposits with a maturity of generally within three months when acquired. As at March 31, 2025 and March 31, 2024, the Group's cash and cash equivalents amounted to RMB2,218,296,000 and RMB3,490,169,000, respectively.

Cash flows of the Group for the years ended March 31, 2025 and 2024 were as follows:

	For the year ended March 31,	
	2025	2024
	RMB'000	*RMB'000*
Net cash flows generated from operating activities	**1,395,033**	1,079,832
Net cash flows used in investing activities	**(2,596,482)**	(4,880,900)
Net cash flows used in financing activities	**(72,517)**	(1,982,395)
Net decrease in cash and cash equivalents	**(1,273,966)**	(5,783,463)
Cash and cash equivalents at the beginning of the year	**3,490,169**	9,236,850
Effects of exchange rate changes	**2,093**	36,782
Cash and cash equivalents as stated in the statement of cash flows and cash and bank deposits as stated in the statement of financial position at the end of the year	**2,218,296**	3,490,169

Net cash flows generated from operating activities

For the Reporting Period, net cash flows generated from operating activities amounted to RMB1,395,033,000, primarily attributable to profit before income tax from continuing operations of RMB1,559,968,000, as adjusted by: (i) non-cash or non-operating activities expense items, which primarily comprised the addition of share-based compensation expenses of RMB224,535,000, the addition of depreciation and amortization of RMB57,605,000, the deduction of gains of financial assets at FVPL of RMB51,364,000, the deduction of bank and other interest income of RMB464,849,000, the addition of impairment of investments in associates of RMB410,020,000, and the addition of share of losses of associates and a joint venture of RMB64,663,000; (ii) changes in working capital, which primarily comprised a decrease in trade and bills payables of RMB498,185,000, a decrease in prepayments, other receivables and other assets of RMB53,215,000, an increase in other payables and accruals of RMB142,898,000, an increase in contract liabilities of RMB140,412,000, an increase in inventories of RMB107,880,000, and an increase in trade receivables of RMB273,594,000, an increase in restricted funds of RMB24,837,000, and a decrease in the payment of corporate income tax of RMB106,932,000; and (iii) the addition of receipt of interest of RMB146,727,000.

Net cash flows used in investing activities

For the Reporting Period, net cash used in investing activities amounted to RMB2,596,482,000, which was primarily attributable to (i) placement of time deposits with original maturity over three months when acquired of RMB9,449,576,000, (ii) the subscription of short-term structured wealth management products of RMB2,650,000,000, (iii) proceeds from maturity of short-term structured wealth management products of RMB2,394,125,000, (iv) proceeds from withdrawal of time deposits with a maturity over three months when acquired of RMB6,522,761,000, (v) proceeds from partial disposal of equity interests in associates of RMB256,809,000 and (vi) receipt of interest income of RMB311,789,000 during the Reporting Period. As at March 31, 2025, each of such structured wealth management products and disposal of short-term structured wealth management products (both on a standalone and an aggregated basis) has a value of less than 5% of all applicable percentage ratios of the Group and none of such products constituted a notifiable transaction of the Company.

Net cash flows used in financing activities

For the Reporting Period, net cash flows used in financing activities was RMB72,517,000, which was primarily attributable to the principal portion of lease payments of RMB38,094,000 and the payment of RMB39,931,000 for repurchase of shares of the Company by the trustee of the share award scheme of the Company during the Reporting Period.

Gearing ratio

As at March 31, 2025, the Group did not have any borrowings, and hence no gearing ratio was shown (March 31, 2024: Nil).

Charges on assets and contingent liabilities

As at March 31, 2025, the Group did not have any material contingent liabilities and had not pledged any Group assets for bank loans and banking facilities.

Liquidity

The Group's operations and transactions are principally conducted in the PRC. The Group prudently managed its treasury functions and maintained a healthy liquidity position throughout the Reporting Period. The Board closely monitors the Group's liquidity position to ensure that the liquidity structure of our assets, liabilities and other commitments can meet the Group's funding requirements from time to time.

Foreign exchange exposures

Except for a certain amount of bank balances and cash, most of the Group's bank balances and cash are placed in fixed deposits and are denominated in Hong Kong dollars, Renminbi and United States dollars, while other assets and liabilities are mainly denominated in either Hong Kong dollars or Renminbi. The Group changed its presentation currency from Hong Kong dollars to Renminbi starting from the year ended March 31, 2016 to better reflect its operations in the PRC and to be consistent with the internal reporting portfolio reviewed by the Directors. The Group does not have foreign exchange hedging policy, but the management will continue to closely monitor exchange rate fluctuations and will take appropriate measures to keep foreign exchange risk exposure to the minimum. The Group does not use any financial instruments for hedging purposes.

