

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



華潤醫藥集團有限公司

China Resources Pharmaceutical Group Limited

(Incorporated in Hong Kong with limited liability)

(Stock Code: 3320)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

The board (the “**Board**”) of directors (the “**Directors**”) of China Resources Pharmaceutical Group Limited (the “**Company**” or “**China Resources Pharmaceutical**”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (the “**Group**”) for the year ended 31 December 2025 (the “**Reporting Period**”) together with the comparative figures for the year ended 31 December 2024 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2025

(Expressed in Renminbi (“**RMB**”))

	Notes	2025 RMB'000	2024 RMB'000
Revenue	3	269,574,326	257,673,256
Cost of sales		(225,066,480)	(216,984,387)
Gross profit		44,507,846	40,688,869
Other income	4	1,869,217	1,801,527
Other gains and losses	5	(1,454,589)	(1,642,579)
Selling and distribution expenses		(22,087,082)	(19,809,905)
Administrative expenses		(7,083,944)	(6,727,404)
Other expenses, net		(2,675,041)	(2,147,821)
Finance income	6	483,967	681,103
Finance costs	6	(2,026,526)	(2,281,882)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS (Continued)*For the year ended 31 December 2025**(Expressed in RMB)*

	<i>Notes</i>	2025 RMB'000	2024 <i>RMB'000</i>
Finance costs, net		<u>(1,542,559)</u>	<u>(1,600,779)</u>
Share of profits of associates and joint ventures		<u>261,964</u>	<u>368,014</u>
Profit before taxation	7	11,795,812	10,929,922
Income tax expense	8	<u>(2,142,804)</u>	<u>(2,526,679)</u>
Profit for the year		<u>9,653,008</u>	<u>8,403,243</u>
Attributable to:			
Equity shareholders of the Company		4,045,468	3,350,857
Non-controlling interests		5,607,540	5,052,386
		<u>9,653,008</u>	<u>8,403,243</u>
Earnings per share attributable to ordinary equity shareholders of the Company:			
Basic and diluted (RMB)	10	<u>0.64</u>	<u>0.53</u>

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME**

For the year ended 31 December 2025

(Expressed in RMB)

	2025	2024
	RMB'000	RMB'000
Profit for the year	9,653,008	8,403,243
Other comprehensive income for the year		
<i>Items that are or may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translation of operations outside Chinese Mainland	(38,129)	(40,652)
Other comprehensive income that may be reclassified to profit or loss under the equity method	26	(1,542)
<i>Items that will not be reclassified to profit or loss:</i>		
Other comprehensive income that may not be reclassified to profit or loss under the equity method	7,454	(96)
Remeasurement of defined benefit plans	(5,486)	(22,739)
Gain on revaluation of property, plant and equipment upon transfer to investment properties, net of tax	34,970	20,394
Changes in equity instruments, at fair value through other comprehensive income (“FVOCI”)	(30,031)	(4,036)
Other comprehensive income for the year, net of tax	(31,196)	(48,671)
Total comprehensive income for the year	9,621,812	8,354,572
Attributable to:		
Equity shareholders of the Company	4,040,789	3,319,132
Non-controlling interests	5,581,023	5,035,440
Total comprehensive income for the year	9,621,812	8,354,572

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

(Expressed in RMB)

	<i>Notes</i>	2025 RMB'000	2024 RMB'000
Non-current assets			
Property, plant and equipment		26,189,147	20,988,872
Right-of-use assets		6,221,696	4,918,458
Investment properties		1,754,483	1,673,690
Intangible assets		11,202,572	8,507,954
Goodwill		24,342,134	22,368,811
Interests in associates		6,263,074	5,536,147
Interests in joint ventures		78,969	22,924
Other non-current financial assets		844,185	584,325
Deferred tax assets		2,374,562	1,968,756
Other non-current assets		4,833,403	5,344,804
		<u>84,104,225</u>	<u>71,914,741</u>
Current assets			
Inventories		43,270,875	37,052,579
Trade and other receivables	<i>11</i>	104,567,691	93,929,934
Other current financial assets		25,251,884	28,211,657
Amounts due from related parties		879,711	1,262,265
Tax recoverable		219,736	222,147
Pledged and term deposits		11,635,245	8,703,691
Cash and cash equivalents		15,843,809	16,424,739
		<u>201,668,951</u>	<u>185,807,012</u>
Assets classified as held for sale		37,996	38,567
		<u>201,706,947</u>	<u>185,845,579</u>
Current liabilities			
Trade and other payables	<i>12</i>	85,853,303	80,742,110
Contract liabilities		4,141,731	4,224,594
Lease liabilities		492,936	520,268
Amounts due to related parties		909,112	875,778
Borrowings		47,670,390	42,702,306
Bonds payable		2,165,961	2,150,582
Tax payable		917,900	954,898
Defined benefit obligations		57,824	51,388
		<u>142,209,157</u>	<u>132,221,924</u>
Net current assets		<u>59,497,790</u>	<u>53,623,655</u>
Total assets less current liabilities		<u>143,602,015</u>	<u>125,538,396</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)*As at 31 December 2025**(Expressed in RMB)*

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Non-current liabilities		
Borrowings	11,149,853	17,866,213
Bonds payable	10,196,868	4,997,673
Lease liabilities	730,025	768,138
Deferred tax liabilities	2,131,060	1,915,360
Defined benefit obligations	744,514	773,542
Other non-current liabilities	1,193,762	1,130,192
	<hr/>	<hr/>
Total non-current liabilities	26,146,082	27,451,118
	<hr/>	<hr/>
NET ASSETS	117,455,933	98,087,278
	<hr/>	<hr/>
CAPITAL AND RESERVES		
Share capital	24,630,493	24,630,493
Reserves	26,777,982	23,613,743
	<hr/>	<hr/>
Total equity attributable to equity shareholders of the Company	51,408,475	48,244,236
Non-controlling interests	66,047,458	49,843,042
	<hr/>	<hr/>
TOTAL EQUITY	117,455,933	98,087,278
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS

1 CORPORATE AND GROUP INFORMATION

China Resources Pharmaceutical Group Limited (“**the Company**”) is a public limited company incorporated in Hong Kong and its shares are listed on The Stock Exchange of Hong Kong Limited with effect from 28 October 2016. Its immediate holding company is CRH (Pharmaceutical) Limited (“**CRHP**”), a company incorporated in the British Virgin Islands (“**BVI**”) and its ultimate holding company is China Resources Company Limited (“**CRCL**”), a state-owned enterprise established in the People’s Republic of China (the “**PRC**”).

The address of the registered office and the principal place of business of the Company is Room 4104–05, 41/F, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong.

The Company is an investment holding company. The Company and its subsidiaries (“**the Group**”) is principally engaged in the manufacture, distribution and retail of pharmaceutical and healthcare products.

The financial information relating to the years ended 31 December 2025 and 2024 included in this announcement of 2025 annual results does not constitute the Company’s statutory annual consolidated financial statements for those years but is derived from those consolidated financial statements. Further information relating to the statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) of the Laws of Hong Kong (“**Companies Ordinance**”) is as follows:

The Company has delivered the consolidated financial statements for the year ended 31 December 2024 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance and will deliver the consolidated financial statements for the year ended 31 December 2025 in due course.

2 MATERIAL ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with HKFRS Accounting Standards, which collective term includes all applicable individual Hong Kong Financial Reporting Standards (“**HKFRSs**”), Hong Kong Accounting Standards (“**HKASs**”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and the requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. Material accounting policies adopted by the Group are disclosed below.

The HKICPA has issued certain new or amended HKFRS Accounting Standards that are first effective or available for early adoption for the current accounting period of the Group. Note 2(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current accounting period reflected in these financial statements.

(b) Basis of preparation of the financial statements

The consolidated financial statements are presented in RMB, rounded to the nearest thousand, while the functional currency of the Company is Hong Kong dollars (“HK\$”).

The majority of the Group’s transactions are denominated and settled in RMB, so the directors of the Company consider that it is more appropriate to adopt RMB as the presentation currency for the consolidated financial statements of the Group.

The consolidated financial statements for the year ended 31 December 2025 comprise the Company and its subsidiaries and the Group’s interest in associates and joint ventures.

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the following assets and liabilities are stated at their fair value as explained in the accounting policies set out below:

- investment property, including interests in leasehold land and buildings held as investment property where the Group is the registered owner of the property interest;
- investments in debt and equity securities.

Non-current assets and disposal groups held for sale are stated at the lower of carrying amount and fair value less costs to sell.

The preparation of financial statements in conformity with HKFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(c) Changes in accounting policies

The Group has applied amendments to HKAS 21, *The effects of changes in foreign exchange rates — Lack of exchangeability* issued by the HKICPA to these financial statements for the current accounting period. The amendments do not have a material impact on these financial statements.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3 REVENUE AND SEGMENT REPORTING

(a) Revenue

Disaggregation of revenue is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Revenue from contracts with customers within the scope of HKFRS 15 recognised at point in time		
Sale of pharmaceutical products	269,425,753	257,538,411
Revenue from other sources		
Gross rental income from investment property under operating leases:	<u>148,573</u>	<u>134,845</u>
	<u>269,574,326</u>	<u>257,673,256</u>

No revenue amounting to 10% or more of the Group's total revenue was derived from sales to one customer.

(b) Segment reporting

Management has determined the operating segments based on the reports reviewed by the board of directors that are used to make strategic decisions. The board of directors of the Company, being the chief operating decision maker ("CODM"), considers resource allocation and assesses segment performance from a different business type perspective.

