

Lepu Medical Technology (Beijing) Co., Ltd.

2024 Semi-annual Report

As at the date of this annual report, the company is in compliance with the corporate governance requirements applicable to it as a PRC public company listed on the Shenzhen Stock Exchange in all material aspects.

I. Important notice

The semi-annual report summary is sourced from the full text of the semi-annual report. In order to gain a comprehensive understanding of operational achievements, financial status and future development planning of the Company, investors shall carefully read the full text of the semi-annual report through the media specified by the China Securities Regulatory Commission.

All directors have attended the board meeting of considering this report.

Non-standard audit opinions notification

☐ Applicable Not applicable ☒

Report-period profit distribution plan or transfer plan of provident fund to share capital reviewed by the board of directors

☐ Applicable Not applicable ☒

The Company plans not to distribute cash bonus, issue bonus shares, or transfer reserve to common shares.

Preferred stock profits distribution plan in this reporting period approved by the Board of Directors

☐ Applicable Not applicable ☒

II. Basic information of the Company

1. Company profile

Stock abbreviation:	Lepu Medical	Stock code	300003
Stock exchange	Shenzhen Stock Exchange		
Contact person and information	Secretary of the Board of Directors		
Name	Jiang Weinan		
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Office address	No. 37 Chaoqian Road, Changping District, Beijing		
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2. Brief introduction to main businesses or products in the report period

The Company is a whole life-cycle solution provider in the field of cardiovascular diseases, and its business segments are divided into medical devices, pharmaceuticals, medical care solutions. The Company adheres to the medium-and long-term strategy of "innovation, consumption and internationalization". Multiple business of the Company drive the Company to achieve long-term and steady business development. Founded in 1999, the Company is one of the earliest companies in China to develop cardiovascular interventional instruments. It has the title of "National Engineering Technology Research Center for Cardiovascular Interventional Diagnostic Instruments and Equipment" awarded by the Ministry of Science and Technology, and has developed and commercialized several "firsts in China", including: carrier-free coronary drug stent, dual-chamber pacemaker, coronary bioabsorbable stent, coronary cutting balloon and biodegradable occluder, etc. The Company's cardiovascular disease-related products have experienced long-term large-scale clinical application in the real world, and the brand has been widely affirmed by doctors and patients, forming the Company's core competitiveness in the field of cardiovascular disease. By the end of the reporting period, the Company had applied for 2,261 patents, 647 Class II and III medical devices registered and approved by National Medical Products Administration, 35 USA FDA certifications and 230 EU CE certifications.

During the reporting period, the Company realized an operating income of RMB 3383.8866 million, a net profit of RMB 697.2423 million attributable to shareholders of listed companies, a net profit of RMB 647.1473 million attributable to shareholders of listed companies after non-recurring gains and losses are deducted, and a net cash flow of RMB 158.8860 million from operating activities. At the end of the reporting period, the Company's total assets were RMB 25296.3977 million, and the net assets attributable to shareholders of listed companies were RMB 15890.9991 million, with a weighted average return on equity of 4.47%.

In terms of innovation, as shown in the following table, the innovative product matrix of cardiovascular intervention will gradually realize commercialization, contribute revenue and profits to the Company, and drive performance growth. From the beginning of the year to the disclosure date of the report, the Company's important newly approved products in the field of cardiovascular intervention include: Disposable shock wave catheter and device in coronary vessel, coronary mastoid balloon dilating catheter, disposable radiofrequency septal puncture needle and device, biodegradable atrial septal defect

occluder and anchoring balloon dilating catheter, etc. The commercialization of the above products further enriched the Company's cardiovascular interventional product portfolio.

Important innovative products in R&D line are estimated by annual commercialization.

	2024	2025	2026	2027
Coronary intervention	★ Disposable shock wave catheter and device in coronary vessel	★ Intra vascular ultrasound	★ Rapamycin infusion system	Pulsed sonic balloon (coronary artery)
		Spinous balloon system		
Structural heart disease	Biodegradable ASD occluder	Biodegradable left atrial appendage occluder	Biodegradable PDA occluder	Transapical mitral valve clip repair system (chordae tendineae)
	★ Transcatheter aortic valve replacement TAVR	★ Transapical mitral valve clip repair system (clip)	Abdominal aortic aneurysm plug	Transfemoral mitral valve clip repair system
	★ Radiofrequency septal puncture needle and device		Biodegradable vascular plug	Biodegradable aortic dissection crevice occluder
Periphery intervention	Large cutting balloon	Radiofrequency venous cavity closing catheter and device	Quick thrombus aspiration catheter	★ Vasodilator administration system
	★ Disposable shock wave catheter and device in coronary vessel	Below-the-knee PTA drug-coated balloon		Peripheral plaque rotational atherectomy system
	Above-the-knee PTA drug-coated balloon			
CRM Electrophysiology		MRI compatible cardiac pacemaker	★ Frozen balloon system/catheter	
		Qinming8632 smart pacemaker	★ Electric field ablation catheter and device for atrial fibrillation	
Heart failure			★ Implantable cardiac contractility modulator	★ Implantable resynchronization therapy pacemaker
				Transcatheter left ventricular assist device
Nerves Regulation and		Implantable deep brain nerve stimulator (DBS)	Implantable vagus nerve stimulator	Implantable spinal nerve

control			(VNS)	stimulator (SCS)
				Implantable neurostimulator (SNM)
Others	NeoGIU® Noninvasive blood glucose meter	NeoGLU COMFORT® Implantable CGM		
		GluRing® Noninvasive continuous glucose meter		

Note: The above-mentioned important innovative products will contribute to the increase of operating income

In terms of consumer medical care, the Company continues to promote the research and development of ophthalmology and dermatology products (as shown in the following table). Through technical integration and iteration, the Company's orthokeratology lenses (Ventura) has good oxygen permeability and is comfortable to wear. The multi-zone gradual elevation design can stably fit the cornea, taking into account both spherical aberration and peripheral defocus. At present, the Company has approved seven self-developed products in the field of ophthalmology, and the new orthokeratology lenses are currently in the registration stage. As of the disclosure date of the report, the varieties of polylactic acid dermis injection filling agents, cross-linked sodium hyaluronate for injection, sodium hyaluronate gel for injection and composite sodium hyaluronate gel for injection under research by the Company entered the registration and declaration stage, and cross-linked sodium hyaluronate gel with poly-L-lactic acid and cross-linked sodium hyaluronate gel with polycaprolactone microspheres were in the clinical trial stage.

Ophthalmology and dermatology product pipes and projects under research

Type	Name	Stage	Expected certification time
Ophthalmology	Orthokeratology lenses (Ventura)	Approved	/
	Rigid ventilate corneal contact lens (Ventura)	Approved	/
	Soft hydrophilic contact lens (daily disposable)	Approved	/
	Soft hydrophilic contact lens (monthly disposable)	Approved	/
	Rigid ventilate corneal contact lens (Xingtai)	Approved	/
	Multifunctional treatment solution for rigid corneal contact lens	Approved	/

	Protein remover	Approved	/
	\Orthokeratology lenses (Xingtai)	Declaration and registration	2024Q4
	High-diopter corneal contact lens	Clinical trial	2025Q4
	Multi-focus intraocular lens	Clinical trial	2026Q3
Dermatology	Modified sodium hyaluronate solution for injection	Registration	2025Q2
	Polylactic acid dermis injection filling agent	Registration	2025Q2
	Composite sodium hyaluronate gel for injection	Registration	2025Q3
	Cross-linked sodium hyaluronate gel for injection	Registration	2025Q3
	Cross-linked sodium hyaluronate gel with poly-L-lactic acid	Clinical trial	2026Q3
	Cross-linked sodium hyaluronate gel with polycaprolactone microspheres	Clinical trial	2027Q4

The Company attaches importance to the application of artificial intelligence in the medical field and has set up an artificial intelligence research institute internally. As of the disclosure date of the report, for NeoGLU®, a noninvasive blood glucose meter, supplementary information has been submitted for review, the meter is currently in the supplementary information stage and is expected to be approved for sales within this year. For NeoGLU COMFORT®, a new generation of implantable CGM product developed in accordance with artificial intelligence algorithm, a registration application has been submitted. GluRing® noninvasive continuous blood glucose meter based on big data artificial intelligence is currently in the clinical trial stage and is expected to be submitted for registration by the end of 2024. In view of the pain point of the shortage of optometrists in China, the Company also applied artificial intelligence to the optometry and prescription of orthokeratology lenses, and launched "Lepu Ventura AI", an AI orthokeratology lens intelligent evaluation system. The system can effectively solve the problems that ophthalmologists, optometrists and optometrists rely too much on experience to select lenses and evaluate parameters during configuration of orthokeratology lenses, and provide the best scheme in the intelligent evaluation results, at the same time, it can greatly shorten the optometry and prescription time, reduce the risk of cross-infection that may be caused by repeated trials, and help the high-quality development of myopia prevention and control in China.

In terms of internationalization, the Company actively promotes overseas distribution, and gradually increases its sales share in overseas markets through flexible sales channels and diversified product portfolios. By the end of the reporting period, the Company has achieved 35 USA FDA certifications and 230 EU CE certifications. The Company has a wide range of overseas channels and has established

extensive sales networks in more than 160 countries and regions in Asia, Europe, North America and the Middle East, etc. During the reporting period, the Company actively participated in various overseas industry academic conferences and medical device exhibitions, increased exchanges and cooperation with global distributors and academic experts by introducing the latest products and technical achievements of the Company, enhanced the reputation of the Company's products, and continued to promote the growth of overseas sales performance of products with excellent product performance and perfect service systems. At present, the Company is building capacity in Malaysia, which will lay a solid foundation for radiating the surrounding markets in Malaysia and Southeast Asia in the future. During the reporting period, the operating income of overseas business reached RMB 488,992,249.69, with a year-on-year increase of 2.57%, and the gross profit margin has a year-on-year increase of 3.23 percentage.

(1) Medical device

The medical device sector is the largest income sector of our business, the segmented business mainly includes cardiovascular intervention, in vitro diagnosis and surgical anesthesia, among which cardiovascular intervention is the core business sector of us. By the end of the reporting period, the Company had applied for 2,261 patents, 647 Class II and III medical devices registered and approved by National Medical Products Administration, 35 USA FDA certifications and 230 EU CE certifications.

Cardiovascular intervention: During the reporting period, the operating income of cardiovascular intervention business was RMB 1151.4105 million, with a year-on-year increase of 16.92%, of which the operating income of coronary intervention business was RMB 850.6044 million, with a year-on-year increase of 10.21%; The structural heart disease business realized an operating income of RMB 248.9148 million, with a year-on-year increase of 53.63%. The Company deeply develops cardiovascular innovative medical devices, with mature commercial products and extensive lines under research in the fields of coronary artery and structural heart disease, and constantly promotes the research and development of products in peripheral blood vessels, cardiac rhythm management, electrophysiology, neuromodulation, heart failure and other fields. From the beginning of the year to the disclosure date of the report, the Company's important new products in the field of cardiovascular intervention, such as disposable shock wave catheter and device in coronary vessel, coronary mastoid balloon dilating catheter, disposable radiofrequency septal puncture needle and device, biodegradable atrial septal defect occluder and anchoring balloon dilating catheter, etc. were registered and approved in National Medical Products

Administration, which further enriched the Company's product portfolio in the field of cardiovascular implant intervention and contributed to the Company's business development.