EMPLOYEES AND REMUNERATION POLICIES

The number of full-time employees of the Group as at March 31, 2025 was 1,364 (March 31, 2024: 1,435). Total staff costs of the Group for the Reporting Period amounted to RMB1,067.9 million (for the Corresponding Period: RMB1,097.3 million).

The Group's policy is to maintain a competitive pay structure and its employees are rewarded based on their performance.

The Group also adopted the 2014 Share Award Scheme (the "**2014 Share Award Scheme**") as approved by the shareholders of the Company (the "**Shareholders**") on November 24, 2014 and amended on August 11, 2023. The Company further adopted the 2024 Share Award Scheme (the "**2024 Share Award Scheme**") pursuant to Chapter 17 of the Listing Rules on August 30, 2024, the terms of which are largely similar in material respects to the terms of the 2014 Share Award Scheme to ensure the consistent practice of share awards of the Group. Pursuant to the 2024 Share Award Scheme, the Board may grant awards in the form of restricted share units ("**RSUs**") or options to eligible participants, including the Directors, the directors of the Company's subsidiaries, the employees of the Group or any other persons who, as determined by the Board in its absolute discretion, have contributed or will contribute to the Group.

Upon adoption of the 2024 Share Award Scheme, the 2014 Share Award Scheme was terminated in order to avoid administrative inconvenience. As such, upon adoption of the 2024 Share Award Scheme, no further share awards may be offered or granted under the 2014 Share Award Scheme, but in all other respects the terms of the 2014 Share Award Scheme shall remain in full force and effect. Further, the outstanding options and RSUs granted pursuant to the 2014 Share Award Scheme, which remain unvested or which have vested but not yet been exercised or in respect of which shares not yet issued to the participants at the time of its termination, shall remain in full force and effect.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Company has its own treasury policy setting out the selection guidelines and relevant approval procedures for acceptable short-term investments and financial assets with reference to its risk management policy. According to such treasury policy, the Company can invest in products including non-equity financial asset investments with strong liquidity which can be realized either at any time or within a short period of time. According to the Company's prevailing approval procedures, any investment decision related to financial assets shall be approved by the financial and treasury manager of the Company, and shall, depending on the size of the investment, be approved by the financial controller or chief financial officer. As at March 31, 2025, the Company's short-term investment at FVPL amounted to approximately RMB263.6 million (balance as at March 31, 2024: Nil).

During the Reporting Period, the Group did not have any significant investments nor did the Group carry out any material acquisition and disposal of subsidiaries, associates and joint ventures.

DIVIDEND

The Board does not recommend the payment of a final dividend for the Reporting Period (for the Corresponding Period: Nil).

SIGNIFICANT EVENTS AFTER THE END OF THE REPORTING PERIOD

Save as disclosed in note 11 to the consolidated financial statements, there are no significant events of the Group subsequent to March 31, 2025 and up to the date of this announcement.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
Year ended March 31, 2025

	Notes	2025 RMB'000	2024 RMB'000
REVENUE	4	**30,598,292**	27,026,555
Cost of sales		**(23,166,201)**	(21,131,234)
Gross profit		**7,432,091**	5,895,321
Other income and gains	4	**663,236**	674,755
Operating expenses			
Fulfilment		**(2,567,707)**	(2,413,212)
Selling and marketing expenses		**(2,258,374)**	(1,776,564)
Administrative expenses		**(407,432)**	(359,980)
Product development expenses		**(720,053)**	(705,382)
Other expenses and losses		**(514,521)**	(363,644)
Finance costs		**(2,609)**	(5,969)
Share of profits/(losses) of:			
A joint venture		**(19,136)**	1,039
Associates		**(45,527)**	(6,965)
PROFIT BEFORE TAX	5	**1,559,968**	939,399
Income tax expense	6	**(127,954)**	(56,263)
PROFIT FOR THE YEAR		**1,432,014**	883,136
Attributable to:			
Owners of the parent		**1,432,427**	883,477
Non-controlling interests		**(413)**	(341)
		1,432,014	883,136
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	7		
Basic		**RMB8.91 cents**	RMB6.29 cents
Diluted		**RMB8.88 cents**	RMB6.27 cents