Specifically, the Group has four reportable segments as follows:

- (a) Pharmaceutical manufacturing business (Manufacturing segment) — research and development, manufacture and sale of a broad range of pharmaceutical and healthcare products
- (b) Pharmaceutical distribution business (Distribution segment) — distribution, warehousing, logistics, and other value-added pharmaceutical supply chain solutions and related services to pharmaceutical/medical device manufacturers and dispensers, such as hospitals, distributors and retail pharmacies
- (c) Pharmaceutical retail business (Retail segment) — operation of retailing of pharmacy stores
- (d) Other business operations (Others) — property holding and others

No operating segments have been aggregated to derive the reportable segments of the Group.

Inter-segment sales are conducted at prices and terms mutually agreed amongst those operating segments, with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

(i) *Segment results, assets and liabilities*

The board of directors assesses the performance of the operating segments on the following bases:

Segment results represent the profit earned by each segment without allocation of other income, other gains and losses, administrative expenses, other expenses, finance income, non-leased-related finance costs and share of profits of associates and joint ventures. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets (including investments in subsidiaries and the amounts due from group entities within the Group), other than deferred tax assets and tax recoverable, are allocated to reportable segment assets; and
- all liabilities (including the amounts due to group entities within the Group), other than tax payable, deferred tax liabilities, borrowings, bonds payable and other non-current liabilities, are allocated to reportable segment liabilities.

Disaggregation of revenue from contracts with customers by the information regarding the Group's reportable segments as provided to the Group's CODM for the purposes of resource allocation and assessment of segment performance for the years ended 31 December 2025 and 2024 is set out below.

Year ended 31 December 2025	Manufacturing segment RMB'000	Distribution segment RMB'000	Retail segment RMB'000	Others RMB'000	Total RMB'000
Segment revenue					
External sales	45,210,471	212,060,247	12,210,359	93,249	269,574,326
Inter-segment sales	<u>5,828,071</u>	<u>8,020,123</u>	-	-	<u>13,848,194</u>
	51,038,542	220,080,370	12,210,359	93,249	283,422,520
<i>Elimination:</i>					
Elimination of inter-segment sales					<u>(13,848,194)</u>
Segment revenue					<u>269,574,326</u>
Segment results	15,061,724	7,069,954	145,974	83,123	22,360,775
Other income (Note 4)					1,869,217
Other gains and losses (Note 5)					(1,454,589)
Administrative expenses					(7,083,944)
Other expenses, net					(2,675,041)
Finance income (Note 6)					483,967
Finance costs (other than interest on lease liabilities)					(1,966,537)
Share of profits of associates and joint ventures					<u>261,964</u>
Profit before taxation					<u>11,795,812</u>

Year ended 31 December 2024	Manufacturing segment RMB'000	Distribution segment RMB'000	Retail segment RMB'000	Others RMB'000	Total RMB'000
Segment revenue					
External sales	41,419,953	206,075,547	10,104,175	73,581	257,673,256
Inter-segment sales	4,903,784	7,161,724	–	–	12,065,508
	46,323,737	213,237,271	10,104,175	73,581	269,738,764
<i>Elimination:</i>					
Elimination of inter-segment sales					(12,065,508)
Segment revenue					<u>257,673,256</u>
Segment results	13,324,378	7,342,758	91,149	50,702	20,808,987
Other income (Note 4)					1,801,527
Other gains and losses (Note 5)					(1,642,579)
Administrative expenses					(6,727,404)
Other expenses, net					(2,147,821)
Finance income (Note 6)					681,103
Finance costs (other than interest on lease liabilities)					(2,211,905)
Share of profits of associates and joint ventures					368,014
Profit before taxation					<u>10,929,922</u>

4 OTHER INCOME

	2025 RMB'000	2024 RMB'000
Service fee income	746,946	793,869
Government grants	597,972	491,384
Others	524,299	516,274
	<u>1,869,217</u>	<u>1,801,527</u>

5 OTHER GAINS AND LOSSES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Impairment recognised on property, plant and equipment	(10,057)	(40,447)
Impairment recognised on right-of-use assets	–	(4,387)
Impairment recognised on intangible assets	(249,446)	(123,079)
Impairment recognised on goodwill	(185,600)	(92,228)
Impairment recognised on interests in associates	(627,805)	(800,299)
Impairment recognised on trade receivables, net	(431,928)	(506,363)
Impairment recognised on other receivables, net	(47,423)	(29,085)
Gain on disposal of subsidiaries and associates, net	38,873	23,819
(Loss)/gain on disposal of items of property, plant and equipment, net	(7,217)	51,641
Gain on disposal of right-of-use assets, net	11,449	8,444
Loss on disposal of investment properties, net	–	(13,783)
Loss on derecognition of trade receivables measured at fair value through other comprehensive income	(239,392)	(263,797)
Fair value changes of financial assets at fair value through profit or loss	307,552	79,891
Fair value changes of investment properties	(20,536)	(10,960)
Negative goodwill	510	73,273
Others	6,431	4,781
	<u>(1,454,589)</u>	<u>(1,642,579)</u>

6 FINANCE COSTS, NET

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Finance costs:		
Interest on borrowings	1,745,251	1,971,643
Interest on bonds payable	210,314	215,322
Interest on borrowings from intermediate holding companies	110	6,972
Interest on lease liabilities	59,989	69,977
Interest on defined benefit obligations	13,783	20,083
Less: Interest capitalised in property, plant and equipment	(2,921)	(2,115)
Total finance costs	2,026,526	2,281,882
Finance income — Interest income	(483,967)	(681,103)
Net finance costs	<u>1,542,559</u>	<u>1,600,779</u>

Note: The capitalisation rate is 1.39%–3.75% for the year (2024: 3.90%).

7 PROFIT BEFORE TAXATION

The Group's profit before taxation is arrived at after charging:

(a) Staff costs

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Directors' remuneration	7,507	8,744
Employee benefit expense (excluding directors' remuneration)		
Salaries and other allowances	11,269,741	9,628,669
Equity-settled restricted share incentive schemes expense	5,861	78,315
Defined benefit scheme expense	5,850	11,013
Retirement benefit scheme contributions*	1,354,720	1,099,463
	<u>12,643,679</u>	<u>10,826,204</u>

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

(b) Other items

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Auditors' remuneration		
— Audit services	26,020	20,610
— Other services	3,612	3,720
	<u>29,632</u>	<u>24,330</u>
Depreciation of property, plant and equipment	2,544,883	2,024,898
Depreciation of right-of-use assets	828,164	704,668
Amortisation of intangible assets	709,209	627,144
Allowance for slow-moving and obsolete inventories	80,218	201,047
Cost of inventories*	222,805,106	214,767,011
Research and development expenditure (included in other expenses)	2,509,687	2,009,857
Lease expenses not included in the measurement of lease liabilities	135,998	160,921
Foreign exchange loss, net	33,104	33,178
Donations	35,484	32,849

* Cost of inventories relating to staff costs and depreciation are also included in the respective total amounts disclosed separately above.

8 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Taxation in the consolidated statement of profit or loss represents:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Current-PRC Enterprise Income Tax (“PRC EIT”)		
Provision for the year	2,743,096	2,692,141
Current-Hong Kong Profits Tax		
Over-provision for the year	(11)	–
Deferred tax		
Origination and reversal of temporary differences	<u>(600,281)</u>	<u>(165,462)</u>
	<u>2,142,804</u>	<u>2,526,679</u>

The provision for Hong Kong Profits Tax for 2025 is calculated at 16.5% (2024: 16.5%) of the estimated assessable profits for the year.

Under the Law of PRC on Enterprise Income Tax (the “**EIT Law**”) and Implementation Regulation of the EIT Law, the tax rate of PRC subsidiaries is 25%. In accordance with the relevant tax rules in the PRC, certain subsidiaries of the Group enjoy various income tax reductions.

The Group operates in multiple jurisdictions, which enacted tax laws to implement the Pillar Two model rules published by the OECD. The Group’s assessment for applying of the legislation, the potential exposure to the Group’s operating results and financial position for the year ended 31 December 2025 was not material.

9 DIVIDENDS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Dividend for ordinary shareholders of the Company recognised as distribution during the year:		
Interim 2025 — RMB0.072 per ordinary share (2024: Interim 2024 — RMB0.083 per ordinary share)	452,340	521,448
Final 2024 — RMB0.052 per ordinary share (2024: Final 2023 — RMB0.154 per ordinary share)	<u>326,691</u>	<u>967,507</u>

Subsequent to the end of the reporting period, a final dividend in respect of the year ended 31 December 2025 of RMB0.122 (2024: RMB0.052) per ordinary share, in an aggregate amount of RMB766 million (2024: RMB327 million), has been proposed by the directors of the Company and is subject to approval by the shareholders in the forthcoming general meeting.

10 EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of RMB4,042,111,000 (2024: RMB3,331,270,000) and the weighted average of 6,282,510,461 ordinary shares (2024: 6,282,510,461 ordinary shares) in issue during the year, calculated as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Earnings		
Profit attributable to equity shareholders of the Company used in the basic earnings per share calculation	4,045,468	3,350,857
Less: Forfeitable dividends declared to owners of the restricted shares of subsidiaries during the year	<u>(3,357)</u>	<u>(19,587)</u>
Profit attributable to ordinary equity shareholders of the Company used in the basic earnings per share calculation	<u>4,042,111</u>	<u>3,331,270</u>
Number of shares		
Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculation	<u>6,282,510,461</u>	<u>6,282,510,461</u>

The restricted share incentive schemes of Jiangzhong Pharmaceutical, CR Sanjiu, Dong-E-E-Jiao and CR Double-Crane have an overall anti-dilutive effect, the basic and diluted earnings per share are the same.

11 TRADE AND OTHER RECEIVABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Bills receivable	586,483	1,057,307
Contract assets	55,494	64,596
Trade receivables	95,143,029	83,694,249
Impairment allowance	<u>(3,316,908)</u>	<u>(2,910,797)</u>
	<u>91,826,121</u>	80,783,452
Prepayments	4,006,099	4,069,522
Other receivables	8,509,220	8,341,151
Impairment allowance	<u>(415,726)</u>	<u>(386,094)</u>
	<u>8,093,494</u>	<u>7,955,057</u>
	<u>104,567,691</u>	<u>93,929,934</u>

The Group generally allows credit periods ranging from 30 to 365 days to its trade customers. The bills receivable generally have maturity periods ranging from 30 to 180 days.

