Security code: 000963 Stock abbreviation: Huadong Medicine Announcement No.: 2025-098

Huadong Medicine Co., Ltd.

Third Quarterly Report 2025

The Company and all members of the Board of Directors hereby guarantee that the information presented in this report is authentic, accurate and complete and free of any false records, misleading statements or material omissions.

Important Declaration:

1. The Board of Directors, directors and senior managers of Huadong Medicine Co., Ltd. (hereinafter referred to as the "Company") hereby guarantee that the information presented in the Report is authentic, accurate and complete and free of false records, misleading statements or material omissions, and shall undertake individual and joint legal liabilities.

2. The Company's legal representative, the officer in charge of accounting, and the head of accounting department (accounting supervisor) hereby declare that the financial information in this quarterly report is authentic, accurate and complete.

3. Has the Third Quarterly Financial Accounting Report been audited?

□Yes ☑No

According to “Stock Listing Rules of the Shenzhen Stock Exchange”, if listed companies have both Chinese and other language version of public notice, they should ensure the content of both versions are the same. In the case of discrepancy, the original version in Chinese shall prevail.

I. Key Financial Data

(I) Key accounting data and financial indicators

Does the Company need to retroactively adjust or restate the accounting data of previous years?

□Yes ☑No

	Current reporting period	Increase or decrease during the current reporting period compared with the same period of last year	Beginning of the year to the end of the reporting period	Change from the beginning of the year to the end of the reporting period over the end of last year
Operating revenue (RMB)	10,989,214,170.47	4.53%	32,664,143,135.68	3.77%
Net profit attributable to shareholders of the listed company (RMB)	933,089,158.25	7.71%	2,747,916,019.11	7.24%
Net profit attributable to shareholders of the listed company after deduction of non-recurring gains and losses (RMB)	931,780,891.87	8.77%	2,693,515,147.85	8.53%
Net cash flow from operating activities (RMB)	—	—	2,610,851,944.18	4.17%
Basic earnings per share (RMB/share)	0.5389	8.45%	1.5682	7.09%
Diluted earnings per share (RMB/share)	0.5320	7.41%	1.5666	7.02%
Weighted average return on equity	3.79%	-0.11%	11.39%	-0.31%
	End of the current reporting period	End of the last year	Increase or decrease at the end of the current reporting period compared with the end of the last year	
Total assets (RMB)	39,928,783,200.48	37,879,046,367.15	5.41%	
Owners' equity attributable to shareholders of listed companies (RMB)	24,132,887,034.31	23,060,051,397.36	4.65%	

(II) Non-recurring profit and loss items and amounts

☑Applicable □Not applicable

Unit: RMB

Item	Amount during the current reporting period	Amount from the beginning of the year to the end of the reporting period	Description
Gains and losses on disposal of non-current assets (including the write-off of provision for impairment of assets)	9,885,974.34	1,817,243.94	
Government grants included in the current profits and losses (except those that are closely related to the normal business operation of the Company, comply with national policies and	32,621,540.72	163,478,438.74	

regulations, are enjoyed in accordance with the defined criteria, and have a lasting impact on the Company's profits and losses)			
Reversal of impairment provision of receivables individually tested for impairment	0.00	100,000.00	
Other non-operating revenue and expenses other than those mentioned above	-39,542,738.93	-87,678,084.92	
Other gain and loss items conforming to the definition of non-recurring gains and losses	0.00	-6,672,178.39	
Less: Amount affected by income tax	-2,254,916.50	8,356,574.12	
Amount affected by minority interests (after tax)	3,911,426.25	8,287,973.99	
Total	1,308,266.38	54,400,871.26	--

Details of other gain and loss items conforming to the definition of non-recurring gains and losses:

□Applicable ☑Not applicable

The Company has no other specific circumstances of profit and loss items that meet the definition of non-recurring gains and losses.