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended March 31, 2025

	2025 *RMB'000*	2024 *RMB'000*
PROFIT FOR THE YEAR	**1,432,014**	883,136
OTHER COMPREHENSIVE INCOME/(LOSS)		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of the financial statements of subsidiaries with non-RMB functional currencies	**334**	(201,875)
Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of the financial statements of the Company	**86,717**	477,059
Changes in fair value of the equity investments at fair value through other comprehensive income	**(21,737)**	(27,888)
Associates:		
Share of other comprehensive loss	**(283)**	(406)
Income tax effect	**71**	101
	(212)	(305)
Total other comprehensive income that will not be reclassified to profit or loss in subsequent periods, net of tax	**64,768**	448,866
TOTAL OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	**65,102**	246,991
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**1,497,116**	1,130,127
Attributable to:		
Owners of the parent	**1,497,529**	1,130,468
Non-controlling interests	**(413)**	(341)
	1,497,116	1,130,127

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
March 31, 2025

	Notes	**2025** *RMB'000*	2024 *RMB'000*
NON-CURRENT ASSETS			
Property and equipment		**35,693**	35,576
Right-of-use assets		**34,027**	68,091
Goodwill		**810,853**	810,853
Other intangible assets		**275,220**	292,069
Investment in a joint venture		**208,966**	250,480
Investments in associates		**1,521,014**	2,285,936
Equity investments designated at fair value through other comprehensive income		**97,588**	101,659
Financial assets at fair value through profit or loss		**1,622,162**	1,567,998
Other receivables and other assets		**93,480**	31,568
Deferred tax assets		**50,821**	54,870
Long-term time deposits		**4,152,413**	694,000
Total non-current assets		**8,902,237**	6,193,100
CURRENT ASSETS			
Inventories		**1,415,220**	1,399,738
Trade and bills receivables	9	**1,052,523**	785,136
Prepayments, other receivables and other assets		**1,389,303**	1,490,534
Prepaid tax		**16,048**	5,313
Financial assets at fair value through profit or loss		**263,621**	—
Restricted cash		**303,243**	278,406
Short-term time deposits		**5,617,926**	6,062,941
Cash and bank deposits		**2,218,296**	3,490,169
Total current assets		**12,276,180**	13,512,237
CURRENT LIABILITIES			
Trade and bills payables	10	**2,852,381**	3,350,566
Other payables and accruals		**1,047,903**	997,143
Contract liabilities		**695,095**	554,683
Lease liabilities		**10,579**	34,194
Tax payable		**136,214**	88,872
Total current liabilities		**4,742,172**	5,025,458
NET CURRENT ASSETS		**7,534,008**	8,486,779
TOTAL ASSETS LESS CURRENT LIABILITIES		**16,436,245**	14,679,879

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

March 31, 2025

	2025 *RMB'000*	2024 *RMB'000*
NON-CURRENT LIABILITIES		
Lease liabilities	**24,936**	47,976
Deferred tax liabilities	**98,149**	114,299
Total non-current liabilities	**123,085**	162,275
Net assets	**16,313,160**	14,517,604
EQUITY		
Equity attributable to owners of the parent		
Share capital	**142,790**	142,780
Treasury shares	**(52,600)**	(101,946)
Reserves	**16,221,989**	14,503,378
	16,312,179	14,544,212
Non-controlling interests	**981**	(26,608)
Total equity	**16,313,160**	14,517,604

NOTES TO FINANCIAL STATEMENTS

March 31, 2025

1. BASIS OF PREPARATION

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

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 recognize 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.

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

(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 April 1, 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

The Group is primarily engaged in the pharmaceutical direct sales business, pharmaceutical e-commerce platform business and healthcare and digital services business. Given that the chief operating decision maker of the Company considers that the Group's business is operated and managed as a single segment of distribution and development of pharmaceutical and healthcare business, no further segment information is presented.

Geographical information

During the year ended March 31, 2025, all (2024: all) of the Group's revenue from external customers and over 99% (2024: over 99%) non-current assets other than financial instruments and deferred tax assets as at March 31, 2025 attributed to Mainland China as determined based on the locations of customers and assets, respectively.

Information about a major customer

During the year ended March 31, 2025, there was no revenue derived from transactions with a single external customer which amounted to 10% or more of the Group's revenue (2024: Nil).

4. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue from contracts with customers is as follows:

	2025	2024
	RMB'000	*RMB'000*
Pharmaceutical direct sales business	**26,124,420**	23,739,246
Pharmaceutical e-commerce platform business	**3,588,499**	2,329,471
Healthcare and digital services business	**885,373**	957,838
Total	**30,598,292**	27,026,555

(i) Disaggregated revenue information

	2025	2024
	RMB'000	*RMB'000*
Types of goods or services:		
Sale of products	**24,058,732**	22,561,428
Provision of services	**6,539,560**	4,465,127
Total	**30,598,292**	27,026,555
Timing of revenue recognition:		
At a point in time	**26,190,523**	24,784,573
Over time	**4,407,769**	2,241,982
Total	**30,598,292**	27,026,555

4. REVENUE, OTHER INCOME AND GAINS (CONTINUED)

(i) Disaggregated revenue information (Continued)

The following table shows the amounts of revenue recognized in the reporting period that were included in the contract liabilities at the beginning of the reporting period:

	2025	2024
	RMB'000	*RMB'000*
Sale of products	**154,875**	4,078
Provision of services	**399,808**	490,988
Total	**554,683**	495,066

(ii) Performance obligations

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

Sale of products

The performance obligation is satisfied upon delivery of the pharmaceutical and healthcare products. For B2C pharmacy sales, payment is received from the payment platform, i.e. Alipay.com Co., Ltd. (支付寶(中國)網絡技術有限公司) ("**Alipay**"), when the receipt of goods is confirmed by customers or by the payment platform automatically within a pre-specified period of time after delivery. For B2B pharmacy sales, payment is generally due within 30 to 90 days, except for new customers, where payment in advance is normally required. Some contracts provide customers with a right of return which gives rise to variable consideration subject to constraint.

Provision of services

The performance obligation is satisfied over time or at a point in time as marketing services, outsourced and value-added services, E-commerce platform services, healthcare and digital services, and marketing materials review and value-added services are rendered. Payment is generally received upon the completion of the underlying transactions, prior to the provision of services on a full prepayment basis, or due within 30 to 90 days.

The Group has elected the practical expedient for not to disclose the remaining performance obligations because the performance obligations are part of contracts with original expected duration of one year or less (2024: one year or less) or the Group has a right to consideration from the customer in an amount that corresponds directly with the value to the customer of the Group's performance completed to date.

4. REVENUE, OTHER INCOME AND GAINS (CONTINUED)

	2025	2024
	RMB'000	*RMB'000*
Other income		
Bank interest income	**464,654**	477,266
Other interest income	**195**	764
Investment income from financial assets at fair value through profit or loss	**4,125**	6,028
Dividend income from financial assets at fair value through profit or loss	**19,600**	24,500
Management fee income from a joint venture	**12,193**	10,669
Government grants#	**103,745**	77,220
Others	**5,086**	4,283
Total other income	**609,598**	600,730
Gains		
Fair value gains on financial assets at fair value through profit or loss	**51,364**	—
Gain on partial disposal of an associate	**—**	48,337
Gain on deemed disposal of associates	**1,633**	18,066
Gain on disposal of a joint venture	**—**	10
Foreign exchange differences, net	**—**	7,086
Gain on disposal of property and equipment	**641**	526
Total gains	**53,638**	74,025
Total other income and gains	**663,236**	674,755

Government grants mainly represented incentives received for investments in certain regions in Mainland China in which the Company's subsidiaries operate as well as tax-related benefits. There are no unfulfilled conditions or contingencies relating to these government grants.

5. PROFIT BEFORE TAX

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

	2025	2024
	RMB'000	*RMB'000*
Cost of goods sold*	**20,726,222**	18,974,776
Cost of services provided* (excluding employee benefit expense)	**2,285,440**	2,026,106
Depreciation of property and equipment	**15,295**	6,929
Depreciation of right-of-use assets	**25,471**	29,796
Amortization of intangible assets	**16,839**	16,957
Fair value loss on contingent consideration included in other payables and accruals**	**—**	8,457
Fair value losses on financial assets at fair value through profit or loss**	**—**	349,854
Loss on partial disposal of associates**	**42,423**	—
Loss on disposal of intangible assets**	**22**	—
Foreign exchange differences, net**	**37,143**	—
Impairment of investments in associates**	**410,020**	—
Provision of inventories*	**92,398**	88,478
Lease payments not included in the measurement of lease liabilities	**2,131**	1,652
Impairment/(reversal of impairment) of financial assets, net**:		
Impairment of trade receivables	**6,207**	5,143
Impairment of financial assets included in prepayments, other receivables and other assets	**11,174**	—
Reversal of impairment of a loan to a joint venture	**—**	(2,500)
Total	**17,381**	2,643
Loss on revision of lease terms arising from changes in the non-cancellable periods of leases**	**32**	732
Auditor's remuneration	**4,230**	4,130
Employee benefit expense (including directors' and chief executive's remuneration):		
Wages, salaries and social welfare benefits	**565,932**	609,566
Discretionary performance related bonuses	**222,249**	166,564
Share-based compensation expense	**224,535**	266,059
Pension scheme contributions#	**55,179**	55,069
Total	**1,067,895**	1,097,258

* These items are included in "Cost of sales" in the consolidated statement of profit or loss.