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

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
0 to 30 days	23,172,013	19,403,995
31 to 60 days	13,429,908	11,950,773
61 to 90 days	7,995,247	7,656,996
91 to 180 days	19,328,359	17,219,042
181 to 365 days	20,811,679	18,158,794
Over 1 year	7,088,915	6,393,852
	<u>91,826,121</u>	<u>80,783,452</u>

An ageing analysis of the Group's bills receivable as at the end of reporting period, based on the issue dates, is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
0 to 30 days	371,032	615,874
31 to 60 days	46,505	173,400
61 to 90 days	40,561	66,667
91 to 180 days	128,385	201,366
	<u>586,483</u>	<u>1,057,307</u>

12 TRADE AND OTHER PAYABLES

	<i>Note</i>	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade payables	(a)	42,830,197	40,062,416
Bills payable	(a)	21,745,649	18,535,915
Accrued salaries		4,155,106	3,740,147
Other tax payables		1,097,579	942,129
Other payables		14,502,768	15,703,647
Refund liabilities		1,337,454	1,224,330
Payable for acquisitions of subsidiaries		184,550	533,526
		<u>85,853,303</u>	<u>80,742,110</u>

Note:

- (a) The credit period for purchases of goods range from 30 to 90 days. The bills payable have maturity period ranging from 30 to 180 days. As at 31 December 2025, the Group's bills payable of RMB18,971,089,000 (31 December 2024: RMB17,581,278,000) were secured by the Group's bills receivable with an aggregate carrying amount of RMB164,102,000 (31 December 2024: RMB330,791,000) and pledged bank deposits of RMB6,373,141,000 (31 December 2024: RMB5,254,027,000).

An ageing analysis of the Group's trade payables, based on the invoice date, is as follows:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
0 to 30 days	22,191,799	19,815,023
31 to 60 days	7,771,663	7,415,293
61 to 90 days	3,149,419	3,380,817
Over 90 days	9,717,316	9,451,283
	<u>42,830,197</u>	<u>40,062,416</u>

An ageing analysis of the Group's bills payable, based on the issue date, is as follows:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
0 to 30 days	7,138,675	5,652,836
31 to 60 days	3,372,965	3,473,684
61 to 90 days	3,209,723	2,918,458
Over 90 days	8,024,286	6,490,937
	<u>21,745,649</u>	<u>18,535,915</u>

MANAGEMENT DISCUSSION AND ANALYSIS

I. INDUSTRY OVERVIEW

In 2025, the external environment was increasingly complex and volatile. China's economic development continued to exhibit a trend of pursuing progress while ensuring stability and moving toward steady improvement, with new quality productive forces developing steadily and the safeguarding of people's livelihoods becoming more effective. According to data from the National Bureau of Statistics, China's GDP grew by 5% year-on-year in 2025, maintaining its position among the top growth rates of major global economies and demonstrating continued strong resilience and vitality.

China's pharmaceutical industry is undergoing a period of shifting from old to new growth drivers, accompanied by structural adjustment and differentiation. Data from China's pharmaceutical manufacturing sector indicate that the industry will continue to face operational pressures in the short term. From a medium- to long-term perspective, driven by factors such as the rise of the silver economy, the comprehensive advancement of the "Healthy China" initiative, and the continuous enhancement of enterprises' innovation and internationalization capabilities, China's pharmaceutical market will continue to expand in scale and improve in quality.

In terms of specific sub-sectors, *the Healthy China 2030 Planning Outline* (《健康中國2030規劃綱要》) proposes a people-centered approach to health and promotes the all-round development of the pharmaceutical and healthcare industry. Support policies for traditional Chinese medicine (TCM) have been further strengthened. In March 2025, the State Council issued *the Opinions on Improving the Quality of Chinese Herb to Promote High-Quality Development of the Traditional Chinese Medicine Industry* (《關於提升中藥質量促進中醫藥產業高質量發展的意見》), providing greater development opportunities to leading enterprises in the industrial chain. The biological products sector features diverse and flourishing sub-segments, which have become key areas for domestic and foreign enterprises to focus on. Promoting health-oriented consumption has become an important component of the national strategy to expand domestic demand, creating development opportunities for branded over-the-counter (OTC) drugs and functional health products. Benefiting from supportive policies such as the nationwide expansion of large-scale equipment renewal initiatives, the medical device sector is experiencing a recovery in growth. Furthermore, the application of "Artificial Intelligence (AI)+" in the pharmaceutical and healthcare field is accelerating across the entire value chain from research and development (R&D), production, and quality management to distribution and traceability, comprehensively driving the digital and intelligent transformation of the pharmaceutical industry.

The reform of the medical and healthcare system has advanced to a deeper level, promoting coordinated development and governance across healthcare delivery, medical insurance, and the pharmaceutical industry, while reasonably balancing innovation with cost control and support with regulation. In July 2025, the National Healthcare Security Administration, in conjunction with the National Health Commission, issued the *Several Measures to Support the High-Quality Development of Innovative Drugs* (《支持創新藥高質量發展的若干措施》). In December 2025, the first edition of the Commercial Health Insurance Innovative Drug Catalog was released, further enhancing payment capacity for innovative drugs and facilitating market expansion for such products. The drug centralized procurement program has been further optimized. The 11th round of centralized procurement introduced the principles of “stabilizing clinical use, ensuring quality, preventing bid rigging, and curbing internal rivalry”, guiding the industry toward more rational competition. In addition, the anti-corruption campaign in the healthcare sector is being advanced on a regularized basis, which will further purify the industry ecosystem and benefit leading companies and those operating in compliance with regulations.

II. GROUP RESULTS AND HIGHLIGHTS

In 2025, the Group actively supported national strategies, focused on fostering new quality productive forces in the pharmaceutical sector, and prioritized the strategic layout of emerging industries. It implemented multiple measures to drive R&D innovation, strengthened external mergers and acquisitions as well as product licensing, enhanced supply chain resilience and security, and advanced the effectiveness of digital and intelligent transformation as well as green and low-carbon development. Against the backdrop of intensified competition and growing downward pressure in the pharmaceutical industry, the Group achieved growth in both revenue and profit in 2025. Furthermore, during the 14th Five-Year Plan period, its revenue growth rate exceeded the industry average.

The Group maintains a leading position in terms of comprehensive influence within China’s pharmaceutical industry. As an integrated pharmaceutical leader with strengths in manufacturing and distribution, the Group ranks third in the industry in terms of overall operating scale, second among the Top 100 pharmaceutical manufacturers for its pharmaceutical manufacturing business, and third in the industry for its pharmaceutical distribution business scale.

During the Reporting Period, the Group’s brand has earned numerous honors. China Resources Sanjiu Medical & Pharmaceutical Company Limited (“**CR Sanjiu**”) received the First-class Award of Ministry of Education Outstanding Scientific Research Output Award, and was rated as the highest rating “Benchmark” in the “Science and Technology Reform Action” launched by the State-owned Assets Supervision and Administration Commission (SASAC) of the State Council for three consecutive years. The “Jiangzhong” and “Dong-E-E-Jiao” brands were selected for the first batch of China’s Premium Consumer Brands by Ministry of Industry and Information Technology of China (“**MIIT**”). The subsidiary of China Resources Double Crane Pharmaceutical Co., Ltd. (“**CR Double-Crane**”) was recognized as an “Excellent Case of National Healthy Enterprise Development”. CR Sanjiu, CR Double-Crane and China Resources Jiangzhong Pharmaceutical Group Co., Ltd. (“**CR Jiangzhong**”) and Dong-E-E-Jiao Company Limited (“**Dong-E-E-Jiao**”) were jointly recognized as “Excellence-level Smart Factories” by the MIIT, demonstrating the Group’s multi-layered and multi-dimensional brand influence.

1. Financial Performance

During the Reporting Period, the Group recorded total revenue of RMB269,574.3 million, representing an increase of 4.6% compared to the total revenue of RMB257,673.3 million in the previous year. In 2025, the revenue of the Group’s three major business segments, namely pharmaceutical manufacturing, pharmaceutical distribution, pharmaceutical retail businesses and others, accounted for 16.8%, 78.7% and 4.5% of the Group’s total revenue, respectively.

During the Reporting Period, the Group recorded a gross profit of RMB44,507.8 million, an increase of 9.4% from RMB40,688.9 million in the previous year. The overall gross profit margin was 16.5%, which marked an increase of 0.7 percentage point compared to 2024.

During the Reporting Period, the Group recorded a net profit of RMB9,653.0 million, representing a solid increase of 14.9% from RMB8,403.2 million for 2024. The Company generated a profit attributable to owners of RMB4,045.5 million, representing a significant increase of 20.7% compared to RMB3,350.9 million for 2024. Basic earnings per share were RMB0.64 during the Reporting Period (2024: RMB0.53). The Board recommended the final dividend payment of RMB0.122 per share for the year ended 31 December 2025 (final dividend for 2024: RMB0.052).

2. Pharmaceutical Manufacturing Business

During the Reporting Period, in terms of external growth, the Group completed several acquisition projects in the fields such as biological drugs, TCM and chemical drugs, introduced a number of high-quality products, and established an industrial development fund, thereby further diversifying its investment approaches. In terms of technological innovation, the Group facilitated the launch of new products, strengthened external collaborations, promoted the establishment of several innovation consortiums and optimized its product portfolio and business structure. In terms of operation management, the Group focused on building an excellent operational system, continuously advanced cost reduction and efficiency improvement initiatives and enhanced its digital and intelligent capabilities, earning several industry honors. In terms of the industrial chain development, the Group strengthened coordinated control across upstream, midstream and downstream operations, continuously improving supply chain resilience and overall competitiveness. In terms of international expansion, the Group achieved registration and sales of multiple products in numerous countries, further enhancing the influence of TCM culture.