Main approved products of cardiovascular intervention of the Company

Main category	Segmentation type	Product name	Type
Coronary intervention	Stent	Partner [®] intra vascular drug (rapamycin) eluting stent system	Class III
		Nano plus [®] intra vascular carrier-free pastille (rapamycin) eluting stent system	Class III
		GuReater [®] cobalt-base alloy rapamycin eluting stent system	Class III
		NeoVas [®] bioabsorbable coronary artery rapamycin eluting stent system	Class III
	Drug-coated balloon	Vesselin [®] coronary artery drug-coated balloon catheter	Class III
		Vitality mini [®] coronary artery drug-coated balloon dilating catheter	Class III
	Functional balloon	Vesscide [®] cutting balloon system	Class III
		VessCrack [™] Disposable shock wave catheter in coronary vessel, shock wave therapeutic equipment in vessel	Class III
		Vesspebble [™] coronary mastoid balloon dilating catheter	Class III
	Diagnostic category	Fractional Flow Reserve (FFR) measurement catheter	Class III
		VessTec [™] disposable tubular stapler	Class III
	Vascular access	Guide wire/catheter/disposable interventional fittings /PTCA balloon dilating catheter, etc.	
Structural heart disease	Congenital heart disease occluder products	MemoPart [®] atrial septal defect occluder (double riveting)	Class III
		MemoCarna [®] atrial septal defect occluder (oxide film)	Class III
		MemoPart [®] ventricular septal defect occluder (double riveting)	Class III
		MemoCarna [®] ventricular septal defect occluder (oxide film)	Class III
		MemoPart [®] patent ductus arteriosus occluder (double riveting)	Class III
		MemoPart [®] patent ductus arteriosus occluder (oxide film)	Class III
		MemoSorb [®] fully degradable occluder	Class III
		MemoSorb [®] biodegradable atrial septal defect occluder	Class III
	Cardioembolic stroke prevention occluder products	MemoLefort [®] Left atrial appendage occluder	Class III
		MemoSorb [®] biodegradable patent foramen ovale occluder	Class III
	Access	Ceniper [®] disposable atrial septal puncture system	Class III

		RF-Lance® radiofrequency puncture generator, disposable radiofrequency septal puncture needle	Class III
Cardiac rhythm Management	Pacemaker	Qinming2312 single chamber pacemaker	Class III
		Qinming8631 D/DR Series double chamber pacemaker	Class III
Peripheral intervention	Functional balloon	Peripheral cutting balloon	Class III
	Volume reduction	Quick thrombus aspiration equipment	Class II
	Vascular access	FLOWCROSS® disposable micro catheter	Class III
		Peaksheath™ disposable vaginae vascularis	Class III
		PTC balloon dilating catheter	Class II
		Hydrophilic guide wire	Class III
Image device	DSA	Medical angiographic X-ray machine Vicor-CV Robin C/Robin F type	Class III
		Medical angiographic X-ray machine Vicor-CV Swift type	Class III
		Vicor-CV400/CV100 medical angiographic X-ray system	Class III
		Vicor-LARK mobile C-shaped arm X-ray machine	Class II
	Medical image process system	Computation software for fractional flow reserve of coronary angiography images	Class III

In the field of coronary artery, the Company insisted on independent innovation and continued to promote the research and development of new products. From the beginning of this year to the disclosure date of the report, the disposable shock wave catheter and device in coronary vessel, coronary mastoid balloon dilating catheter and anchoring balloon dilating catheter were successfully registered and approved by National Medical Products Administration. The shock wave system in coronary vessel uses acoustic pressure waves to act on calcified lesions in intima and media of coronary artery, which can effectively loosen or crack calcified lesions without affecting the integrity of intima, restore vascular compliance, and provide a more ideal lumen for subsequent coronary stent implantation. As of the disclosure date of the report, as shown in the following table, the research and development of the products under study were progressing smoothly, the mastoid process balloon has been submitted for registration, and the rapamycin drug infusion system was in the clinical trial stage.

Type	Product	Research	Preclinical	Clinic	Declaration	Expected certification
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		and development			and registration	time
Functional balloon	Mastoid process balloon	√	√	√	√	2025Q3
	Pulsed sonic balloon (coronary artery)	√	√	√		2027Q3
Drug-coated balloon	☆ Rapamycin infusion system	√	√	√		2026Q4
Intra vascular measurement	☆ Intravascular ultrasound (IVUS)	√				2025Q4
	Pressure sensor system	√				2025Q4

In the field of structural heart disease, during the reporting period, ScienTech Medical, a subsidiary, maintained a good overall development momentum and achieved rapid growth in revenue and profits. ScienTech has a comprehensive product line of congenital heart disease occluder. Since 2020, the third generation MemoCarna® oxide film single-riveting occluder series products have been approved for sales, and quickly became the backbone of congenital heart disease occluder business. Since 2022, the fourth generation of MemoSorb® biodegradable occluder series products (ventricular septal defect, patent foramen ovale, atrial septal defect) have been approved for sales one after another, and the commercialization quickly met the expectations. Good clinical performance made it a flagship series product in the field of congenital heart disease, attracting much attention from doctors and patients.

From the beginning of the year to the disclosure date of the report, the Company's MemoSorb® biodegradable atrial septal defect occluder, Ceniper® disposable atrial septal puncture system and RF-Lance® disposable radiofrequency atrial septal puncture needle/equipment were successfully registered and approved by National Medical Products Administration. MemoSorb® biodegradable atrial septal defect occluder adopts innovative design, it meets the needs of atrial septal defect occlusion, solving the problems that the current occluder remains in the patient's body for life after implantation, hinders the establishment of left ventricular interventional pathway through atrial septal puncture and is not suitable for patients with metal allergy. From the clinical practice, this product provides new solutions to doctors and patients. RF-Lance® disposable radiofrequency atrial septal puncture needle focuses radiofrequency energy for precise puncture, easily puncturing without mechanical force, greatly reducing the operation difficulty and being safe and controllable. Its sleek and blunt tip design ensures that the puncture process is safe and scratch-free, improving the fault tolerance rate, and avoiding the risk of trauma. Clinical research data show that the success rate of disposable atrial septal puncture is improved to 90%, significantly

improving by 32% compared with traditional mechanical needle puncture, realizing the effective combination of safe and controllable puncture technology and efficient and successful operation.

In the future, the Company will further improve the product line in the field of structural heart disease. At present, the ScienCrown® transcatheter aortic valve replacement is in the registration application process, and NeoSorb® bioabsorbable patent foramen ovale occluder and Bio-Lefort® biodegradable left atrial appendage occluder are in the clinical trial stage.

Type	Product	Research and development	Preclinical	Clinic	Registration and declaration	Expected certification time
Occluder	MemoSorb® bioabsorbable patent foramen ovale occluder	√	√	√		2025Q2
	Bio-Lefort® biodegradable left atrial appendage occluder	√	√	√		2025Q3
Aortic valve	☆ ScienCrown® transcatheter aortic valve replacement TAVR	√	√	√	√	2024Q4
	☆ ScienMelon® transcatheter heart valve prosthesis with macromolecular valve leaflet	√	√			2029Q3
	Trans-catheter aortic valve replacement (reflux indication TAVR)	√	√			2028Q2
	ScienChute® transcatheter aortic valve stenosis treatment	√				2026Q4
	ScienChute® pulsed sonic generation equipment	√				2026Q4
Mitral valve	☆ MemoClip-A ® transapical mitral valve clip repair system (clip)	√	√	√		2025Q4
	MemoChord® transapical mitral valve clip repair system (chordae tendineae)	√	√	√		2027Q2
	MemoClip-F ® transapical mitral valve clip repair system	√	√			2027Q2
	Transcatheter mitral valve replacement	√	√			2029Q2

In other segments of cardiovascular intervention, as of the disclosure date of the report, peripheral intravascular shock wave catheter and device and above-the-knee PTA drug-coated balloon were in the registration application stage, below-knee PTA drug balloon, Qinming8632 smart pacemaker and implantable deep brain nerve stimulator have completed clinical follow-up and are in the stage of preparing registration application materials. Ultrasonic ablation catheter and device for renal denervation, frozen balloon catheter and device for atrial fibrillation, atrial fibrillation pulsed electric field ablation catheter and device and implantable cardiac contractility modulator, etc. are in clinical trial.

Type	Product	Research and development	Preclinical	Clinic	Declaration and registration	Expected certification time
Peripheral intervention						
Stent	Point stent	√	√	√		2028Q1
Drug-coated balloon	Above-the-knee PTA drug-coated balloon	√	√	√	√	2024Q4
	Below-the-knee PTA drug-coated balloon	√	√	√		2025Q1
	☆ Vasodilator administration system	√	√	√		2027Q4
	☆ Rapamycin infusion system	√	√	√		2028Q2
	Non-compliance PTA drug balloon catheter (AVF)	√	√	√		2025Q1
Functional balloon	Large cutting balloon	√	√	√	√	2024Q4
	☆ Disposable shock wave catheter and device in coronary vessel	√	√	√	√	2024Q3
Volume reduction	Thrombus aspiration device	√				2025Q4
	Water-powered thrombectomy device	√				2027Q2
	Peripheral plaque rotational atherectomy system	√	√	√		2027Q3
	Quick thrombus aspiration catheter	√	√		√	2026Q1
Electrophysiology						
Ultrasonic ablation catheter for pulmonary artery denervation	☆ Ultrasonic ablation catheter and device for renal denervation	√	√	√		2028Q4
	Ultrasonic ablation catheter and device for pulmonary artery denervation	√				2028Q4
Radiofrequency ablation	Radiofrequency ablation catheter and device for renal denervation	√	√			2028Q4
	Radiofrequency ablation catheter and device for chronic obstructive pulmonary disease (COPD)	√				2028Q4
	Radiofrequency venous cavity closing catheter and device	√	√	√	√	2025Q1
Pulsed electric field ablation	☆ Atrial fibrillation	√	√	√		2026Q4

	pulsed electric field ablation catheter and device					
Cryoablation	☆ Frozen balloon catheter and device for atrial fibrillation	√	√	√		2026Q4
	Spray cryocatheter for chronic obstructive pulmonary disease (COPD)	√				2028Q2
	Transbronchoscopic intracavitary cryocatheter	√	√		√	2025Q4
Cardiac rhythm management products						
Cardiac rhythm management products	Qinming8632 smart pacemaker	√	√	√		2025Q4
	MRI compatible smart pacemaker	√	√	√		2025Q4
	Implantable cardiac resynchronization defibrillator	√				2027Q4
Neuro-modulation						
Neuro-modulation	Implantable deep brain nerve stimulator (DBS)	√	√	√		2025Q4
	Implantable vagus nerve stimulator (VNS)	√	√	√		2026Q4
	Implantable spinal nerve stimulator (SCS)	√				2027Q2
	Implantable neurostimulator (SNM)	√				2027Q2
Heart failure						
Interatrial shunt device	Interatrial shunt device II (biodegradable)	√	√			2027Q1
	Interatrial shunt device III (radiofrequency ablation)	√	√			2027Q1
Circular mechanical support	Transcatheter left ventricular assist device	√	√			2027Q4
	Transcatheter left ventricular assist device of minor diameter	√				2028Q1
	Transcatheter left ventricular assist device for coronary protection	√				2028Q2
Others	☆ Implantable resynchronization therapy pacemaker	√				2027Q4
	☆ Implantable cardiac contractility modulator (CCM)	√	√	√		2026Q3

Surgical anesthesia business: During the reporting period, the operating income of surgical anesthesia

business was RMB 268.6512 million, a year-on-year decrease of 3.87%. At the same time, the company is also actively exploring the application innovation of absorbable material technology, biomaterial technology, drug-device combination technology, energy-driven technology and other applications in this business field.