** These items are included in "Other expenses and losses" in the consolidated statement of profit or loss.

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

6. INCOME TAX

	2025 *RMB'000*	2024 *RMB'000*
Current — Hong Kong		
Charge for the year	**8,461**	—
Overprovision in prior years	**(6)**	(5)
Current — Mainland China		
Charge for the year	**130,074**	84,648
Deferred	**(10,575)**	(28,380)
Total tax charge for the year	**127,954**	56,263

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profits arising in Hong Kong during the year ended March 31, 2025. No provision for Hong Kong profits tax had been made as the Group did not generate any assessable profits arising in Hong Kong during the year ended March 31, 2024.

In Mainland China, the companies are subject to the PRC corporate income tax rate of 25%, except for two (2024: two) PRC subsidiaries which are entitled to a preferential tax rate of 15% (2024: 15%) because they are regarded as High and New Technology Enterprises and one (2024: Nil) PRC subsidiary which is entitled to a preferential tax rate of 15% because it operates in Hainan Free Trade Port and meets the preferential tax treatment requirements.

No tax attributable to the joint venture was included in "Share of profit or loss of a joint venture" in the consolidated statement of profit or loss (2024: Nil).

The share of tax charge attributable to associates of approximately RMB949,000 (2024: RMB6,342,000) is included in "Share of profits or losses of associates" in the consolidated statement of profit or loss.

7. 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 for the year attributable to ordinary equity holders of the parent of RMB1,432,427,000 (2024: RMB883,477,000), and the weighted average number of ordinary shares of 16,070,669,722 outstanding during the year (2024: 14,044,082,144).

The calculation of the diluted earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the parent. 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, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise of all dilutive potential ordinary shares into ordinary shares.

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

	2025	2024
	RMB'000	*RMB'000*
Earnings		
Profit attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation	**1,432,427**	883,477

	Number of shares	
	2025	2024
Shares		
Weighted average number of ordinary shares outstanding during the year used in the basic earnings per share calculation	**16,070,669,722**	14,044,082,144
Effect of dilution — weighted average number of ordinary shares:		
Share options	**1,696**	327,131
Restricted share units	**65,132,486**	46,283,396
Total	**16,135,803,904**	14,090,692,671

8. DIVIDENDS

The board does not recommend the payment of dividend for the year ended March 31, 2025 (2024: Nil).

9. TRADE AND BILLS RECEIVABLES

	2025 *RMB'000*	2024 *RMB'000*
Trade receivables	**1,083,331**	815,780
Impairment	**(36,255)**	(33,687)
Net carrying amount	**1,047,076**	782,093
Bills receivable	**5,447**	3,043
Total trade and bills receivables	**1,052,523**	785,136

The Group's trading terms with some of its customers are on credit. The Group provides a credit period of 30 to 90 days. Trade receivables are settled in accordance with the terms of the respective contracts. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

Included in the Group's trade receivables are amounts due from subsidiaries of Alibaba Group (excluding the Group) of approximately RMB502,821,000 (2024: RMB323,776,000) and the Group's associates of approximately RMB194,000 (2024: RMB189,000), which are repayable on credit terms mutually agreed by the parties involved.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the date of products delivered to B2C customers or received by B2B customers, or services rendered to customers and net of impairment, is as follows:

	2025 *RMB'000*	2024 *RMB'000*
Within 3 months	**936,079**	694,782
4th to 12th month	**96,636**	81,010
Over 1 year	**14,361**	6,301
Total	**1,047,076**	782,093

At March 31, 2025, the Group's bills receivable would be mature within 6 months (2024: 3 months).