(1) Financial performance

During the Reporting Period, the Group's pharmaceutical manufacturing business generated segment revenue of RMB51,038.5 million, representing an increase of 10.2% year-on-year. TCM, chemical drugs, biological drugs, nutraceuticals and other business segments all recorded an increase in revenue. The gross profit margin of the pharmaceutical manufacturing business was 60.5%, representing an increase of 1.1 percentage points compared with the previous year. This improvement was mainly attributable to the optimization of product structures, and technological advancements and enhanced efficiency in production.

Sales revenue from pharmaceutical manufacturing business by product categories <i>(RMB'million)</i>	2025	2024	Year-on-year growth
TCM	27,372.5	24,223.0	13.0%
Of which: OTC drugs	16,658.5	15,770.3	5.6%
Prescription drugs	10,714.0	8,452.7	26.8%
Chemical drugs	17,548.3	17,510.1	0.2%
Of which: OTC drugs	4,211.7	4,249.9	-0.9%
Prescription drugs	12,004.0	12,070.3	-0.5%
APIs	1,332.6	1,189.9	12.0%
Biological drugs	2,740.4	2,206.6	24.2%
Nutraceuticals and others	3,377.3	2,384.0	41.7%
Total	51,038.5	46,323.7	10.2%

(2) Operation overview

The Group owns a comprehensive portfolio of pharmaceutical products covering a wide range of therapeutic areas, including chemical drugs, biological drugs, TCM, and nutraceuticals. These fully cover all major therapeutic and disease areas that offer favorable business growth potential, such as cardiovascular and cerebrovascular diseases, alimentary tract, endocrine diseases, respiratory diseases, orthopedics, nephrology, rheumatology and immunology, medical nutrition, pediatrics, genitourinary system, dermatological diseases, blood products, therapeutic infusions, antitumor drugs, medicine for cough and cold, anti-infection drugs and psychoneurosis. As at the end of the Reporting Period, the Group had 87 production bases with a total of 928 products, of which 489 were included in the National Reimbursement Drug List and 231 were included in the National Essential Drug List. All of the Group's pharmaceutical manufacturing subsidiaries have established professional sales and marketing teams that cover over 100,000 medical institutions. During the Reporting Period, there were 83 products with sales of over RMB100 million, representing an increase of 10 from 2024.

In terms of product categories, the Group’s revenue from the TCM business of pharmaceutical manufacturing segment was RMB27,372.5 million during the Reporting Period, representing a year-on-year increase of 13.0%, of which revenue from the TCM OTC drug business increased by 5.6% year-on-year, primarily due to an increase in revenue from cardio-cerebral vascular field benefiting from the acquisition of Tasly Pharmaceuticals Group Co., Ltd. (“**Tasly Pharmaceuticals**”) and the stable increase in revenue from E-Jiao series products; revenue from the TCM prescription drug business increased by 26.8% year-on-year, mainly due to the significant increase in revenue from the cardio-cerebral vascular field. The chemical drug business recorded revenue of RMB17,548.3 million, representing a year-on-year slight increase of 0.2%, of which revenue from the chemical OTC drug business decreased by 0.9% year-on-year, primarily due to a decline in revenue from the pediatric field; revenue from the chemical prescription drug business decreased by 0.5% year-on-year, mainly affected by declines in revenue from the infusion therapy and anti-infective fields; revenue from the active pharmaceutical ingredient (API) business increased by 12.0% year-on-year, because empowered by synthetic biology, the revenue from API achieved growth. During the Reporting Period, the biological drug business achieved revenue of RMB2,740.4 million, representing a growth of 24.2% as compared to the same period last year, primarily due to the acquisition of Tasly Pharmaceuticals and Green Cross HK Holdings Limited (“**Green Cross HK**”), which contributed to growth in revenue from the cardio-cerebral vascular and blood products fields. The revenue from nutraceutical and other business was RMB3,377.3 million, representing a significant increase of 41.7% as compared to the same period last year, mainly due to the growth in revenue from medical device products benefiting from the acquisition of Sichuan Nigale Biotechnology Co., Ltd. (“**Nigale**”), and also the increase in revenue from nutrition products such as donkey-hide gelatin powder and vitamin and minerals supplements.

a. Leveraging diversified investment approaches to drive in-depth industrial development

In 2025, the Group actively strengthened its strategic positioning in emerging industries through diversified approaches including industrial mergers and acquisitions, product introductions, and fund incubation, which has further enhanced its industrial control, product competitiveness, and capital incubation capabilities.

Industrial Mergers and Acquisitions. During the Reporting Period, the Group completed several mergers and acquisitions transactions. CR Sanjiu’s controlling stake in Tasly Pharmaceuticals is conducive to consolidating core advantages in the traditional Chinese medicine sector, leveraging R&D synergies, and enhancing innovation capabilities. CR Double-Crane completed its equity acquisition of Henan Zhongshuai Pharmaceutical Co., Ltd.* (河南中帥藥業有限公司), deepening its presence in pediatrics and neuropsychiatry. CR Jiangzhong acquired Anhui Jingcheng Huiyao Pharmaceutical Co., Ltd.* (安徽省精誠徽藥藥業有限公司), supplementing its portfolio of TCM tonic products and enriching its OTC product matrix. Dong-E-E-Jiao successively completed the acquisitions of Dongfeng Maji Pharmaceutical Co., Ltd.* (東豐馬記藥業有限公司) and Inner Mongolia Alashan Cistanche Group Co., Ltd.* (內蒙古阿拉善蕤蓉集團有限責任公司), strengthening its supply chain in deer antler and cistanche deserticola. These moves will further support the development of its men’s tonic brands “Royal Hunting Ground 1619” and “Zhuangben”.

Product Introduction. The Group continued to focus on unmet clinical needs and market value, and has successfully introduced multiple innovative products through extensive and in-depth external collaborations, providing patients with new treatment options. During the Reporting Period, CR Sanjiu secured exclusive rights for the development, production, and commercialization of the innovative drug Wakix® (Pitolisant Tablets) in Chinese mainland through collaborations with Rarestone Group and Bioprojet. This drug is the first innovative drug approved in China for the treatment of narcolepsy. CR Double-Crane secured the exclusive national agency rights for HICARA® (Renicleucel Injection) held by Hrain Biotechnology Co., Ltd.* (上海恒潤達生生物科技股份有限公司). This drug is China’s first fully independently-developed CD19 CAR-T therapy for relapsed or refractory large B-cell lymphoma (r/r LBCL). CR Jiangzhong entered into a deep cooperation with Beijing Hanmi Pharm. Co., Ltd. for Meiyoutong (Dexibuprofen Oral Suspension), a key pediatric product.

Fund Incubation. The Group actively explored diversified investments through funds, and refined the biopharmaceutical industry ecosystem and expanded its footprint in the broader healthcare industry by fostering synergies between fund and industrial investments. In 2025, the Group established two new industrial funds and completed the registration and filing of the second phase of the China Resources Pharmaceutical Industry Investment Fund, with a committed capital of RMB1 billion, focusing on cutting-edge fields such as antibodies, ADCs, gene and cell therapies, nucleic acid drugs, vaccines, and high-end medical devices. The Group also completed the filing of the China Resources Double-Crane Synthetic Biology Industry Fund with a committed capital of RMB0.5 billion, targeting high-growth sectors including synthetic biology and innovative drugs.

- b. *Insisting on innovation-driven approaches to lead the development of new quality productive forces*

The Group has consistently regarded R&D and innovation as the core engine driving high-quality growth. In line with national policies and guided by clinical needs, the Group adheres to a dual strategy of pursuing both in-house R&D and external collaborations. Focusing on major therapeutic areas including cardiovascular, respiratory, antitumor drugs, metabolic and gastrointestinal, central nervous system, and immunology, the Group continues to strengthen its core R&D capabilities in order to build differentiated competitive advantages.

Continuously increasing investment in technological innovation. During the Reporting Period, the Group's R&D expenditure amounted to RMB3.20 billion, representing a year-on-year increase of 31.0%, demonstrating its firm commitment and strategic focus on technological innovation. As at the end of the Reporting Period, the Group's R&D team comprised 3,836 members, of whom over 44% held master's or doctoral degrees.

Developing high-level independent innovation capabilities. The Group is dedicated to establishing a comprehensive R&D platform encompassing TCM, chemical drugs and biological drugs. It possesses two national key laboratories, four national engineering technology research centers, one national industrial innovation center, and one national-level International Science and Technology Cooperation Base of the Ministry of Science and Technology. The Group has also established a postdoctoral research workstation and has proactively deployed and built a synthetic biology technology platform with industrial-scale capabilities. During the Reporting Period, leveraging its national key laboratories and national/provincial/ministerial-

level technology platforms, the Group conducted R&D in areas such as classic prescriptions of TCM, modern TCM, AI-assisted drug design, target discovery, antibody and peptide drugs, and synthetic biology. The Group led or participated in two national-level research projects, contributed to the formulation of seven international/national standards, and jointly applied for one national key R&D program. The Group also took the lead in the TCM industry to be awarded the *Grade 4 Certification for Innovation and Intellectual Property Management Capability** (《創新與知識產權管理能力》) of the ISO 56005.

Deepening external collaboration and innovation deployment.