In vitro diagnostic business: The company's in vitro diagnostic business has a complete product line, covering various subdivisions and important technology platforms such as biochemistry, immunology (chemiluminescence), molecular, blood and coagulation, and POCT. During the reporting period, the in vitro diagnostic business achieved operating income of RMB 197.6766 million, a year-on-year decrease of 57.15%, mainly due to the high base of epidemic-related products in the same period last year and the intensified competition of some products and the price drop.

(2) Pharmaceutical

We are one of the platform companies for cardiovascular disease management in China, and our products mainly include active pharmaceutical ingredients and preparations. During the reporting period, the pharmaceutical sector realized an operating income of RMB 1134.6522 million, including RMB 938.8257 million for preparations (generic drugs) and RMB 195.8265 million for active pharmaceutical ingredients. Even though the company has recently transformed and increased its weight in related R&D, it will add a dermatology injection R&D pipeline in 2022, and in 2023, it will take a stake in Shanghai Minwei Biotech, a cardiovascular innovative drug company, and finally achieve a controlling stake. As a result, the company was unable to resist the impact of the relevant policies of the retail channel on the net sales and delivery of some products. At this stage, the prosperity of the physical pharmacy industry is affected by the policy, and the willingness to purchase is reduced, even if the company has made a distinction between the online and offline channels in the hospital and outside the hospital, the phenomenon of channeling goods occurs from time to time, and the decline in product bargaining power and poor channel price control have caused the net sales of some products to be greatly affected by relevant policies. At present, it is judged that the adjustment of the drug business brought about by the inventory clearance of the retail channel may need to last for 1-2 quarters, and the whole year is expected to include the API business, the overall drug year-on-year basically remains stable, and the operating income of the preparation sector business may fall to about 1.5-1.6 billion.

The Company actively arranges innovative cardiovascular drugs, holding Shanghai Minwei Biotechnology. Focusing on cardiovascular, endocrine, metabolic diseases and their complications, etc., the Company has a GPCR agonist screening platform LAGMA and an RAFTTM ultra-long-acting molecular development platform, screening multifunctional macromolecules, prolonging the drug half-life of macromolecules, reducing the frequency of drug use and improving patient compliance. As of the disclosure date of the report, GLP-1/GCGR/GIP-Fc fusion protein MWN101 independently developed by the Company has been in phase II clinical trial for type II diabetes and obesity, respectively, and this product was the first GLP-1/GCGR/GIP-Fc three-target GLP-1 product in China entering the clinical phase II. In addition, the new drug MWN105 has been officially declared for IND, and MWN109 is about to enter the IND application stage.

As of the disclosure date of the report, the bio-similar drug of dulaglutide injection independently developed by the Company was in phase III clinical trial for type II diabetes; Bio-similar drug of Semaglutide was in Phase I clinical trial for type II diabetes and obesity. Atropine eye drops for the treatment of myopia of children have completed phase I clinical trial and were ready to be in phase III clinical trial.

(3) Medical care solutions

During the reporting period, the medical care solutions segment achieved operating income of RMB 495.5669 million, a year-on-year decrease of 27.80%. Based on the adjustment of the business segment from the strategic point of view, Lepu Yunzhi Technology achieved an operating income of RMB 261.7748 million, a year-on-year decrease of 29.17%, mainly due to the decline in the demand for household-related medical device products for vital indication monitoring at home and abroad in the post-epidemic era, and the company's requirements for this business are changing from continuous and continuous revenue increase to stable profitability. Hefei Cardiovascular Hospital achieved an operating income of RMB 80.6125 million, a year-on-year increase of 17.25%.

3. Major accounting data and financial index

Whether the Company needs to retrospectively adjust or restate previous annual accounting data?

☐ Yes ☒ No

	This reporting period	Same period of last year	Increase or decrease in this reporting period
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			over the same period of last year
Operating revenue (RMB)	3,383,886,554.54	4,301,457,705.65	-21.33%
Net profits attributable to shareholders of the listed company (RMB)	697,242,271.91	961,487,273.99	-27.48%
Net profits attributable to shareholders of the Company after deducting non-recurring profits and losses (RMB)	647,147,330.31	904,874,709.56	-28.48%
Net cash flow generated from operating activities (RMB)	158,886,015.01	141,701,593.18	12.13%
Basic revenues per share (RMB/share)	0.3766	0.5163	-27.06%
Diluted earnings per share (RMB/share)	0.3766	0.5147	-26.83%
Weighted average return on equity	4.47%	6.39%	a decrease of 1.92 percentage
	End of this report	End of last year	Increase or decrease at the end of this reporting period compared with the end of last year
Total assets (RMB)	25,296,397,719.60	25,022,331,486.69	1.10%
Net assets attributable to shareholders of the listed company (RMB)	15,890,999,052.04	15,976,101,963.31	-0.53%

4. Number of shareholders and shareholding situation of the Company

Unit: Share

Total number of common shareholders at the end of the reporting period	82,715	Total number of preferred shareholders recovering voting rights at the end of reporting period (if any)	0	Total number of shareholders holding special voting shares (if any)	0	
Shareholding status of the top ten shareholders (excluding shares lent through transfer financing business)						
Name of shareholder(s)	Nature of shareholders	Shareholding proportion	Number of shares held	Number of shares held with restricted conditions	Pledge, marking or freezing information	
					Share status	Quantity
Luoyang Ship Material Research Institute	State-owned legal person	12.98%	244,063,788	0	N/A	0
Pu Zhongjie	Domestic natural person	12.13%	228,074,749	171,056,062	Pledge	131,799,999

WP MEDICAL TECHNOLOGIES, INC.	Foreign legal person	6.59%	123,968,600	92,976,450	Pledge	71,050,000
Hong Kong Securities Clearing Company Limited	Foreign legal person	4.61%	86,717,540	0	N/A	0
Houde Yimin (Beijing) Investment Management Co., Ltd.	Domestic non-state-owned legal person	3.60%	67,750,000	0	N/A	0
Bank of China Limited - Huabao CSI medical trading open-end index securities investment fund	Others	2.24%	42,132,018	0	N/A	0
Houde Yimin (Ningbo) Investment Management Co., Ltd.	Domestic non-state-owned legal person	1.91%	35,850,000	0	N/A	0
Bank of China Limited - ETF trading open-end index securities investment fund	Others	1.33%	24,952,128	0	N/A	0

Bank of China Limited - Zhongzheng 500 trading open-end index securities investment fund	Others	0.83%	15,538,540	0	N/A	0
Wang Yunyou	Domestic natural person	0.62%	11,728,633	0	N/A	0
Description of associated relationships or concerted actions of the above shareholders	Mr. Pu Zhongjie, WP Medical Technologies, Inc., Houde Yimin (Beijing) Investment Management Co., Ltd. and Houde Yimin (Ningbo) Investment Management Co., Ltd. were persons acting in concert within the meaning of PRC law. There was no relationship between other shareholders of the Company or concerted action as stipulated in <i>Measures for the Administration of Acquisition of Listed Companies</i> (Order No.35 of China Securities Regulatory Commission).					
Instruction to top 10 common stock shareholders participating in financing and securities business (if any)	None					

Shareholders holding more than 5% of shares, the top 10 shareholders and the top 10 shareholders with unrestricted shares participating in the refinancing business to lend shares

☒ Applicable ☐ Not applicable

Unit: Share

Shareholders holding more than 5% of shares, the top 10 shareholders and the top 10 shareholders with unrestricted shares participating in the refinancing business to lend shares								
Name of shareholder (full name)	Opening general account, credit account share holding		Shares lent through transfer financing business at the beginning of the period and not repaid		End general account, credit account share holding		Shares lent through transfer financing business at the end of the period and not repaid	
	Total quantity	Proportion to general capital	Total quantity	Proportion to general capital	Total quantity	Proportion to general capital	Total quantity	Proportion to general capital
Bank of China Limited - Zhongzheng 500 trading open-end index securities investment	7,259,900	0.39%	2,129,400	0.11%	15,538,540	0.83%	567,600	0.03%

fund								
Bank of China Limited - Huabao CSI medical trading open-end index securities investment fund	39,250,818	2.09%	52,800	0.00%	42,132,018	2.24%	158,200	0.00%
Bank of China Limited - ETF trading open-end index securities investment fund	18,199,619	0.97%	41,900	0.00%	24,952,128	1.33%	22,400	0.00%

Top 10 shareholders and the top 10 shareholders with unrestricted shares changed from the previous period due to lending/returning of refinancing

☐ Applicable ☒ Not applicable

Does the Company have voting rights difference arrangement?

☐ Yes ☒ No

5. Change of controlling shareholder or actual controller

Change of the controlling shareholder within the reporting period

☐ Applicable ☒ Not applicable

There is no change in the controlling shareholder during the reporting period.

Change in actual controller within the reporting period

☐ Applicable ☒ Not applicable

No change in actual controller of the Company in the reporting period

III. Important matters

After the core products of the Company's preparation business entered national centralized purchasing, although sales strategy adjustment won time for the Company in a short time, the aging problem of product line caused by backward internal R&D always existed. Even though the Company has recently transformed and invested more in related R&D, in 2022, the Company

added a dermatological injection R&D line, and in 2023, the Company invested Shanghai Minwei Biotechnology a cardiovascular innovative drug company, and finally realized holding, the disconnection between new and old products caused by historical problems gradually emerged, causing that the Company could not resist the impact of the relevant policies of this retail channel on pure sales and delivery of some products. The market competition of some products of the Company is fierce, and the prices of products are quite different from those of competing products. At this stage, the prosperity of the physical pharmacy industry is affected by policies, and the willingness to purchase goods is reduced. Even though the Company distinguishes the specifications of the online and offline channels in and out hospitals, the phenomenon of fleeing goods in some channels occurs from time to time, and the decline of product bargaining power and poor channel price control have greatly affected the pure sales of some products. At present, it is estimated that the adjustment of pharmaceutical business brought about by inventory clearance of retail channels may last for 1-2 quarters. It is estimated that the operating income of the overall pharmaceutical sector, including the bulk drug business, may decreased to about CNY 1.6 billion. After channel clearance is completed, regardless of innovative drugs, the recovery of pure sales of related products is expected to drive the operating income of the pharmaceutical sector to rebound slightly.

IV. Environmental and Social Responsibility

(I) Environmental protection related policies and industry standards

(1) Wastewater discharge standard

Integrated Wastewater Discharge Standard GB8978-1996, *Integrated Discharge Standard of Water Pollutants* DB11/307-2013, *Technical Specifications for Wastewater Monitoring* HJ 91.1-2019, *Technical Specification for Installation of Wastewater On-line Monitoring System (CODCr, NH₃-N, et al.)* HJ 353-2019, *Indirect Discharge for Emission Limitation of Nitrogen and Phosphorus for Industrial Wastewater* DB 33/ 887-2013, *Wastewater Quality Standards for Discharge to Municipal Sewers* CJ343-2010, *Discharge Standard of Pollutants for Municipal Wastewater Treatment Plant* GB 18918-2002, *Discharge Standards of Water Pollutants for Pharmaceutical Industry Chemical Synthesis Products Category* GB 21904-2008, *Discharge*

Standards of Water Pollutants for Pharmaceutical Industry Mixing/compounding and Formulation Category GB21908-2008, *Self-monitoring Technology Guidelines for Pollution Sources* HJ 819-2017 and *Technical Specification for Installation of Wastewater On-line Monitoring System (CODCr, NH3-N, Et Al.)* HJ 353-2019

(2) Exhaust emission standard

Emission Standards for Odor Pollutants GB 14554-93, *Emission Standard of Air Pollutants for Pharmaceutical Industry* DB33/310005-2021, *Emission Standard of Air Pollutants for Pharmaceutical Industry* GB37823-2019, *Emission Standard of Air Pollutants for Boiler* GB13271-2014, *Emission Standard of Air Pollutants for Boiler* DB11/139-2015, *Self-monitoring Technology Guidelines for Pollution Sources - General Rule* HJ 819-2017 and *Integrated Emission Standard of Air Pollutants* DB11/501-2017.