9. TRADE AND BILLS RECEIVABLES (CONTINUED)

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

	2025	2024
	RMB'000	*RMB'000*
At April 1	**33,687**	28,544
Impairment *(note 5)*	**6,207**	5,143
Amount written off as uncollectible	**(3,639)**	—
At March 31	**36,255**	33,687

10. TRADE AND BILLS PAYABLES

An ageing analysis of the trade and bills payables as at the end of the reporting period, based on the date of products and services received by the Group or the date of bill issuance, is as follows:

	2025	2024
	RMB'000	*RMB'000*
Within 3 months	**2,671,256**	2,779,151
4th to 12th month	**147,870**	489,845
Over 1 year	**33,255**	81,570
Total	**2,852,381**	3,350,566

The trade payables are non-interest-bearing and are normally settled on terms of 30 to 90 days.

Included in the Group's trade payables are amounts due to subsidiaries of Alibaba Group (excluding the Group) of approximately RMB495,487,000 (2024: RMB907,537,000), which are repayable on credit terms mutually agreed by the parties involved.

11. EVENTS AFTER THE REPORTING PERIOD

During the period between April 1 and May 19, 2025, the subscription rights attaching to 718,312 share options were exercised at the subscription price ranging between HK$4.24 and HK$4.92 per share, resulting in the issue of 718,312 shares of the Company for a total cash consideration, before expenses, of RMB2,927,000.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company strives to attain and maintain high standards of corporate governance continuously as it believes that effective corporate governance practices are fundamental to safeguarding the interests of its shareholders and other stakeholders, and to enhancing shareholder value. It has adopted the Corporate Governance Code as set out in Appendix C1 to the Listing Rules.

In the opinion of the Board, throughout the Reporting Period, the Company has complied with the code provisions ("**Code Provision(s)**") set out in the Corporate Governance Code under Appendix C1 to the Listing Rules, except in respect of the following matter:

Code Provision D.1.2 stipulates that management should provide all members of the Board with monthly updates giving a balanced and understandable assessment of the Company's performance, position and prospects in sufficient details to enable the Board as a whole and each Director to discharge their duties under Rule 3.08 and Chapter 13 of the Listing Rules. The Company from time to time, based on business needs and conditions, provides to the Board up-to-date business information and convenes ad hoc meetings for considering material business or management issues, so as to enable the Directors and the Board as a whole to discharge their duties.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted its own code for securities transactions by the (i) Directors; and (ii) certain officers and employees of the Company or its subsidiaries that are considered to be likely in possession of unpublished inside information in relation to the Company or its securities, on terms not less exacting than those in the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules.

In response to specific enquiries made by the Company to all Directors, all Directors have confirmed that they have complied with the Model Code and the Company's code for securities transactions throughout the Reporting Period.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities (including any sale of treasury shares), except that in April and November 2024, a trustee of the 2014 Share Award Scheme purchased a total of 12,697,000 ordinary shares of the Company on the market for a total consideration of approximately HK$43,693,000 (equivalent to approximately RMB39,931,000), to satisfy the share awards granted under the 2014 Share Award Scheme to the employees of the Company upon vesting.

As at March 31, 2025, there were no treasury shares held by the Company.

AUDIT COMMITTEE REVIEW

The Group's annual results for the Reporting Period have been reviewed by the Audit Committee. The Audit Committee has also discussed auditing, internal control and financial reporting matters including the review of accounting practices and principles adopted by the Group.

SCOPE OF WORK OF ERNST & YOUNG ON THE PRELIMINARY RESULTS ANNOUNCEMENT

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income and the related notes thereto for the Reporting Period as set out in this preliminary results announcement have been agreed by the Group's auditors, Ernst & Young, to the amounts set out in the Group's consolidated financial statements for the Reporting Period. The work performed by Ernst & Young 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 HKICPA and consequently no assurance has been expressed by Ernst & Young on the preliminary results announcement.

PUBLICATION OF PRELIMINARY RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.irasia.com/listco/hk/alihealth). The annual report for the Reporting Period containing the information as required by Appendix D2 to the Listing Rules will be dispatched to the Shareholders and available on the above websites in due course.

For and on behalf of the Board
Alibaba Health Information Technology Limited
Shen Difan
Chief Executive Officer and Executive Director

Hong Kong, May 19, 2025

As at the date of this announcement, the Board comprises Mr. Shen Difan and Mr. Tu Yanwu as the executive Directors; Mr. Zhu Shunyan, Ms. Huang Jiaojiao and Mr. Xu Haipeng as the non-executive Directors; and Ms. Huang Yi Fei (Vanessa), Dr. Shao Rong and Ms. Wu May Yihong as the independent non-executive Directors.

^ *For identification purposes only*