The Group has continued to explore new models of external joint innovation and industry-academia-research collaboration to accelerate the commercialisation of scientific and technological achievements and foster new quality productive forces. During the Reporting Period, the Group obtained marketing approval for the classic prescriptions of TCM, *Yiqi Qingfei Granules*, which was jointly developed with Academician Zhang Boli of Tianjin University of Traditional Chinese Medicine. Together with the Hong Kong Nano and Advanced Materials Institute (NAMI) and Fudan University, the Group has developed a novel nano-formulation for the treatment of Alzheimer’s disease. In partnership with BrightGene Bio-Medical, the Group has co-developed BGM0504 injection, currently in Phase III clinical studies, deepening its strategic presence in areas aligned with the “Healthy China 2030” initiative, such as Alzheimer’s disease and metabolic disorders. The Group collaborated with Rigerna Therapeutics on an siRNA drug project. Jointly with Nanjing Help Therapeutics, the Group developed HiCM-188, a pioneering iPSC-based regenerative therapy for heart failure, which is the world’s first therapy to receive clinical trial tacit approvals in both China and the United States, accelerating the Group’s expansion into the forefront of cell and gene therapy. Furthermore, the Group has established cooperative relationships with 36 top-tier universities and research institutions, including Tsinghua University, China Academy of Chinese Medical Sciences, Beijing University of Chinese Medicine, and Shanghai University of Traditional Chinese Medicine. These collaborations involve the joint establishment of multiple laboratories focusing on areas such as synthetic biology, continuous manufacturing, and intelligent TCM. Among these initiatives, Dong-E-E-Jiao has successively inaugurated the Academician Shi Bi Workstation and the Academician Chen Wei Workstation, jointly established the Traditional Chinese Medicine Inheritance and Innovation Drug Research Institute, the Dong-E-E-Jiao — Sichuan University Innovation Research Center, and the Qi and Blood Theory Research Innovation Alliance, and implemented six key projects. These efforts have facilitated complementary strengths across the industry-academia-research value chain.

Accelerating the transformation and implementation of innovative achievements. The Group is accelerating the transformation and application of core achievements in fields such as classic TCM formulas, modern TCM, chemical drugs, biological drugs, and synthetic biology. As of the end of the Reporting Period, the Group had a total of 442 R&D projects under development, including 143 new drugs. During the Reporting Period, the Group obtained 38 drug production approvals, 12 clinical trial approvals, and two FDA clinical trial authorizations, with 345 new patents added. In terms of innovative TCM achievements, during the Reporting Period, relying on state key laboratory, the Group obtained pharmaceutical product registration certificates for three classic TCM formulas. In addition, a Class 1 new TCM drug is currently under market approval, 2 Class 1 new drugs have completed Phase III clinical trials and submitted for pre-NDA communication and exchange, and 5 Class 1 new drugs will be included in Phase III clinical trials. Significant progress has been made in the basic research on Ejiao: the hematopoietic activity mechanism of Ejiao has been elucidated for the first time, and its potential in intervening in sarcopenia has been confirmed, with relevant achievements published in international authoritative journals; the Ejiao decoction piece standard revised under the leadership of Dong-E-E-Jiao has been incorporated into the 2025 edition of the *Pharmacopoeia of the PRC* (《中國藥典》); the first patient enrollment for the Phase II clinical trial of Compound E-jiao Jiang in the treatment of cancer-related fatigue (CRF) has been completed. In terms of innovative R&D achievements in chemical drugs, during the Reporting Period, the Group's one Class 2.2 improved innovative drug, Mercaptopurine Micropellets, was approved for marketing; two Class 1 new drugs, DC50292A and DC6001, achieved dual filing in China and the United States and obtained clinical trial approvals. Among them, DC50292A is the first independently developed and designed Class 1 new drug targeting pan-tumor with the assistance of AI, and DC6001 is a Class 1 new drug for macular degeneration, which has obtained the FDA Pediatric Rare Disease Designation; a Class 1 new drug initiated Phase IIb research; a Class 2.2 new drug has completed Phase III clinical trial; a Class 1 new drug was approved for clinical use; a Class 2 improved new drug was approved for clinical use; a Class 2.3 new drug, which is the world's first and only Class 1A drug for the treatment of Charcot Marie Tooth disease, is currently under market approval. In terms of generic chemical drug R&D, the Group further enriched its product pipeline in fields such as dermatology, anti-infection, orthopedics, and gastrointestinal and metabolic diseases. 32 generic chemical drugs, including Lactulose Oral Solution, Ceftizoxime Sodium for Injection, and Sevelamer Carbonate for Oral Suspension, obtained drug

production approvals; eight products, including Glycerol Fructose and Sodium Chloride Injection, Metoclopramide Hydrochloride Injection, and Vitamin B6 Injection, passed the consistency evaluation. In terms of innovative R&D achievements in biological drugs, the Group's Intravenous Immunoglobulin (10%), Tetanus Immunoglobulin and Recombinant Human Prourokinase for Injection (new indication) were approved for marketing; three Class 1 new drugs were approved for clinical trials. In terms of synthetic biology technology achievements, the Group's synthetic biology technology platform has initially established a R&D-pilot-industrialization three-tier transformation system. The bio-based "1,4-butanediamine" has successfully broken the foreign technological monopoly and was selected as a landmark product in bio-manufacturing by the MIIT.

- c. *Strengthening internal capabilities to address challenges and enhancing supply chain resilience and competitiveness*

Strengthening the independent control of raw materials. The Group continues to enhance the construction of standardized TCM bases, deepen research on variety selection and ecological planting technologies, with a cumulative standardized planting area exceeding 7,000 acres, and has completed the new version of GAP Extended Inspection for 13 varieties. The Group has built a traceability system for the TCM materials with independent intellectual property rights, realizing full digital traceability management from planting to finished products. Jiangxi Nanchang Jisheng Pharmaceutical Co., Ltd. (江西南昌濟生製藥有限責任公司), a subsidiary of the Group, was selected as a participant in "Customized Pharmaceutical Park" initiative of Jiangxi province, while the Yunnan Sanqi Research Institute (雲南省三七研究院) was approved as a cultivation target for Yunnan Province's new-type R&D institutions. The Group continues to deepen the integrated strategy of chemical raw materials and formulations. CR Double-Crane has strengthened the industrial chain layout for the integration and extension of chemical raw materials and formulations, leveraged its advantage in low-cost supply of heparin raw materials, extended upstream raw material layout, and newly applied for registration of three core active pharmaceutical ingredients (APIs); it has expanded downstream formulation business, promoted enoxaparin sodium injection to pass national centralized procurement and achieved rapid growth; and advanced the application of synthetic biology technology in strain improvement and process optimization, resulting in continuous cost reduction and record-high profits for core products such as S-Na salt. Meanwhile, the Group strengthens the safe and stable supply of raw material plasma. China Resources Boya Bio-pharmaceutical Group

Company Limited (華潤博雅生物製藥集團股份有限公司) (“**CR Boya Bio-pharmaceutical**”) has actively implemented multiple measures, including promoting the post-investment integrated integration of Green Cross HK (China), deepening the development of external county markets, laying out innovative new media businesses, and building local plasma donation culture. During the Reporting Period, it accumulated 662.3 tons of plasma collection, achieving a stable year-on-year growth of 5.0%.

Advancing excellent operation and management. Confronted with profound changes and severe challenges in the pharmaceutical industry, the Group remained committed to its goals of “strengthening internal strength, enhancing resilience, and improving quality and efficiency”, and promoted the in-depth integration of intelligent manufacturing and lean management to effectively improve overall operational efficiency and comprehensive cost control capabilities. In intelligent manufacturing, the Group implemented full-process intelligent management to consistently improve production efficiency and product quality. Four enterprises under the Group were recognized as “Excellence” intelligent factories by the MIIT, and won three national-level titles as “Single-Item Champions”. Additionally, three of its enterprises have obtained Level 4 certification under the National Intelligent Manufacturing Capability Maturity Model (CMMM), driving the establishment of industry benchmarks in intelligent manufacturing. In lean management, CR Double-Crane focused on improving quality and efficiency in key areas by expanding batch sizes for key products, optimizing production scheduling, promoting workshop upgrades, and implementing multi-skilled worker mechanisms, thereby increasing the capacity utilisation rate of its base. CR Jiangzhong coordinated production resources and optimized workflows, achieving an increase in the output of Bifid Triple Viable Capsules Dissolving at Intestines (BIFIDO). CR Boya Bio-pharmaceutical continued to refine core processes for blood products, maintaining a yield rate that remains at the forefront of the industry.

Comprehensively driving marketing transformation. In terms of prescription medicines, the Group actively responded to the national centralized procurement policy, and dynamically optimized product portfolio and market access strategies, with a total of 146 products selected in the National Volume-based Drug Procurement program. During the Reporting Period, leveraging a low-cost, wide-coverage county and township commercial sales model, the sales volume of the Nifedipine series achieved a year-on-year increase of 27%. The Group focused on medication markets for chronic diseases, lower-tier

market and specialized areas. By adopting a specialized outsourced promotion service model, the sales of Brivudine Tablets exceeded RMB100 million within two years of launch, achieving a year-on-year growth of over 355%, while sales of Teniposide increased by 47% year on year. The Group actively accelerated the commercialization of new products and additional indications, with *Yiqi Qingfei Granules* successfully included in the National Reimbursement Drug List (NRDL) and the first edition of commercial insurance catalogs. In addition, the first domestically produced ADHD treatment drug, Dexamethylphenidate Hydrochloride Extended-Release Capsules, and the new acute ischemic stroke indication for Reteplase (Recombinant Human Tissue-type Plasminogen Activator Derivative for Injection) were successfully included in the NRDL. In the OTC and healthcare products business, the Group continued to focus on brand building and digital marketing. During the Reporting Period, online sales increased significantly by 45% year-on-year. The Group has set the goal of “deep customer operations and extensive channels coverage”. By implementing the core strategy of “stabilizing the foundation with traditional e-commerce and promoting development with emerging platforms”, it has built a closed-loop process from “product seeding” to sales conversion on platforms such as Douyin. This approach has enabled rapid sales growth on emerging e-commerce platforms, built new brand recognition among young consumer groups, and achieved dual growth in both user scale and member sales contribution. Meanwhile, the Group continued to cultivate a second growth curve by successfully developing multiple new product categories with sales exceeding RMB100 million, including Shenlingcao, the “Royal Weichang 1619” series, probiotics, and reproductive health testing series. Among them, the sales of Shenlingcao grew by 25% year-on-year, and the sales of “Royal Weichang 1619” series surged by 180% year-on-year. CR Double-Crane actively explored dormant product resources, resuming production of four exclusive products within the year. During the Reporting Period, the revenue from its products that resumed production during the “14th Five-Year Plan” period exceeded RMB500 million.

d. *Promoting AI application scenarios to empower full-chain efficiency enhancement*

The Group actively implements the national “AI+” initiative, deeply integrating AI technology into key areas such as R&D, manufacturing, quality control, and operations, so as to accelerate the practical application of innovative technologies in traditional industries, and empower existing sectors to improve quality, enhance efficiency, and foster innovative development.