(3) Noise emission standards:

Class III Standards in *Emission Standard for Industrial Enterprises Noise at Boundary* (GB12348-2008).

(4) Solid waste

Standard for Pollution on the Storage and Disposal Site for General Industrial Solid Wastes GB18599-2001/XG1-2013, *Standard for Pollution Control on Hazardous Waste Storage* GB18597-2023 and *Technical Specification for Setting Identification Signs of Hazardous Waste* HG1276-2022.

(5) Others

Regulation on the Administration of Permitting of Pollutant Discharges, Measures for the Administration of Pollutant Discharge Permits, Water Collection Standard of Xiangcheng Second Waste Water Treatment, Henan Provincial Standard - Emission Standard of Air Pollutants for Boiler DB41/2089-2008, *Guidance Opinions of Taizhou City for Pharmaceutical Industry Environmental Access*

(II) Administrative license for environmental protection

1. Lepu Pharmaceuticals Co., Ltd. (West Factory): Received on April 19, 2023, valid for 5 years
2. Lepu Pharmaceuticals Co., Ltd. (East Factory): Received on May 25, 2023, valid for 5 years
3. Lepu Pharmaceutical Technology Co., Ltd.: Received on June 14, 2024, valid for 5 years

4. Zhejiang Lepu Pharmaceuticals Co., Ltd.: Received on September 22, 2022, valid for 5 years

5. Lepu Pharmaceutical (Beijing) Co., Ltd.: Received on December 20, 2023, valid for 5 years.

(III) Pollutant emission in industrial discharge standard and production and operation activities

Name of company or subsidiary	Type of main pollutants and specific pollutants	Name of main pollutants and specific pollutants	Emission methods	Number of emission outlets	Distribution of emission outlets	Emission concentration/intensity	Standard for pollutant emission implemented	Total emissions	Total emissions approved	Excessive emission
Lepu Pharmaceuticals Co., Ltd.	Exhaust gas (particulate matter, SO ₂ , NO _x , VOCs, other specific pollutants (non-methane hydrocarbon, odor concentration, ammonia, hydrogen sulfide, Ringelmann blackness))	Wastewater (COD, ammonia nitrogen, other specific pollutants (total nitrogen, total phosphorus, five-day BOD, suspended solids, acute toxicity and PH value))	Atmospheric emission method (organized, unorganized) Wastewater discharge method: Intermittent discharge	Organized exhaust emission outlet: 7 Wastewater discharge outlet: 1	Exhaust gas: 2 in Solid Workshop I, 3 in Solid Workshop II, 1 in innovative R&D platform and 1 in boiler. Wastewater discharge outlet: 1 in northwest corner of the platform	COD: 23mg/L BOD: 4.5mg/L, ammonia nitrogen: 0.169mg/L, suspended solid: 4mg/L, total nitrogen: 3.85mg/L, total phosphorus: 0.26mg/L, acute toxicity: 0.04mg/L, PH: 7.7 NO _x : 30mg/m ³ SO ₂ : 3mg/m ³ Particulate matter: 1.2mg/m ³ Non-methane hydrocarbon: 13.1mg/m ³	Atmospheric Standard Executed (Emission Standard of Air Pollutants for Pharmaceutical Industry GB 37823-2019, Emission Standard of Air Pollutants for Pharmaceutical Industry GB 16297-1996, Emission Standard for Odor Pollutants GB 14554-93 and Henan Provincial Standard - Emission	COD: 0.247 tons, BOD: 0.058 tons, ammonia nitrogen: 0.004 tons, suspended solid: 0.041 tons, total nitrogen: 0.035 tons, total phosphorus: 0.005 tons, acute toxicity: 0.0001 tons Particulate matter: 0.036 tons SO ₂ : 0.0045 tons NO _x : 0.006 tons Non-methane hydrocarbon: 0.0004	COD: 1.3, ammonia nitrogen: 0.16 tons	None

							n Standard of Air Pollutant s for Boiler DB41/2 089- 2008). Integrate d discharg e standard of water pollutant s (Dischar ge Standard s of Water Pollutant s for Pharmac eutical Industry Mixing/c ompoun ding and Formulat ion Category GB 21908- 2008)	tons Ammoni a: 0.00048 tons Hydroge n sulfide: 0.00015 tons Odor concentr ation: 0.00008 5 tons		
Lepu Pharmac eutical Technol ogy Co., Ltd.	Exhaust gas (particul ate matter, SO ₂ , NO _X , VOCS, other specific pollutant s (non- methane hydrocar bon, odor concentr ation, ammoni a, hydroge n	Wastewa ter (COD, ammoni a nitrogen, other specific pollutant s (total nitrogen, total phospho rus, five- day BOD, suspende d solids, acute toxicity and PH value))	Atmosp heric emission method (organiz ed, unorgani zed) Wastewa ter discharg e method: Intermitt ent discharg e	Organize d exhaust emission outlet: 7 Wastewa ter discharg e outlet: 1	Exhaust gas: 3 in solid worksho p of 1 billion tons, 2 in solid worksho p of 500 million tons, 1 in boiler, and 1 in wastewa ter treatmen t plant Wastewa ter: 1 in southwe st corner	COD: 24mg/L BOD: 4.7mg/L, ammoni a nitrogen: 0.378mg /L, suspende d solid: 5mg/L, total nitrogen: 6.96mg/ L, total phospho rus: 0.3mg/L, acute toxicity: 0.03mg/	Atmosp heric Standard Execute d (Emissio n Standard of Air Pollutant s for Pharmac eutical Industry GB 37823- 2019, Emissio n Standard of Air Pollutant	COD: 0.0079 tons, BOD: 0.0015 tons, ammoni a nitrogen: 0.00012 tons, suspende d solid: 0.0016 tons, total nitrogen: 0.0022 tons, total phospho rus:	COD: 0.216 tons, ammoni a nitrogen 0.0036 tons	None

	sulfide, Ringelmann blackness))				of the platform	L PH: 7.4 NOX: 17mg/m³ So2:0mg/m³ Particulate matter: 0.25mg/m³	s for Pharmaceutical Industry GB 16297-1996, Emission Standard for Odor Pollutants GB 14554-93 and Henan Provincial Standard - Emission Standard of Air Pollutants for Boiler DB41/2089-2008). Integrated discharge standard of water pollutants (Discharge Standards of Water Pollutants for Pharmaceutical Industry Mixing/compounding and Formulation Category GB 21908-2008)	0.0001 tons, acute toxicity: 0.00001 tons Particulate matter: 0.001 tons SO2: 0 tons NOX: 0.0005 tons		
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Zhejiang Lepu Pharmaceuticals Co., Ltd.	Wastewater	COD	Filter	Wastewater discharge outlet: 1	Wastewater treatment plant at the north of the plant	< 500mg/L	The wastewater is treated by Taizhou Water Treatment Development Co., Ltd., and wastewater discharge implements the inlet standard of the wastewater treatment plant.	5.12 tons	10.9379 tons/year	None
Zhejiang Lepu Pharmaceuticals Co., Ltd.	Wastewater	Ammonia nitrogen	Filter	Wastewater discharge outlet: 1	Wastewater treatment plant at the north of the plant	< 35mg/L	The wastewater is treated by Taizhou Water Treatment Development Co., Ltd., and wastewater discharge implements the inlet standard of the wastewater treatment plant.	0.512 tons	1.094 tons/year	None
Lepu Pharmaceutical (Beijing) Co., Ltd.	Water pollutants	COD	Direct discharge	Wastewater discharge outlet: 1	Northeast corner of the plant	≤30mg/L	<i>Integrated Discharge Standard of Water</i>	About 0.4 tons	0.75 tons/year	None

							<i>Pollutants</i> DB11/30 7-2013			
Lepu Pharmaceutical (Beijing) Co., Ltd.	Water pollutants	Ammonia nitrogen	Direct discharge	Wastewater discharge outlet: 1	Northeast corner of the plant	≤1.5mg/L	<i>Integrated Discharge Standard of Water Pollutants</i> DB11/30 7-2013	About 0.02 tons	0.04 tons/year	None
Lepu Pharmaceutical (Beijing) Co., Ltd.	Water pollutants	Other specific pollutants (total nitrogen, total phosphorus, total organic carbon, five-day BOD, suspended solid, acute toxicity and PH value)	Direct discharge	Wastewater discharge outlet: 1	Northeast corner of the plant	Total nitrogen (calculated as per N) 15mg/L, suspended solid 10mg/L, total organic carbon 12mg/L, pH value 6-9, total phosphorus (calculated as per P) 0.3mg/L, Five-day BOD 6mg/L, ammonia nitrogen (NH ₃ -N) 1.5mg/L, acute toxicity 0.07mg/L	<i>Integrated Discharge Standard of Water Pollutants</i> DB11/30 7-2013	No requirement	None	None

(IV) Treatment of pollutants

1. Lepu Pharmaceuticals Co., Ltd.

(1) Construction and operation of wastewater treatment facilities:

The treatment capacity of the wastewater treatment plant of Lepu Pharmaceuticals Co., Ltd. is 300t/d, and that of Lepu Pharmaceutical Technology Co., Ltd. is 100 t/d. The two sets of sewage treatment facilities are running normally. After being treated, the wastewater is discharged into a city sewage treatment plant through the sewage pipe network of Xiangcheng City, and the treatment effect can meet the acceptance standard of Xiangcheng Sewage Treatment Plant and *Discharge Standards of Water Pollutants for Pharmaceutical Industry Mixing/compounding and Formulation Category* GB21908-2008.

(2) Construction and operation of exhaust gas treatment facilities:

Deodorization equipment of sewage station has been purchased, and it is planned that operation will start after installation in October 2024.

All pollutants in the boiler exhaust gas are discharged after the standards are met, and the exhaust gas treatment facilities are running normally. After testing, VOC and dust discharged meet the standards.

2. Zhejiang Lepu Pharmaceuticals Co., Ltd.

(1) The current wastewater treatment station of Zhejiang Lepu Pharmaceutical has a treatment capacity of 1,200t/d. After treatment, the wastewater uniformly enters Jiaojiang Municipal Sewage Treatment Plant, with good COD and total nitrogen removal effect in terms of wastewater treatment, and can ensure that the effluent meets the management standard of subsequent sewage treatment plant.

(2) Construction and operation of exhaust gas treatment facilities:

The Company has established a whole-plant exhaust gas collection and treatment system: In a single production workshop, the exhaust gas exhaust pipe of the production equipment is connected to the main exhaust pipe (negative pressure); The part that is easy to produce the exhaust gas without organization discharge is arranged on the upper part of the collecting hood, and connected to the exhaust gas discharge main. The Company also takes different treatment measures in accordance with the characteristics of the exhaust gas discharged by the production process of different products. Various organic solvent exhaust gases are absorbed by membrane, resin, activated carbon and secondary condensation, and the primary water for spray is absorbed and connected to the main pipe of exhaust gas. The wastewater treatment station is covered for negative pressure ventilation, pretreated, then put into the main pipe, incinerated in RTO, and

discharged after standards are met after biological deodorization. In 2024, a new RTO with a treatment capacity of 35,000 cubic meters per hour is purchased to ensure that the exhaust gas reaches the standard stably.