In R&D, AI accelerates innovation. China Resources Biopharmaceutical Co., Ltd. (華潤生物醫藥有限公司) has leveraged AI technology to increase the accuracy of antibody-antigen complex modeling by over 30%, improve the efficiency of antibody drug information retrieval by more than 90%, and reduce the cost of antibody optimization step by over 60%. Its “Biopharmaceutical Innovative Antibody Drug R&D Scenario” was selected as one of the “First Batch of High-Value AI Application Scenarios for Central State-Owned Enterprises” by the SASAC of the State Council.

In manufacturing, AI drives efficiency and safety. CR Sanjiu developed a “One-Screen Overview” public auxiliary Internet of Things (IoT) group control system, integrating IoT, cloud computing, and AI algorithms to establish a three-tier collaborative architecture of “device perception-edge computing-cloud decision-making.” This enables minute-level energy prediction and autonomous optimization, achieving an energy saving rate of 17% in pilot factories. Huali Factory under CR Double-Crane introduced an AI visual inspection system, incorporating deep learning models to achieve millisecond-level detection of defects such as foreign objects, bottle deformation, and filling deviations. As a result, inspection efficiency increased from 20 bottles per minute to 500 bottles per minute.

In quality control, AI enhances inspection and assurance. CR Sanjiu independently developed an AI machine vision-based packaging material size detection device, achieving a precision of ± 0.01 mm and improving inspection efficiency by ninefold. This innovation has obtained software copyright and patent authorization. Dong-E-E-Jiao established an “One Item, One Code” full-chain traceability system, integrating real-time data analysis and early warning mechanism, which reduced customer complaints by 16% and further strengthened brand trust and market reputation.

In operations, AI supports management efficiency. CR Double-Crane launched a large model-based “Excellence Service Platform” that supports natural language interaction and automatically generates sales analysis reports, saving 16,000 hours of manual labor annually. This achievement signifies a “dual improvement” in operational intelligence and user-friendliness.

- e. *Implementing the international development strategy to continuously expand overseas markets*

Actively pursuing the “going global” initiative to explore international markets. The product “Fluticasone Propionate and Salmeterol Xinafoate Inhalation Powder,” developed by Respirant Pharmaceutical Co., Ltd. which was invested by CR Sanjiu and CR Pharmaceutical Fund, has become the first inhalation powder product independently developed by a Chinese pharmaceutical company to receive FDA approval. The Group continues to strengthen the international expansion of chemical drugs, TCM, medical devices, and blood products while advancing overseas registrations. Exports of active pharmaceutical ingredients (API) formulations of CR Double-Crane have reached over 50 countries and regions, with key products including Coenzyme Q10 API and heparin-based API. During the Reporting Period, export sales amounted to approximately RMB700 million. Products such as the Ejiao series, Xuesaitong, and Huxin Dan have been sold to markets including Hong Kong, Macao, Asia, and Africa. KPC’s Dihydroartemisinin-Piperaquine Tablet (Cotefiz) has secured its first procurement order from The Global Fund, an internationally recognized organization, to support malaria treatment in Africa. Intravenous immunoglobulin (pH4) has received marketing approval in the Dominican Republic. The “Jiangzhong” brand Jianwei Xiaoshi Tablets have submitted TCM registration applications in Hong Kong and Macao, while Xiaoshi Tablets (food category) have completed product classification certification in Macao. Dong-E-E-Jiao established an international company in Hong Kong and opened a flagship store for nourishing lifestyle products, covering markets such as Hong Kong, Macao, Taiwan, and Southeast Asia. During the Reporting Period, the Company’s overseas revenue exceeded RMB40 million, representing a year-on-year increase of 20%.

Vigorously advancing the dissemination of TCM Culture. Dong-E-E-Jiao continued to communicate the TCM narrative through globally accessible platforms and, in collaboration with Phoenix Television, launched a large-scale international TCM cultural communication programme entitled The Healing Path. In addition, Dong-E-E-Jiao hosted an overseas TCM cultural promotion conference and the 20th anniversary celebration of the listing of Compound E-jiao Jiang in Indonesia, further expanding the influence of TCM culture both domestically and internationally.

3. Pharmaceutical Distribution and Retail Business

As of the end of the Reporting Period, the Group's pharmaceutical distribution network has covered 28 provinces across China, serving approximately 260,000 clients. The Group operated a total of 1,248 self-owned retail pharmacies, including 256 DTP pharmacies (professional direct-to-patient pharmacies) in total (including 192 "dual-channel" pharmacies (an increase of 10 pharmacies)).

(1) Financial Performance

During the Reporting Period, the Group's pharmaceutical distribution business recorded segment revenue of RMB220,080.4 million, representing a year-on-year increase of 3.2%. The gross profit margin of the distribution business was 5.8%, representing a slight decrease of 0.1 percentage point compared with the same period of last year.

During the Reporting Period, the Group's pharmaceutical retail business recorded revenue of RMB12,210.4 million, representing a significant year-on-year increase of 20.8%, primarily due to the rapid growth in revenue from the Direct To Patient (DTP) business. During the Reporting Period, the DTP business of the Group achieved revenue of approximately RMB8.23 billion, representing a year-on-year growth of approximately 19.4%. The gross profit margin of the retail business was 6.4%, representing an increase of 0.2 percentage point compared with last year.

(2) Business Performance

- a. Deepening engagement with core customers to drive incremental growth and enhance business coordination and product acquisition capabilities*

The Group continued to strengthen its integrated business coordination and established a research framework covering both marketed and pipeline products, enabling a systematic and professional assessment of product value. We actively developed a tiered management framework for upstream customers, formulated differentiated management strategies for top-tier customers, and launched a 360-degree key account management platform, with a view to building an efficient “BD ecosystem” connecting upstream and downstream enterprises, government authorities and investment institutions. Also, the Group further established a centralised market access framework integrating policy responsiveness, resource integration, high-level engagement and capability building, and developed a bidirectional empowerment platform aligning pharmaceutical manufacturers with national policies. During the Reporting Period, the Group achieved extensive engagement with top-tier customers and secured 100% access to products approved for commercialisation during the year, while introducing eight imported products. Capitalizing on the policy opportunities offered by the Measure of using HK registered drugs and medical devices used in HK public hospitals in Guangdong-Hong Kong-Macao Greater Bay Area and the Boao Lecheng Special Zone’s pilot program for licensed medical devices, the Group introduced a total of 133 clinically urgent products. By developing an in-depth understanding of and responding promptly to upstream customer needs, the Group expanded cooperation across multiple areas, including product market access and market development.

b. Establishing an in-depth marketing management system, and improving the precision marketing and compliance management capabilities

The Group has established a four-major BU comprehensive marketing business model covering oncology, chronic diseases, rare diseases and retail through a three-dimensional approach of “professional organisation + high-end compliance + digital operations”. It has built a sales team of nearly 1,000 personnel, with the service products covering a number of multinational corporations (MNCs) and leading domestic pharmaceutical enterprises. With its core brand “Runyao”, the Group has established a dual-driven academic promotion platform integrating “in-hospital precision academic + out-of-hospital terminal sales activation”. In respect of its in-hospital business, the Group has built a specialty drugs academic exchange platform, hosted over 10,000 series of activities throughout the year, reached more than 7,000 medical terminals, covered over 100,000 customers, driven its core products to be included in authoritative clinical guidelines, and markedly enhanced the brand influence and the accessibility of its diagnosis and treatment plans. The Group has deepened its cooperation with professional organisations including the China Anti-Cancer Association (CACA) to jointly build a multi-dimensional ecosystem for tumour prevention and treatment. In respect of its out-of-hospital business, the Group has planned and rolled out tailored terminal sales activation activities centered on core product varieties, effectively driving terminal net sales. The Group has established an industry-leading compliance management system, developed its “4S” Management Model anchored by the four pillars of strategic focus, academic excellence, safe operations and efficiency leadership, built an integrated compliance management mechanism covering the entire business value chain, and set up an MNC-aligned compliance control system. It has successfully obtained dual certifications for the ISO 37301 Compliance Management System and ISO37001 Anti-Bribery Management System. It has formed a closed-loop control system through process audits and unannounced inspections, and successfully passed the annual compliance reviews conducted by leading MNCs. During the Reporting Period, the in-depth marketing business achieved a growth rate of 150%, and eight products with annual revenue exceeding RMB100 million were successfully promoted.

- c. *Continuously advancing the layout of the medical device industrial chain, and enhancing its overall supply chain management and professional service capabilities*

During the Reporting Period, the revenue from medical devices reached RMB38.1 billion, representing a year-on-year increase of 14%, with 40 new SPD (medical supply chain management) projects. The number of independent medical device companies has increased to 47, covering seven major specialized sectors including orthopedics, IVD and interventional supplies, with 110 new agency projects. The Group has achieved a breakthrough in professional medical device distribution, developed four distinctive product lines covering orthopedics, clinical laboratory supplies, interventional supplies and basic consumables. Among these, the orthopedics distribution business recorded a year-on-year growth of 10% and has maintained its position as the industry leader throughout the “14th Five-Year Plan” period. The Group has established over 100 orthopedic sub-warehouses, covering 27 provinces nationwide; and it has proactively extended its layout upstream along the industrial chain by launching its own brand of basic consumables “Runyaoxin”, and pioneered the innovative “free consumables package” model. In the IVD sector, the Group has achieved full industrial chain integration. Its subsidiary Wuhan Zhike has obtained 18 software copyrights, one utility model patent and one design patent, and been accredited as a National High-tech Enterprise Certificate. Furthermore, the Group strengthened its industry-academia-research collaboration by establishing three joint laboratories in partnership with Beijing Jishuitan Hospital and the Shenzhen Institutes of Advanced Technology of the Chinese Academy of Sciences to advance the translation of cutting-edge technologies, and consolidated its professional barriers on a continuous basis.

d. Actively building a digital operation platform to enhance operational efficiency and customer experience capabilities

In terms of digital marketing, the Group has integrated C-end consumer data to reshape marketing insight capabilities and deepen the breadth and depth of digital marketing. It has expanded online businesses through e-commerce platforms and self-built applications, and constructed a consumer-centric service system. In terms of operational collaboration, the Group has built an in-depth marketing platform, a compass system and a 360-degree system for industrial customers targeting the upstream industrial end to deliver precise services; it has focused on the B-end and driven business innovation through platforms such as “CR e Purchase (潤e採)”, “CR Pharma e-Store (潤藥商城)” and “Runyao Available (潤曜通)”. During the Reporting Period, the online platforms achieved a transaction volume of approximately RMB34.2 billion, representing a year-on-year increase of about 10%. In terms of ecological empowerment, relying on the “medical + internet” digital innovation service platform, the Group provided multi-center operation support for the “Migraine Research & Patient Management Project” in medical terminals, enhancing the full-cycle digital service capabilities for patients with specific diseases; it also established a strategic cooperation with the China Medical Insurance Research Association to build a platform for regulatory policy research, exchange and interaction, further boosting the innovation capacity of digital services. In terms of quality supervision, the Group launched a drug traceability code platform in key regions including Beijing and Shanghai, realizing visual traceability across the entire supply chain. In terms of logistics development, the CR IOT Platform has achieved integrated and collaborative management of multiple warehouses nationwide, significantly improving supply chain efficiency and cost competitiveness.

- e. *Continuously strengthening the development of professional pharmacies to boost pharmaceutical administration and pharmaceutical care capabilities*

The Group has comprehensively promoted unified pharmacy operation and management, achieving cross-regional and cross-store integrated collaboration, standardized operations and regulated management and control. By centrally facilitating its affiliated pharmacies to obtain the “dual-channel” and “outpatient coordination” qualifications, the Group has actively undertaken the outflow of hospital prescriptions. In terms of off-hospital channels, the Group has advanced channel integration to promote the collaborative flow of in-hospital and off-hospital businesses, and fully launched the Run Care doctor-patient management platform to support the operation of self-operated DTP pharmacies, enabling multi-party collaboration among pharmacies, patients, pharmacists and pharmaceutical enterprises. As at the end of the Reporting Period, the platform had managed 820,000 patients and developed standardized management services and labels covering 18 specific diseases.

4. ESG and sustainable development

The Group has deeply integrated the ESG philosophy into the entire process of corporate operation and strategy, continuously built its ESG brand, and constructed a sustainable development system with “governance as the foundation, society as the value driver and environment as the responsibility”. During the Reporting Period, the Group made remarkable progress in the three dimensions of governance, society and environment.

- a. *Consolidating the foundation through governance to pioneer a new paradigm for sustainable development*

In 2025, the Group built a systematic and forward-looking ESG governance system. By optimizing the matrix management and control structure and strengthening the Board supervision and the overall coordination mechanism of the ESG Committee, the Group has comprehensively improved its governance efficiency. In terms of information disclosure, the ESG Report is fully aligned with international mainstream frameworks such as GRI and TCFD, and has obtained independent third-party assurance for many consecutive years, significantly enhancing transparency and credibility. The Group’s solid governance practices have been widely recognized by the capital market: its MSCI ESG Rating has risen to AA, its Wind ESG Rating has reached AA, and its Hang Seng Sustainability Rating has remained at the top of the industry.

b. Shared responsibilities, building a value ecosystem for the pharmaceutical and healthcare industry

The Group incorporates responsibilities into various aspects in industrial chain, innovation chain and value chain, in order to jointly build a shared responsibility ecosystem. In terms of industrial chain and community co-development, the Group systematically integrated business growth with social development. In particular, CR Sanjiu conducted the “999 CR Pharma Agriculture Support (999潤藥惠農)” project, which established a mode integrating industry, consumption, health and education supports. The Group actively established a responsible supply chain, guiding the first batch of 12 core suppliers to deepen their ESG management and jointly enhance industrial resilience. In terms of innovation chain and talent cultivation, the Group focused on the establishment of long-term competitiveness. Through projects such as “Future Star” training camp, the Group systematically cultivated around 2,500 new employees, reserving core intellectual capital for sustainable development of the industry. In terms of value chain and health sharing, China Resources Pharmaceutical Commercial Group Co., Ltd., a subsidiary, fully leveraged its core role in introducing international medical resources. Utilizing policy advantage regarding medical and pharmaceutical industry in regions such as Boao in Hainan and the Guangdong-Hong Kong-Macao Greater Bay Area, it facilitated the introduction of various international innovative medicine and equipment into Chinese market, improving the accessibility to high-quality medical resource.

c. Green and low carbon, building green benchmark for pharmaceutical industry

In response to global climate and environment challenge, the Group fully advanced green operation and low-carbon transformation, striving to becoming the benchmark for industrial sustainable development. In terms of clean energy and energy conservation and carbon reduction, 10 production bases completed the construction of distributed photovoltaic (PV) projects with a total installed capacity of 18.1 MW during the Reporting Period, providing annual clean electricity of over 19 million kWh and reducing carbon emission of approximately 10,700 tons. The greening of logistics systems simultaneously promoted, with a total of 184 new energy vehicles deployed. In terms of industrial standard and ecosystem co-development, under the proactive lead by the Group to formulate green standard, its subsidiaries took the lead in drafting group standards such as the *Guidelines for Building Zero-Waste Factories in Pharmaceutical Enterprises* (《製藥企業無廢工廠建設指南》) and the *Evaluation Standards for Zero-Carbon Factories in Pharmaceutical Industrial Enterprises* (《零碳工廠

評價規範醫藥工業企業》), providing systematic guidelines for industrial transformation. In terms of full lifecycle environment management, CR Guangdong Pharmaceutical Co., Ltd became the first domestic enterprise in the pharmaceutical distribution industry, who passed the SBTi certification, and had 15 key products that completed carbon footprint certification, covering various categories.

III. OUTLOOK AND FUTURE STRATEGIES

In response to the “15th Five-Year Plan”, the Group will proactively align with the national strategies and meet the public needs by playing the roles of industrial control, technology innovation and security support in building modern pharmaceutical industry system and constructing new development landscape. Additionally, the Group will focus on creating new quality productive force, deploying strategic emerging industries, enhancing core competitiveness and consolidating its industrial leading position, thereby continuously enhancing value creation.

1. Commitment to portfolio optimization. The Group will continue to increase its exposure to strategically emerging segments, cement its competitive edges in TCM and chemical drugs business, and further improve the development of the full industry chain so as to enhance brand value. Driven by both internal and external efforts, the Group will expand its blood products, medical devices and healthcare products business, integrate industry resources and continuously improve industrial competitiveness. Flexible approaches will be adopted to seize opportunities in high-potential areas such as vaccines, cell and gene therapies.

2. Commitment to innovation-driven growth. Grounded in industry realities and guided by market and clinical needs, the Group will deeply integrate technological innovation with industrial innovation. Focusing on major diseases, the Group will strengthen the construction of a differentiated, innovative R&D platform, promote product improvement, iteration and process upgrading, and harness synthetic biology, gene technology and other emerging technologies to empower traditional businesses, thereby creating new growth engines. Concurrently, the Group will continuously refine its diversified innovation strategy of “self-R&D, external cooperation, and product introduction”.

3. Commitment to external expansion. The Group will continue to increase efforts in investment and mergers and acquisitions, fully leverage diversified investment tools such as direct industrial investment and sector-focused funds, strengthen the nexus between investment and research, and continuously integrate high-quality industry assets to achieve leapfrog growth in key areas. Building on accumulated experience, the Group will constantly refine its post-investment management system and enhance both oversight and value-adding support after closing.

4. Commitment to operational excellence. The Group will deepen differentiated and classified management, implement “one-strategy-per-sector and one-strategy-per-enterprise” policies, benchmark itself comprehensively against world-class companies in product excellence, brand eminence, innovation leadership and modern governance, and focus on core arenas and critical capabilities to achieve systematic improvement by learning from the best. Lean management will be rolled out enterprise-wide to raise staff awareness and secure simultaneous growth in scale and quality, laying a solid foundation for high-quality development. The Group will deeply explore the value of data, use advanced technologies to re-engineer business processes, focus on smart manufacturing, embed artificial intelligence across the entire R&D — production — sales — management chain, and further advance digital transformation, so as to accelerate the digital intelligence-driven operation of business.

5. Commitment to international expansion. The Group will actively integrate into the worldwide pharmaceutical and healthcare industry, innovation and value chains and explore a multi-level and multi-dimensional model that features “segmented markets, diversified models and resource synergies”. Relying on the export of technology, products and culture, the Group will achieve an efficient “going out”; at the same time, focusing on the world’s leading innovation hubs, the Group will actively integrate global advanced technologies, premium products and top-tier expert teams to achieve high-quality “bringing in”, thereby building a two-way empowerment globalization landscape.