3. Lepu Pharmaceutical (Beijing) Co., Ltd.

(1) Construction and operation of wastewater treatment facilities:

The company's existing wastewater treatment plant has a treatment capacity of 40t/d, and wastewater is used for watering in the plant area after treatment (no municipal pipe network is connected). Now the sewage treatment facilities are running normally, and the treatment effect can meet the standard of *Integrated Discharge Standard of Water Pollutants* DB11/307-2013 under normal circumstances. However, because the sewage source water is composed of production sewage, domestic sewage and laboratory wastewater, the source water is unstable, and the limit value is too low, occasionally, there will be volatility, and a certain data exceeds the standard. In the first half of 2024, the operation was generally stable.

(2) Construction and operation of exhaust gas treatment facilities:

All pollutants in the boiler exhaust gas are discharged after the standards are met, and the exhaust gas treatment facilities are running normally. Dust meets the standards.

In mid-May, 2024, the company was listed in the compulsory audit list of cleaner production by the Municipal Ecological Bureau, and now, the company has cooperated with the third-party consulting organization Beijing University of Technology to prepare the related work of cleaner production certification, mainly the measures and schemes to reduce VOC.

(V) Environmental self-monitoring program

1. Lepu Pharmaceuticals Co., Ltd.

The Company formulates a self-monitoring plan in accordance with the requirements of the government environmental protection department and the discharge permit implementation standards and entrusts a qualified third-party monitoring company to carry out monitoring in order to improve the Company's environmental management, master the Company's emission of various pollutants, evaluate the Company's impact on the surrounding environment, strengthen the Company's emission management of pollutants in the production process, accept the supervision and inspection of the environmental protection department.

(2) Monitoring items

Wastewater monitoring items: Flow rate, pH value, chemical oxygen demand, ammonia nitrogen, total phosphorus, total nitrogen, suspended solid, five-day BOD, acute toxicity, total organic carbon;

Exhaust gas monitoring items: Nitrogen oxides, particulate matter, sulfur dioxide, non-methane hydrocarbons, Ringelmann blackness;

Noise monitoring items: Noise of the factory boundary;

Surrounding environment quality monitoring item: Non-methane hydrocarbon, odor concentration, hydrogen sulfide, ammonia, particulate matter.

(2) Monitoring frequency

Frequency of wastewater monitoring: Flow rate, pH value, chemical oxygen demand, ammonia nitrogen, total phosphorus, total nitrogen, suspended solid, five-day BOD, once a month; acute toxicity, total organic carbon, once a half year;

Organized exhaust gas monitoring: Nitrogen oxides once a month; non-methane hydrocarbon, sulfur dioxide, Ringelmann blackness, particulate matter once half a year;

Frequency of monitoring around unorganized exhaust gas plant boundary: Non-methane hydrocarbon, odor concentration, hydrogen sulfide, ammonia, particulate matter, once a year.

2. Zhejiang Lepu Pharmaceuticals Co., Ltd.

In order to improve the company's environmental management, master the company's various pollutant emissions, evaluate the company's impact on the surrounding environment, strengthen the company's pollutant emission management in the production process, accept the supervision and inspection of the environmental protection department, and provide reference for the pollution prevention and control of enterprises, the environmental self-monitoring plan for 2024 has been formulated in accordance with the requirements of the higher authorities and the company.

(2) Monitoring items

Wastewater monitoring items: COD, NH₃-N, PH, SS, BOD, petroleum, toluene, total phosphorus, total nitrogen and sulfide.

Exhaust gas monitoring items: SO₂, NO_x, total non-methane hydrocarbons, toluene, ethanol, methanol, dichloromethane, tetrahydrofuran, odor concentration and dioxins.

Noise monitoring items: Noise of the factory boundary.

Surrounding environment quality monitoring item: Non-methane hydrocarbon, ammonia, hydrogen chloride and odor concentration.

(2) Monitoring frequency

Whole-day automatic continuous monitoring of wastewater main outlet.

Manual monitoring: COD, NH₃-N, once a day; SS, BOD, petroleum, toluene, total phosphorus, total nitrogen and sulfide, once a quarter.

Exhaust gas: SO₂, NO_x, total non-methane hydrocarbons, once a month; toluene, ethanol, methanol, dichloromethane, tetrahydrofuran, odor concentration and dioxins, once a year.

Noise is monitored once a quarter; surrounding environmental quality is monitored once every six months; all indicators of groundwater and soil are monitored once a year.

3. Lepu Pharmaceutical (Beijing) Co., Ltd.

The Company formulates a self-monitoring plan in accordance with the requirements of the government environmental protection department and the discharge permit implementation standards and entrusts a qualified third-party monitoring company to, in accordance with the requirements of discharge permit, carry out monitoring in order to improve the Company's environmental management, master the Company's emission of various pollutants, evaluate the Company's impact on the surrounding environment, strengthen the Company's emission management of pollutants in the production process, accept the supervision and inspection of the environmental protection department. All the conformity reports have been obtained.

(2) Monitoring items

Wastewater monitoring items: PH value, chemical oxygen demand, ammonia nitrogen, total phosphorus, total nitrogen, suspended solid, five-day BOD, acute toxicity, total organic carbon;

Exhaust gas monitoring items: Nitrogen oxides, particulate matter, sulfur dioxide, non-methane hydrocarbons, Riggleman blackness;

Noise monitoring items: Noise of the factory boundary;

Surrounding environment quality monitoring item: Non-methane hydrocarbon, odor concentration, hydrogen sulfide, ammonia, particulate matter.

(2) Monitoring frequency

Frequency of wastewater monitoring: PH value, chemical oxygen demand, ammonia nitrogen, total phosphorus, total nitrogen, suspended solid, and five-day BOD, once a month; acute toxicity and total organic carbon, once every six months required by the permit, once a quarter now because of the declaration to report environmental tax;

Organized exhaust gas monitoring: Nitrogen oxides, once a month in the heating seasons; non-methane hydrocarbon, sulfur dioxide, Ringelmann blackness, particulate matter once half a year;

Frequency of monitoring around unorganized exhaust gas plant boundary: Non-methane hydrocarbon, odor concentration, hydrogen sulfide, ammonia, particulate matter, once a year.

(VI) Emergency plan for environmental emergencies

In order to prevent and reduce the occurrence of environmental emergencies, control, mitigate and eliminate the hazards caused by environmental emergencies, establish and improve the emergency mechanism of environmental emergencies, improve the ability of the enterprise to deal with environmental emergencies, and effectively prevent, timely control and eliminate all kinds of environmental emergencies, the Company shall take the following measures:

- (1) Composition of headquarters
 - ① Alarm and communication
 - ② On-site rescue
- (3) Emergency rescue of environmental pollution accidents
 - ① Pollutants and main sources
 - ② Cause analysis of environmental pollution
 - ③ Emergency rescue measures for environmental pollution accidents
 - ④ Disposal of environmental pollution accidents and preventive measures
- (4) Assurance measures
 - ① Material supply guarantee
 - ② System guarantee
- (5) Training and drilling

To prevent and reduce the occurrence of sudden environmental incidents, control, reduce and eliminate the harm caused by sudden environmental incidents, establish and improve the emergency mechanism for sudden environmental incidents, improve the ability of the enterprise to deal with sudden environmental incidents, and effectively prevent, control and eliminate various sudden environmental incidents in time, the company compiled the *Emergency Plan for Environmental Emergencies of Lepu Pharmaceutical (Beijing) Co., Ltd.* in April 2024 and put it on record on the website of Changping Ecological Environment Bureau.

(VII) Conditions related to the investment in environmental governance and protection and payment of environmental protection tax

1. In the first half year of 2024, Lepu Pharmaceuticals Co., Ltd. invested CNY 1,380,000 in environmental governance and protection, and paid an environmental protection tax of CNY 11,723.6.

2. In the first half year of 2024, Zhejiang Lepu Pharmaceuticals Co., Ltd. invested CNY 9,960,000 in environmental governance and protection, and paid an environmental protection tax of CNY 663.

3. In the first half year of 2024, Lepu Pharmaceutical (Beijing) Co., Ltd. invested CNY 115,157.22 in environmental governance and protection, and paid an environmental protection tax of CNY 3,939.24.

(VIII) Administrative penalties for environmental problems during the reporting period

During the reporting period, the company and its subsidiaries were not subject to administrative penalties for environmental problems.

(IX) Other environmental information

Solid waste and hazardous waste treatment by Lepu Pharmaceutical (Beijing) Co., Ltd.:

1. *Butler Service Contract for Hazardous Waste and Environmental Protection* was signed with Beijing Jinyu Mangrove Environmental Protection Technology Co., Ltd. to deal with hazardous wastes of waste liquid, waste raw materials, waste medicine and sludge, etc.

2. *Service Contract of Kitchen Waste Transportation for Non-resident Units in Beijing*, *Service Contract of Collection and Transportation of Other Garbage*, *Service Contract of Collection and Transportation of Hazardous Waste*, and *Waste Grease Agreement* are signed with

Urban and Rural Construction Service Center of Baishan Town, Changping District, Beijing, to deal with the general wastes generated in production and life.

V. Financial statements

The unit of the statements in the financial notes is: CNY

1. Consolidated balance sheet

Preparation unit: Lepu Medical Technology (Beijing) Co., Ltd.

2024/6/30

Unit: CNY

Item	Ending balance	Beginning balance
Current assets:		
Monetary capital	3, 609, 445, 553. 31	4, 220, 754, 806. 78
Settlement reserves		
Lending funds		
Transactional financial assets	439, 442, 229. 45	275, 203, 779. 61
Derivative financial assets		
Notes receivable	93, 024, 769. 88	84, 509, 973. 95
Accounts receivable	2, 074, 569, 061. 13	1, 753, 160, 708. 35
Receivables financing	54, 165, 212. 46	83, 407, 668. 79
Advance payment	317, 762, 713. 10	320, 471, 238. 27
Premiums receivable		
Reinsurance accounts receivable		
Reserves for reinsurance contract receivable		
Other receivables	155, 668, 664. 95	110, 449, 885. 41
Wherein: Interests receivable		
Dividends receivable		
Redemptory monetary capital for sale		
Inventories	2, 265, 395, 093. 91	2, 289, 473, 586. 38
Wherein: Data resource		
Contract assets		
Held-for-sale assets		

Non-current assets due within one year	3, 635, 751. 97	3, 302, 070. 61
Other current assets	199, 945, 164. 46	184, 703, 896. 89
Total current assets	9, 213, 054, 214. 62	9, 325, 437, 615. 04
Non-current assets:		
Loan granted and advances		
Creditor's right investments		
Other creditor's right investments		
Long-term receivables	789, 854. 80	2, 968, 556. 17
Long-term equity investments	1, 260, 462, 826. 16	1, 353, 760, 737. 79
Other equity instrument investments	1, 066, 401, 635. 78	1, 190, 240, 450. 59
Other non-current financial assets	26, 500, 000. 00	26, 500, 000. 00
Investment property	387, 507, 016. 45	296, 774, 138. 94
Fixed assets	4, 120, 888, 129. 03	2, 812, 962, 375. 74
Construction in progress	487, 657, 647. 80	1, 797, 285, 664. 72
Productive biological assets		
Oil-and-gas assets		
Right-of-use assets	378, 194, 124. 20	326, 430, 233. 20
Intangible assets	1, 693, 059, 535. 40	1, 817, 546, 203. 28
Wherein: Data resource		
R&D expenses	985, 038, 877. 38	861, 745, 696. 38
Wherein: Data resource		
Goodwill	3, 752, 478, 309. 76	3, 504, 330, 628. 08
Long-term unamortized expenses	287, 065, 646. 90	256, 771, 874. 86
Deferred income tax assets	191, 476, 457. 45	167, 324, 190. 66
Other non-current assets	1, 445, 823, 443. 87	1, 282, 253, 121. 24
Total non-current assets	16, 083, 343, 504. 98	15, 696, 893, 871. 65
Total assets	25, 296, 397, 719. 60	25, 022, 331, 486. 69
Current liabilities:		
Short-term borrowings	1, 130, 116, 873. 25	1, 039, 743, 103. 15
Borrowings from the central bank		
Borrowing fund		
Trading financial liabilities		
Derivative financial liabilities		
Notes payable	88, 452, 450. 06	167, 917, 721. 65

Accounts payables	614,958,417.04	861,366,956.73
Advance receipt		
Contract liabilities	227,997,563.10	269,519,519.47
Financial assets sold for repurchase		
Deposits from customers and interbank		
Acting trading securities		
Acting underwriting securities		
Employee compensations payable	59,493,634.45	104,817,928.71
Taxes payable	119,061,729.61	199,105,826.66
Other payables	499,152,495.66	555,678,277.77
Wherein: Interests payables		
Dividends payable	30,127,944.38	3,353,503.56
Fees and commissions payable		
Reinsurance accounts payable		
Held-for-sale liabilities		
Non-current liabilities due within one year	551,122,320.17	498,035,202.06
Other current liabilities	67,186,280.71	62,471,403.25
Total current liabilities	3,357,541,764.05	3,758,655,939.45
Non-current liabilities:		
Reserves for insurance contract		
Long-term borrowings	2,290,905,446.63	1,542,190,754.84
Bonds payable	1,576,429,482.66	1,560,810,898.63
Wherein: Preferred shares		
Perpetual bonds		
Lease liabilities	292,088,819.62	269,967,672.04
Long-term payables		
Long-term payrolls payable		
Estimated liabilities		
Deferred profits	149,510,756.11	195,216,181.81
Deferred income tax liabilities	189,266,143.20	197,934,919.32
Other non-current liabilities		
Total non-current liabilities	4,498,200,648.22	3,766,120,426.64
Total liabilities	7,855,742,412.27	7,524,776,366.09

Owners' equities:		
Share capital	1, 880, 610, 558. 00	1, 880, 610, 352. 00
Other equity instruments	214, 748, 806. 19	214, 751, 048. 51
Wherein: Preferred shares		
Perpetual bonds		
Capital reserves	3, 518, 190, 904. 22	3, 464, 665, 903. 83
Minus: Treasury shares	555, 923, 164. 15	431, 064, 877. 67
Other comprehensive incomes	-181, 249, 261. 34	-80, 892, 863. 74
Special reserves		
Surplus reserves	732, 541, 206. 45	732, 541, 206. 45
General risk reserves		
Retained profits	10, 282, 080, 002. 67	10, 195, 491, 193. 93
Total equities attributable to the owners of the parent company	15, 890, 999, 052. 04	15, 976, 101, 963. 31
Minority equity	1, 549, 656, 255. 29	1, 521, 453, 157. 29
Total owners' equities	17, 440, 655, 307. 33	17, 497, 555, 120. 60
Total liabilities and owners' equities	25, 296, 397, 719. 60	25, 022, 331, 486. 69

Legal representative: Pu Zhongjie

Principal of accounting work: Wang Yong

Person in charge of accounting: Li Yun

2. Balance sheet of parent company

Unit: CNY

Item	Ending balance	Beginning balance
Current assets:		
Monetary capital	1, 049, 122, 829. 13	1, 184, 116, 971. 83
Transactional financial assets		
Derivative financial assets		
Notes receivable		
Accounts receivable	165, 215, 797. 79	197, 685, 442. 05
Receivables financing	1, 300, 000. 00	4, 495, 649. 64
Advance payment	39, 981, 434. 19	56, 169, 678. 85
Other receivables	3, 090, 381, 866. 56	2, 485, 080, 815. 54
Wherein: Interests receivable		
Dividends receivable	158, 004, 000. 00	
Inventories	253, 419, 233. 55	280, 022, 435. 78

Wherein: Data resource		
Contract assets		
Held-for-sale assets		
Non-current assets due within one year		
Other current assets	2, 216, 409. 11	3, 517, 519. 87
Total current assets	4, 601, 637, 570. 33	4, 211, 088, 513. 56
Non-current assets:		
Creditor's right investments		
Other creditor's right investments		
Long-term receivables		
Long-term equity investments	10, 170, 993, 175. 39	10, 162, 921, 459. 75
Other equity instrument investments	727, 665, 460. 82	763, 960, 974. 01
Other non-current financial assets	26, 500, 000. 00	26, 500, 000. 00
Investment property	39, 086, 132. 43	40, 113, 161. 49
Fixed assets	328, 772, 344. 12	337, 560, 085. 61
Construction in progress	1, 239, 228. 16	8, 931, 258. 75
Productive biological assets		
Oil-and-gas assets		
Right-of-use assets	18, 964, 193. 16	6, 283, 021. 14
Intangible assets	62, 025, 525. 05	48, 308, 954. 94
Wherein: Data resource		
R&D expenses	334, 294, 034. 79	317, 903, 588. 10
Wherein: Data resource		
Goodwill		
Long-term unamortized expenses	55, 562, 637. 48	55, 918, 794. 05
Deferred income tax assets	32, 678, 178. 79	30, 923, 989. 10
Other non-current assets	1, 009, 115, 731. 65	1, 133, 519, 122. 69
Total non-current assets	12, 806, 896, 641. 84	12, 932, 844, 409. 63
Deferred income tax assets	17, 408, 534, 212. 17	17, 143, 932, 923. 19
Current liabilities:		
Short-term borrowings	494, 911, 194. 42	569, 483, 266. 63
Trading financial liabilities		
Derivative financial liabilities		
Notes payable	1, 270, 400. 00	

Accounts payable	277,058,365.34	124,663,691.92
Advance receipt		
Contract liabilities	13,282,202.76	15,906,733.48
Employee compensations payable	1,645,641.85	1,543,988.37
Taxes payable	57,553,746.73	70,583,103.27
Other payables	1,884,110,683.14	2,101,762,885.38
Wherein: Interests payables		
Dividends payable	1,626,800.00	1,626,800.00
Held-for-sale liabilities		
Non-current liabilities due within one year	500,800,000.00	449,504,636.23
Other current liabilities	1,492,354.34	729,382.70
Total current liabilities	3,232,124,588.58	3,334,177,687.98
Non-current liabilities:		
Long-term borrowings	2,189,364,422.15	1,474,308,442.33
Bonds payables	1,576,429,482.66	1,560,810,898.63
Wherein: Preferred shares		
Perpetual bonds		
Lease liabilities	18,100,496.45	3,900,064.70
Long-term payables		
Long-term payrolls payable		
Estimated liabilities		
Deferred profits	9,550,000.00	10,066,666.67
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	3,793,444,401.26	3,049,086,072.33
Deferred income tax liabilities	7,025,568,989.84	6,383,263,760.31
Owners' equities:		
Share capital	1,880,610,558.00	1,880,610,352.00
Other equity instruments	214,748,806.19	214,751,048.51
Wherein: Preferred shares		
Perpetual bonds		
Capital reserves	4,069,980,521.61	4,024,106,499.27
Minus: Treasury shares	555,923,164.15	431,064,877.67

Other comprehensive incomes	40,456,242.79	58,422,369.53
Special reserves		
Surplus reserves	856,965,568.96	856,965,568.96
Retained profits	3,876,126,688.93	4,156,878,202.28
Total owners' equities	10,382,965,222.33	10,760,669,162.88
Total liabilities and owners' equities	17,408,534,212.17	17,143,932,923.19

3. Consolidated profit statement

Unit: CNY

Item	Semi-annual period in 2024	Semi-annual period in 2023
I. Total operating incomes	3,383,886,554.54	4,301,457,705.65
Wherein: Operating incomes	3,383,886,554.54	4,301,457,705.65
Interest incomes		
Earned premiums		
Incomes from service charges and commissions		
II. Total operating costs	2,586,484,750.06	3,214,116,746.52
Wherein: Operating costs	1,207,881,959.38	1,509,970,638.81
Interest expenses		
Handling fee and commission expenses		
Surrender value		
Net amount of compensation expenses		
Withdrawal of net amount of insurance liability reserve		
Policy dividends expenses		
Reinsurance expenses		
Taxes and surcharges	44,492,993.66	45,754,564.21
Selling expenses	649,472,497.84	803,746,164.81
Administrative expenses	314,234,119.66	377,645,539.43
R&D expenses	356,150,203.71	441,219,153.24
Financing expenses	14,252,975.81	35,780,686.02
Wherein: Interest expenses	87,167,026.14	86,972,386.71
Interest incomes	58,107,580.30	62,718,389.82
Plus: Other incomes	40,455,960.53	51,668,935.03
Incomes from investments (the	-19,590,896.79	-23,036,741.79

loss is expressed with "-")		
Wherein: Return on investment in associated enterprises and joint ventures	-34,139,061.71	-15,898,643.49
Incomes from derecognition of financial assets measured at the amortized costs		
Incomes from exchange (the loss is expressed with "-")		
Income from net exposure hedging (the loss is expressed with "-")		
Incomes from changes in fair value (the loss is expressed with "-")	7,178,523.94	16,271,677.41
Losses from credit impairment (the loss is expressed with "-")	-16,923,707.26	-17,866,091.94
Losses from asset impairment(the loss is expressed with "-")	-18,401,396.19	-1,938,876.67
Incomes from asset disposal (the loss is expressed with "-")	11,847,502.27	1,253,000.35
III. Operating profit (the loss is expressed with "-")	801,967,790.98	1,113,692,861.52
Plus: Non-operating incomes	8,181,536.72	36,037,091.92
Minus: Non-operating expenses	14,122,503.19	3,887,589.22
IV. Total profits (the total loss is expressed with "-")	796,026,824.51	1,145,842,364.22
Minus: Income tax expenses	106,018,680.32	147,834,970.11
V. Net profit (the net loss is expressed in with "-")	690,008,144.19	998,007,394.11
(I) Classified by operation continuity		
1. Net profit from continuing operation (the net loss is expressed in with "-")	690,008,144.19	998,007,394.11
2. Net profits from discontinuing operation (the net loss is expressed in with "-")		
(II) Classification by ownership		
1. Net profit attributable to the shareholders of parent company (the net loss is expressed with "-")	697,242,271.91	961,487,273.99
2. Minority shareholders' profit and loss (the net loss is expressed with "-")	-7,234,127.72	36,520,120.12
VI. After-tax net amount of other comprehensive incomes	-115,074,143.11	54,203,488.44
After-tax net amount of other comprehensive incomes attributable to	-98,317,628.09	66,337,058.49

the owners of the parent company		
(I) Other comprehensive incomes that cannot be reclassified into profits and losses	-87,558,200.60	42,841,334.47
1. Re-measurement of the changed amount of the defined benefit plan		
2. Other comprehensive income that cannot be converted to profit or loss under the equity method		
3. Changes in fair value of other equity instrument investments	-87,558,200.60	42,841,334.47
4. Changes in fair value of enterprise credit risk		
5. Others		
(II) Other comprehensive incomes that can be reclassified into profits and losses	-10,759,427.49	23,495,724.02
1. Other comprehensive income that can be converted to profit or loss under the equity method	117,133.05	88,434.75
2. Changes in fair value of other creditor's right investments		
3. Amounts of financial assets reclassified into other comprehensive incomes		
4. Credit impairment reserves of other creditor's right investments		
5. Cash flow hedging reserves		
6. Translation differences in foreign currency financial statements	-10,876,560.54	23,407,289.27
7. Others		
After-tax net amount of other comprehensive incomes attributable to the minority shareholders	-16,756,515.02	-12,133,570.05
VII. Total comprehensive incomes	574,934,001.08	1,052,210,882.55
Total comprehensive incomes attributable to the owners of the parent company	598,924,643.82	1,027,824,332.48
Total comprehensive incomes attributable to minority shareholders	-23,990,642.74	24,386,550.07
VIII. Earnings per share:		
(I) Basic earnings per share	0.3766	0.5163

(II) Diluted earnings per share	0.3766	0.5147
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As for the business combination under the same control in the current period, the net profit achieved by the combined party before the combination is: CNY, and the net profit achieved by the combined party for the last period is: CNY.