LIQUIDITY AND FINANCIAL RESOURCES

The Group adopts a prudent treasury management policy to maintain a solid and healthy financial position.

The Group funds its operations principally from cash generated from its operations, bank loans and other debt instruments and equity financing from investors. Its cash requirements relate primarily to production and operating activities, business expansion, repayment of liabilities as they become due, capital expenditures, interest and dividend payments.

As at 31 December 2025, the Group had bank balances and cash of RMB15,843.8 million (2024: RMB16,424.7 million), which were primarily in RMB and HKD.

As at 31 December 2025 and 2024, all of the Group's total borrowings are RMB-denominated. Among the Group's total borrowings as at 31 December 2025, a substantial portion of approximately 81.0% (2024: 70.5%) would be due within one year.

The Group's current ratio (being the ratio of total current assets to total current liabilities) was 1.4:1 as at 31 December 2025 (2024: 1.4:1).

As at 31 December 2025, the Group's gearing ratio (being the ratio of net debt divided by total equity) was 47.4% (2024: 52.3%).

In 2025, the Group's net cash from operating activities amounted to RMB20,476.3 million (2024: RMB17,535.5 million). The Group's net cash used in investing activities in 2025 and 2024 amounted to RMB10,066.8 million and RMB8,887.8 million, respectively. In 2025 and 2024, the Group's net cash used in financing activities amounted to RMB10,957.4 million and RMB16,838.5 million, respectively.

PLEDGE OF ASSETS

As at 31 December 2025, the Group's total borrowings amounted to RMB58,820.2 million (31 December 2024: RMB60,568.5 million), of which RMB2,462.7 million (31 December 2024: RMB1,997.5 million) were secured and accounted for 4.2% (31 December 2024: 3.3%) of the total borrowings.

Certain of the Group's trade and bills receivables with an aggregate net book value of RMB1,602.6 million (31 December 2024: RMB1,526.7 million) have been pledged as security.

CONTINGENT LIABILITIES

As at 31 December 2025, the Group had no material contingent liabilities (31 December 2024: nil).

SIGNIFICANT INVESTMENTS AND MATERIAL ACQUISITIONS AND DISPOSALS

During the Reporting Period, the Company had no significant investments and/or material acquisition or disposal of subsidiaries, associates and joint venture.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

As at the date of this announcement, there are currently no concrete plans to acquire any material investment or capital assets other than those conducted in the Group's ordinary course of business.

FOREIGN EXCHANGE RISK MANAGEMENT

The Group's operations are located in the PRC and most of its transactions are denominated and settled in RMB. The Group is exposed to foreign exchange risks on certain cash and cash equivalents, borrowings from banks and trade payables denominated in foreign currencies, the majority of which are denominated in USD. During the Reporting Period, the Group did not enter into any derivatives contracts to hedge the foreign exchange exposure.

HUMAN RESOURCES

As at 31 December 2025, the Group employed around 85,600 staff (31 December 2024: 72,700 staff) in the PRC and Hong Kong. The Group remunerates its employees based on their performance, experience and prevailing market rate while performance bonuses are granted on a discretionary basis. Other employee benefits include, for example, medical insurance and training.

DIVIDEND

The Board recommends the payment of final dividend of RMB0.122 per Share in cash for the year ended 31 December 2025 (2024: RMB0.052 per Share). The final dividend is subject to the approval of the shareholders of the Company (the “**Shareholders**”) at the forthcoming annual general meeting of the Company to be held on 29 May 2026 (Friday) (the “**AGM**”) and the final dividend will be distributed on or about 21 July 2026 (Tuesday) to the Shareholders whose names appear on the register of members of the Company on 8 June 2026 (Monday).

The final dividend will be payable in cash to each Shareholder in HK\$ by default, converted at the exchange rate of RMB1.0:HK\$1.13630 being the average benchmark exchange rate of RMB to HK dollars as published by the People’s Bank of China during the five business days immediately before 24 March 2026 (Tuesday), such dividend will be paid to Shareholders at HK\$0.139 per share. Shareholders will also be given the option to elect to receive all or part of the final dividend in RMB. To make such election, Shareholders should complete the dividend currency election form which is expected to be despatched to Shareholders in early June 2026 as soon as practicable after the record date of 8 June 2026 (Monday) to determine Shareholders’ entitlement to the final dividend, and lodge it with the Company’s share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on 2 July 2026 (Thursday).

Shareholders who are minded to elect to receive all or part of their dividends in RMB by cheques should note that (i) they should ensure that they have an appropriate bank account to which the RMB cheques for dividend can be presented for payment; and (ii) there is no assurance that RMB cheques can be cleared without material handling charges or delay in Hong Kong or that RMB cheques will be honoured for payment upon presentation outside Hong Kong. The cheques are expected to be posted to the relevant Shareholders by ordinary post on 21 July 2026 (Tuesday) at the Shareholders’ own risk.

If no duly completed dividend currency election form in respect of the Shareholder is received by the Company’s share registrar by 4:30 p.m. on 2 July 2026 (Thursday), such Shareholder will automatically receive the final dividend in HK dollars. All dividend payments in HK dollars will be made in the usual way on 21 July 2026 (Tuesday).

If Shareholders wish to receive the final dividend in HK dollars in the usual way, no additional action is required.

Shareholders should seek professional advice with their own tax advisers regarding the possible tax implications of the dividend payment.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 26 May 2026 (Tuesday) to 29 May 2026 (Friday), both days inclusive, in order to determine the identity of the Shareholders who are entitled to attend the AGM, during which period no share transfers will be registered. To be eligible to attend the AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on 22 May 2026 (Friday).

The register of members of the Company will also be closed from 5 June 2026 (Friday) to 8 June 2026 (Monday), both days inclusive, in order to determine the entitlement of the Shareholders to receive the final dividend, during which no share transfers will be registered. To qualify for the final dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on 4 June 2026 (Thursday).

CORPORATE GOVERNANCE

The Group is committed to maintain high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the “**CG Code**”) as set out in Appendix C1 to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) as its own code of corporate governance. The Company has complied with all applicable code provisions of the CG Code during the Reporting Period, save and except the following:

Pursuant to code provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Since the redesignation from the position of the Chief Executive Officer to the chairman of the Board, Mr. Bai Xiaosong has assumed the interim duties and responsibilities of the Chief Executive Officer. On 26 August 2025, Mr. Cheng Jie (“**Mr. Cheng**”) was appointed as an executive Director and the president of the Company (the “**President**”), with the role of chief executive officer being performed by the President going forward. Following the appointment of Mr. Cheng as the President, the Company has complied with code provision C.2.1 of the CG Code.

In respect of code provision C.3.3 of the CG Code, the Company did not have formal letters of appointment for Directors. Since all Directors are subject to re-election by the Shareholders at the annual general meeting and at least once every three years on a rotation basis in accordance with the articles of association of the Company, there are sufficient measures to ensure the corporate governance of the Company complies with the same level to that required under the CG Code.

Code provision F.1.3 of the CG Code stipulates that the chairman of the Board should attend annual general meeting. The chairman of the Board was unable to attend the annual general meeting of the Company held on 23 May 2025 due to other business commitments.

The Company will continue to review and monitor its corporate governance practices to ensure compliance with the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding directors’ securities transactions. Having made specific enquiries of all Directors, each of the Directors has confirmed that he/she has complied with the required standards as set out in the Model Code during the Reporting Period.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the Reporting Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s listed securities. As at the end of the Reporting Period, the Company did not hold treasury shares (as defined under the Listing Rules).

PRELIMINARY ANNOUNCEMENT OF AUDITED ANNUAL RESULTS

The financial information relating to the years ended 31 December 2025 and 31 December 2024 included in this preliminary announcement of annual results 2025 does not constitute the Company’s statutory annual consolidated financial statements for those years but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Companies Ordinance is as follows:

The Company has delivered the financial statements for the year ended 31 December 2024 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance and will deliver the financial statements for the year ended 31 December 2025 in due course.

The Company’s auditor has reported on the financial statements of the Group for both years. The auditor’s reports were unqualified, did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its reports, and did not contain a statement under sections 406(2), 407(2) or (3) of the Companies Ordinance.

SCOPE OF WORK OF KPMG

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2025 as set out in the preliminary announcement have been agreed by the Group's auditor, KPMG, Certified Public Accountants, to the amounts set out in the Group's consolidated financial statements for the year. The work performed by KPMG in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by KPMG on the preliminary announcement.

REVIEW OF ANNUAL RESULTS BY AUDIT COMMITTEE

The consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2025 have been reviewed by the audit committee of the Company and audited by the Company's auditor.

PUBLICATION OF THE ANNUAL RESULTS AND 2025 ANNUAL REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This annual results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.crpharm.com), and the 2025 Annual Report containing all the information required by the Listing Rules will be dispatched to the Shareholders who have indicated that they wish to receive a printed version of the corporate communication and published on the respective websites of the Stock Exchange and the Company in due course.

By order of the Board
China Resources Pharmaceutical Group Limited
Bai Xiaosong
Chairman

Hong Kong, 25 March 2026

As at the date of this announcement, the Board comprises Mr. Bai Xiaosong as chairman and executive director of the Company; Mr. Cheng Jie and Mr. Liu Changan as executive directors of the Company; Mdm. Guo Wei, Mr. Sun Yongqiang, Mr. Wang Yuhang, Mr. Guo Chuan and Mdm. Jiao Ruifang as non-executive directors of the Company and Mdm. Chiu Mun Wai, Mr. Fu Tingmei, Mr. Zhang Kejian and Mr. Shi Luwen as independent non-executive directors of the Company.