Legal representative: Pu Zhongjie Principal of accounting work: Wang Yong Person in charge of accounting: Li Yun

4. Profit statement of parent company

Unit: CNY

Item	Semi-annual period in 2024	Semi-annual period in 2023
I. Operating incomes	796,747,526.72	803,122,402.96
Minus: Operating costs	262,242,070.13	259,554,620.22
Taxes and surcharges	11,461,626.74	11,712,690.39
Selling expenses	89,077,397.64	80,471,794.93
Administrative expenses	94,948,423.81	122,386,183.82
R&D expenses	69,027,857.82	78,161,750.21
Financing expenses	57,722,845.70	48,552,757.68
Wherein: Interest expenses	88,575,484.51	89,772,007.55
Interest incomes	30,642,920.29	55,047,329.81
Plus: Other incomes	5,603,515.96	3,444,826.30
Incomes from investments (the loss is expressed with "-")	134,607,117.98	287,716,712.25
Wherein: Return on investment in associated enterprises and joint ventures	-28,027,982.59	-10,834,003.06
Incomes from derecognition of financial assets measured at the amortized costs		
Income from net exposure hedging (the loss is expressed with "-")		
Incomes from changes in fair value (the loss is expressed with "-")		15,609,168.55
Losses from credit impairment (the loss is expressed with "-")	10,629,454.00	-1,197,097.30
Losses from asset impairment(the loss is expressed with "-")	-2,611,739.84	-1,182,407.86
Incomes from asset disposal (the loss is expressed with "-")		
II. Operating profit (the loss is expressed with "-")	360,495,652.98	506,673,807.65
Plus: Non-operating incomes	259,619.07	28,627.58
Minus: Non-operating expenses	369,937.61	202,302.48
III. Total profits (the total loss is expressed with "-")	360,385,334.44	506,500,132.75

Minus: Income tax expenses	28,444,615.11	23,191,858.37
IV. Net profit (the net loss is expressed in with "-")	331,940,719.33	483,308,274.38
(I) Net profit from continuing operation (the net loss is expressed in with "-")	331,940,719.33	483,308,274.38
(II) Net profits from discontinuing operation (the net loss is expressed in with "-")		
V. After-tax net amount of other comprehensive incomes	-17,966,126.74	34,523,871.11
(I) Other comprehensive incomes that cannot be reclassified into profits and losses	-18,083,259.79	34,598,798.49
1. Re-measurement of the changed amount of the defined benefit plan		
2. Other comprehensive income that cannot be converted to profit or loss under the equity method		
3. Changes in fair value of other equity instrument investments	-18,083,259.79	34,598,798.49
4. Changes in fair value of enterprise credit risk		
5. Others		
(II) Other comprehensive incomes that can be reclassified into profits and losses	117,133.05	-74,927.38
1. Other comprehensive income that can be converted to profit or loss under the equity method	117,133.05	-74,927.38
2. Changes in fair value of other creditor's right investments		
3. Amounts of financial assets reclassified into other comprehensive incomes		
4. Credit impairment reserves of other creditor's right investments		
5. Cash flow hedging reserves		
6. Translation differences in foreign currency financial statements		
7. Others		
VI. Total comprehensive incomes	313,974,592.59	517,832,145.49

VII. Earnings per share:		
(I) Basic earnings per share		
(II) Diluted earnings per share		

5. Consolidated cash flow statement

Unit: CNY

Item	Semi-annual period in 2024	Semi-annual period in 2023
I. Cash flow generated from operating activities:		
Cash received from sales of goods and provision of labor services	3, 128, 917, 177. 65	4, 354, 132, 995. 71
Net increase of deposits from customers and other banks		
Net increase in borrowings from the central bank		
Net increase in borrowing funds from other financial institutions		
Cash received from the original insurance contract premium		
Net cash received from reinsurance premiums		
Net increase in policy holder deposits and investment funds		
Cash collected from interests, service charges and commissions		
Net increase in borrowing funds		
Net capital increase of repurchase business		
Net cash received from vicariously traded securities		
Refund of taxes and dues received	62, 634, 050. 27	68, 129, 828. 24
Other cash received related to operating activities	92, 514, 739. 67	103, 700, 549. 00
Subtotal of cash inflows from operating activities	3, 284, 065, 967. 59	4, 525, 963, 372. 95
Cash paid for purchase of goods and acceptance of labor services	948, 281, 434. 76	1, 551, 277, 396. 15
Net increase in customer loans and advances		
Net increase of deposits in central bank and other banks		
Cash paid for indemnity of original insurance contract		

Net increase in lending funds		
Cash paid for interests, service charges and commissions		
Cash paid for policy dividends		
Cash paid to and for employees	977, 633, 617. 30	1, 247, 456, 846. 24
All taxes and dues paid	560, 061, 209. 60	683, 209, 384. 58
Other cash paid related to operating activities	639, 203, 690. 92	902, 318, 152. 80
Subtotal of cash outflows from operating activities	3, 125, 179, 952. 58	4, 384, 261, 779. 77
Net cash flow generated from operating activities	158, 886, 015. 01	141, 701, 593. 18
II. Cash flow generated from investing activities:		
Cash received from withdrawing investment	187, 176, 385. 37	281, 128, 135. 78
Cash received from obtaining incomes from investment	8, 081, 061. 02	35, 630, 696. 93
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	29, 835, 717. 03	6, 049, 538. 67
Net cash received from disposal of subsidiaries and other business units	15, 250, 149. 21	
Other cash received related to investing activities	12, 235, 724. 68	2, 694, 175. 14
Subtotal of cash inflows from investing activities	252, 579, 037. 31	325, 502, 546. 52
Net cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	374, 339, 929. 63	514, 712, 513. 73
Cash paid for investments	480, 980, 471. 92	321, 752, 357. 06
Net increase in pledged loans		
Net cash paid for disposal of subsidiaries and other business entities	20, 344, 849. 89	1, 427, 220. 04
Other cash paid related to investing activities	199, 105, 705. 45	90, 875, 108. 80
Subtotal of cash outflows from investing activities	1, 074, 770, 956. 89	928, 767, 199. 63
Net cash flow generated from investing activities	-822, 191, 919. 58	-603, 264, 653. 11
III. Cash flow generated from financing activities:		

Cash received from attracting investment		225,824,124.80
Wherein: Cash received by subsidiaries from absorbing investments from minority shareholders		225,824,124.80
Cash received from obtaining borrowings	2,032,257,211.50	1,879,058,286.00
Other cash received related to financing activities	34,404,358.37	50,467,752.30
Subtotal of cash inflows from financing activities	2,066,661,569.87	2,155,350,163.10
Cash paid for the repayment of debts	1,108,011,200.00	1,382,625,000.00
Cash paid for the distribution of dividends and profits or the repayment of interests	676,513,781.64	698,099,233.26
Wherein: Dividends and profits paid to minority shareholders by subsidiaries		
Other cash paid related to financing activities	261,369,105.53	153,292,187.39
Subtotal of cash outflows from financing activities	2,045,894,087.17	2,234,016,420.65
Net cash flow generated from financing activities	20,767,482.70	-78,666,257.55
IV. Influence of fluctuation in exchange rate on cash and cash equivalents	2,887,826.88	-15,561,136.98
V. Net increase amount in cash and cash equivalents	-639,650,594.99	-555,790,454.46
Plus: Balance of cash and cash equivalents at the beginning of the period	4,099,954,989.87	5,309,297,789.78
VI. Balance of cash and cash equivalents at the end of the period	3,460,304,394.88	4,753,507,335.32

6. Cash flow statement of parent company

Unit: CNY

Item	Semi-annual period in 2024	Semi-annual period in 2023
I. Cash flow generated from operating activities:		
Cash received from sales of goods and provision of labor services	887,392,013.46	873,065,670.15
Refund of taxes and dues received	646,734.19	826,970.34
Other cash received related to operating activities	15,944,240.96	23,076,739.07

Subtotal of cash inflows from operating activities	903, 982, 988. 61	896, 969, 379. 56
Cash paid for purchase of goods and acceptance of labor services	103, 602, 289. 77	177, 203, 579. 63
Cash paid to and for employees	251, 488, 576. 86	306, 400, 575. 73
All taxes and dues paid	130, 507, 562. 60	119, 435, 648. 16
Other cash paid related to operating activities	135, 634, 370. 44	118, 598, 770. 61
Subtotal of cash outflows from operating activities	621, 232, 799. 67	721, 638, 574. 13
Net cash flow generated from operating activities	282, 750, 188. 94	175, 330, 805. 43
II. Cash flow generated from investing activities:		
Cash received from withdrawing investment	13, 744, 624. 49	9, 211, 579. 80
Cash received from obtaining incomes from investment	4, 514, 549. 53	308, 720, 000. 00
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		3, 546. 50
Net cash received from disposal of subsidiaries and other business units	258, 850, 404. 62	
Other cash received related to investing activities	186, 045, 223. 75	672, 896. 66
Subtotal of cash inflows from investing activities	463, 154, 802. 39	318, 608, 022. 96
Net cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	6, 318, 426. 16	43, 009, 248. 09
Cash paid for investments	72, 000, 000. 00	75, 404, 319. 21
Net cash paid for disposal of subsidiaries and other business entities	245, 718, 725. 00	275, 258, 923. 58
Other cash paid related to investing activities	44, 890, 000. 00	48, 250, 000. 00
Subtotal of cash outflows from investing activities	368, 927, 151. 16	441, 922, 490. 88
Net cash flow generated from investing activities	94, 227, 651. 23	-123, 314, 467. 92
III. Cash flow generated from financing activities:		
Cash received from attracting investment		

Cash received from obtaining borrowings	1, 576, 000, 000. 00	1, 470, 000, 000. 00
Other cash received related to financing activities		49, 267, 707. 71
Subtotal of cash inflows from financing activities	1, 576, 000, 000. 00	1, 519, 267, 707. 71
Cash paid for the repayment of debts	882, 011, 200. 00	1, 200, 625, 000. 00
Cash paid for the distribution of dividends and profits or the repayment of interests	672, 635, 859. 38	702, 991, 984. 55
Other cash paid related to financing activities	550, 936, 023. 06	52, 510, 917. 13
Subtotal of cash outflows from financing activities	2, 105, 583, 082. 44	1, 956, 127, 901. 68
Net cash flow generated from financing activities	-529, 583, 082. 44	-436, 860, 193. 97
IV. Influence of fluctuation in exchange rate on cash and cash equivalents	319, 390. 41	-18, 085, 169. 36
V. Net increase amount in cash and cash equivalents	-152, 285, 851. 86	-402, 929, 025. 82
Plus: Balance of cash and cash equivalents at the beginning of the period	1, 158, 662, 551. 05	2, 451, 299, 231. 74
VI. Balance of cash and cash equivalents at the end of the period	1, 006, 376, 699. 19	2, 048, 370, 205. 92

7. Consolidated statement of changes in owners' equities

Amount of the current period

Unit: CNY

Item	Semi-annual period in 2024													
	Equities attributable to the owners of the parent company													Minority equity
	Share capital	Pref erred shares	Perpetual bonds	Others	Capital reserves	Min us: Treasury shares	Other comprehensive income	Special reserves	Surplus reserves	General risk reserves	Retained profits	Others	Subtotal	
I. Year-end balance of the last year	1, 880, 610, 352. 00			214, 751, 048. 51	3, 464, 665, 903. 83	431, 064, 877. 67	- 80, 892, 863. 74		732, 541, 206. 45		10, 195, 491, 193. 93		15, 976, 101, 963. 31	17, 497, 551, 20. 60

Plus: Changes in accounting policies															
Early error correction															
Others															
II. Beginning balance of the current year	1,880,610,352.00			214,751,048.51	3,464,665,903.83	431,064,877.67	-80,892,863.74			732,541,206.45		10,195,491,193.93	15,976,104,911.31	1,521,453,157.29	17,497,551,206.60
III. Increase/decrease in the current period (the decrease is expressed with "-")	206.00			-2,242.32	53,525,000.39	124,858,286.48	-100,356,397.60					86,588,808.74	-85,102,911.27	28,203,098.00	-56,899,813.27
(I) Total comprehensive incomes							-98,317,628.09					697,242,271.91	598,924,643.82	-23,990,642.74	574,934,001.08
(II) Invested and reduced capitals of the owner	206.00			-2,242.32	16,519,643.42	124,858,286.48							-108,340,679.38	81,841,239.09	-26,499,440.29
1. Ordinary shares invested by the owners															
2. Invested capital of other equity instruments holders	206.00			-2,242.32	7,121.35								5,085.03		5,085.03
3. Amount of share-based payment included into owners' equities					26,902,661.94								26,902,661.94	3,083,665.36	29,986,327.30
4. Others					-10,390	124,858,286.48							-135,24	78,757,57	-56,490

					, 13 9. 8 7	86. 48							8, 4 26. 35	3. 7 3	, 85 2. 6 2
(III) Profit distribution											– 612 , 69 2, 2 32. 68		– 612 , 69 2, 2 32. 68	– 29, 647 , 49 8. 3 5	– 642 , 33 9, 7 31. 03
1. Withdrawal surplus reserves															
2. Withdraw of general risk reserves															
3. Distribution to owners (or shareholders)											– 612 , 69 2, 2 32. 68		– 612 , 69 2, 2 32. 68	– 29, 647 , 49 8. 3 5	– 642 , 33 9, 7 31. 03
4. Others															
(IV) Internal carry-over of owners' equities							– 2, 0 38, 769 . 51				2, 0 38, 769 . 51				
1. Paid-in capital (or share capital) transferred from capital reserves															
2. Paid-in capital (or share capital) transferred from surplus reserves															
3. Surplus reserves offsetting loss															
4. Retained incomes of the changed amount carry-over in the defined benefit plan															

5. Retained earnings of the carry-over in other comprehensive incomes							- 2,038,769.51				2,038,769.51				
6. Others															
(V) Special reserves															
1. Withdrawal in the current period															
2. Use in the current period															
(VI) Others					37,005,356.97								37,005,356.97		37,005,356.97
IV. Ending balance of the current period	1,880,610,558.00			214,748,806.19	3,518,190,904.22	555,923,164.15	-181,249,261.34		732,541,206.45		10,282,080,002.67		15,890,999,052.04	1,549,656,255.29	17,440,655,307.33

Amount of the previous year

Unit: CNY

Item	Semi-annual period in 2023														
	Equities attributable to the owners of the parent company													Minority equity	Total owners' equities
	Share capital	Other equity instruments			Capital reserves	Minus: Treasury shares	Other comprehensive incomes	Special reserves	Surplus reserves	General risk reserves	Retained profits	Others	Subtotal		
I. Year-end balance of the last year	1,880,609,691.00			214,753,553.08	3,243,079,193.31	355,820,438.37	-90,764,197.71		664,046,161.45		9,590,298,798.54		15,146,202,761.30	1,224,280,502.89	16,370,483,264.19
Plus: Changes in accounting policies															
Ear															

ly error correction															
Ot hers															
II. Beginning balance of the current year	1,880,609,691.00			214,753,553.08	3,243,079,193.31	355,820,438.37	-90,764,197.71		664,046,161.45		9,590,298,798.54		15,146,202,761.30	1,224,280,502.89	16,370,483,264.19
III. Increase/decrease in the current period (the decrease is expressed with "-")	345.00			-1,324.40	182,529,453.56		39,203,631.96				353,563,949.41		575,296,055.53	81,862,840.14	657,158,895.67
(I) Total comprehensive incomes							66,337,058.49				961,487,273.99		1,027,824,332.48	24,386,550.07	1,052,210,882.55
(II) Invested and reduced capitals of the owner	345.00			-1,324.40	180,286,621.77								180,285,642.37	63,551,104.73	243,836,747.10
1. Ordinary shares invested by the owners															
2. Invested capital of other equity instruments holders	345.00			-1,324.40	10,120.40								9,141.00		9,141.00
3. Amount of share-based payment included into owners' equities					81,849,939.30								81,849,939.30	3,441,566.35	85,291,505.65
4. Others					98,426,562.07								98,426,562.07	60,109,538.8	158,536,100.45
(III) Profit distribution											-635,056.7		-635,056.7	-6,074,814	-641,131.5

											51. 11		51. 11	. 66	65. 77
1. Withdrawal surplus reserves															
2. Withdraw of general risk reserves															
3. Distribution to owners (or shareholders)											- 635 , 05 6, 7 51. 11		- 635 , 05 6, 7 51. 11	- 6, 0 74, 814 . 66	- 641 , 13 1, 5 65. 77
4. Others															
(IV) Internal carry-over of owners' equities							- 27, 133 , 42 6. 5 3				27, 133 , 42 6. 5 3				
1. Paid-in capital (or share capital) transferred from capital reserves															
2. Paid-in capital (or share capital) transferred from surplus reserves															
3. Surplus reserves offsetting loss															
4. Retained incomes of the changed amount carry-over in the defined benefit plan															
5. Retained earnings of the carry-over in other comprehensive incomes							- 27, 133 , 42 6. 5 3				27, 133 , 42 6. 5 3				

6. Others															
(V) Special reserves															
1. Withdrawal in the current period															
2. Use in the current period															
(VI) Others					2, 242, 831. 79								2, 242, 831. 79		2, 242, 831. 79
IV. Ending balance of the current period	1, 880, 610. 03			214, 752. 28. 68	3, 425, 608. 64. 87	355, 820. 438. 37	- 51, 560. 56. 75		664, 046. 161. 45		9, 943, 862. 74. 95		15, 721, 498. 83	1, 306, 143. 34. 3	17, 027, 642. 159. 86

8. Statement of changes in owners' equities of parent company

Amount of the current period

Unit: CNY

Item	Semi-annual period in 2024											
	Share capital	Other equity instruments			Capital reserves	Minus : Treasury shares	Other comprehensive incomes	Special reserves	Surpluses reserves	Retained profits	Others	Total owners' equities
		Preferred shares	Perpetual bonds	Others								
I. Year-end balance of the last year	1, 880, 610. 352. 00			214, 751. 048. 51	4, 024, 106, 499. 27	431, 064. 877. 67	58, 422, 369. 53		856, 965. 568. 96	4, 156, 878, 202. 28		10, 760, 669, 162. 88
Plus: Changes in accounting policies												
Early error correction												
Others												
II. Beginning balance of the current year	1, 880, 610. 352. 00			214, 751. 048. 51	4, 024, 106, 499. 27	431, 064. 877. 67	58, 422, 369. 53		856, 965. 568. 96	4, 156, 878, 202. 28		10, 760, 669, 162. 88

III. Increase/decrease in the current period (the decrease is expressed with "-")	206.00			-2,242.32	45,874,022.34	124,858,286.48	-17,966,126.74			-280,751,513.35		-377,703,940.55
(I) Total comprehensive incomes							-17,966,126.74			331,940,719.33		313,974,592.59
(II) Invested and reduced capitals of the owner	206.00			-2,242.32	9,037,872.01	124,858,286.48						-115,822,450.79
1. Ordinary shares invested by the owners												
2. Invested capital of other equity instruments holders	206.00			-2,242.32	7,121.35							5,085.03
3. Amount of share-based payment included into owners' equities					9,030,750.66							9,030,750.66
4. Others						124,858,286.48						-124,858,286.48
(III) Profit distribution										-612,692,232.68		-612,692,232.68
1. Withdrawal surplus reserves												
2. Distribution to owners (or shareholders)										-612,692,232.68		-612,692,232.68
3. Others												
(IV) Internal carry-over of owners'												

equities												
1. Paid-in capital (or share capital) transferred from capital reserves												
2. Paid-in capital (or share capital) transferred from surplus reserves												
3. Surplus reserves offsetting loss												
4. Retained incomes of the changed amount carry-over in the defined benefit plan												
5. Retained earnings of the carry-over in other comprehensive incomes												
6. Others												
(V) Special reserves												
1. Withdrawal in the current period												
2. Use in the current period												
(VI) Others					36,836,150.33							36,836,150.33
IV. Ending balance of the current period	1,880,610,558.00			214,748,806.19	4,069,980,521.61	555,923,164.15	40,456,242.79		856,965,568.96	3,876,126,688.93		10,382,965,222.33

Amount of the last period

Unit: CNY

Item	Semi-annual period in 2023											
	Share capital	Other equity instruments			Capital reserves	Minus : Treasury shares	Other comprehensive incomes	Special reserves	Surplus reserves	Retained profits	Others	Total owner's equities
		Preferred shares	Perpetual bonds	Others								
I. Year-end balance of the last year	1,880,609,691.00			214,753,553.08	3,887,723,492.11	355,820,438.37	-3,824,056.34		788,470,523.96	4,155,531,196.05		10,567,443,961.49
Plus: Changes in accounting policies												
Early error correction												
Others												
II. Beginning balance of the current year	1,880,609,691.00			214,753,553.08	3,887,723,492.11	355,820,438.37	-3,824,056.34		788,470,523.96	4,155,531,196.05		10,567,443,961.49
III. Increase/decrease in the current period (the decrease is expressed with "-")	345.00			-1,324.40	54,256,051.43		34,523,871.11			-151,748,476.73		-62,969,533.59
(I) Total comprehensive incomes							34,523,871.11			483,308,274.38		517,832,145.49
(II) Invested and reduced capitals of the owner	345.00			-1,324.40	52,044,661.42							52,043,682.02
1. Ordinary shares invested by the owners												
2. Invested capital of other equity instruments holders	345.00			-1,324.40	10,120.40							9,141.00
3. Amount of share-based payment included into					56,016,623.99							56,016,623.99

owners' equities												
4. Others					- 3,982 ,082. 97							- 3,982 ,082. 97
(III) Profit distribution										- 635,0 56,75 1.11		- 635,0 56,75 1.11
1. Withdrawal surplus reserves												
2. Distribution to owners (or shareholders)										- 635,0 56,75 1.11		- 635,0 56,75 1.11
3. Others												
(IV) Internal carry-over of owners' equities												
1. Paid-in capital (or share capital) transferred from capital reserves												
2. Paid-in capital (or share capital) transferred from surplus reserves												
3. Surplus reserves offsetting loss												
4. Retained incomes of the changed amount carry-over in the defined benefit plan												
5. Retained earnings of the carry-over in other comprehensive incomes												

6. Others												
(V) Special reserves												
1. Withdrawal in the current period												
2. Use in the current period												
(VI) Others					2,211,390.01							2,211,390.01
IV. Ending balance of the current period	1,880,610,036.00			214,752,228.68	3,941,979,543.54	355,820,438.37	30,699,814.77		788,470,523.96	4,003,782,719.32		10,504,474,427.90