An explanation of the fact that the non-recurring gain and loss items listed in the *Explanatory Announcement No.1 on Information Disclosure by Companies that Offer Securities to the Public - Non-recurring Gains and Losses* are defined as recurring profit and loss items

□Applicable ☑Not applicable

The Company did not define the non-recurring gain and loss items listed in the *Explanatory Announcement No.1 on Information Disclosure by Companies that Offer Securities to the Public - Non-recurring Gains and Losses* as recurring profit and loss items.

(III) Details and reasons for changes in key accounting data and financial indicators

☑Applicable □Not applicable

Unit: RMB 10,000

Items in the balance sheet	Closing balance	Opening balance	Percentage change	Reasons for changes
Notes receivable	563.08	1,069.63	-47.36%	Mainly attributable to the decrease in commercial acceptance bills receivable during the current period
Receivables financing	64,291.85	167,763.64	-61.68%	Mainly attributable to discounting of bank acceptance bills during the current period
Accounts receivable	1,113,066.93	842,535.89	32.11%	Mainly attributable to the increase in accounts receivable in the current period
Other receivables	78,215.86	40,287.04	94.15%	Mainly attributable to the increase in provisional payment receivable in the current period
Notes payable	367,598.71	257,668.59	42.66%	Mainly due to the increase in the issuance of notes in the current period
Contract liabilities	11,592.98	17,360.91	-33.22%	Mainly attributable to the decrease in advance payments received in the current period
Employee compensation payable	23,839.57	41,713.31	-42.85%	Mainly attributable to remuneration paid during the current period
Taxes and dues payable	40,074.77	64,595.09	-37.96%	Mainly attributable to the payment of taxes and fees
Non-current liabilities	10,750.70	33,052.89	-67.47%	Mainly attributable to the repayment of long-term

due within one year				borrowings due within one year in the current period
Long-term borrowings	29,886.77	1,426.28	1995.43%	Mainly attributable to the increase in long-term borrowings in the current period
Lease liabilities	10,089.07	7,185.79	40.40%	Mainly attributable to additional leases contract in the current period
Other comprehensive income	3,276.34	-5,059.82	164.75%	Mainly attributable to the increase in foreign currency translation differences in the current period
Items in the profit statement	**Amount in the current period**	**Amount in the previous period**	**Percentage change**	**Reasons for changes**
R&D expenses	150,759.08	94,866.29	58.92%	Mainly attributable to the increase in R&D investment in the current period
Financial expenses	1,132.76	3,801.78	-70.20%	Mainly attributable to the increase in exchange earning in the current period
Investment income	-11,936.81	-8,671.03	-37.66%	Mainly attributable to the decrease in investment income recognized from associates in the current period
Credit impairment losses	-8,395.94	-5,793.99	-44.91%	Mainly attributable to the increase in the bad debt provision for receivables
Items in the cash flow statement	**Amount in the current period**	**Amount in the previous period**	**Percentage change**	**Reasons for changes**
Net cash flows from investing activities	-107,839.19	-160,445.56	32.79%	Mainly attributable to the decrease in investment in the current period
Net cash flow from financing activities	-236,263.79	-116,141.66	-103.43%	Mainly attributable to a year-on-year decrease in interest-bearing liabilities and payments made for the acquisition of minority interests in the current period

II. Shareholder Information

(I) Total number of common shareholders, number of preferred shareholders with restored voting rights and shareholdings of top 10 shareholders

Unit: Shares

Total number of common shareholders at the end of the reporting period		68,793	Total number of preferred shareholders with restored voting rights at the end of the reporting period (if any)		0
Shareholdings of top 10 shareholders (excluding shares lent through refinancing)					
Name of shareholder	Nature of shareholder	Shareholding ratio	Number of shares held	Number of shares held with restricted sale conditions	Pledged, marked or frozen status
					Status of shares / Quantity
China Grand Enterprises, INC.	Domestic non-state-owned legal person	41.67%	730,938,157	0	Pledged / 143,880,000
Hangzhou Huadong Medicine Group Co., Ltd.	State-owned legal person	16.42%	288,000,000	0	Not applicable / 0
Hong Kong Securities Clearing Company Limited	Overseas legal person	2.96%	52,003,638	0	Not applicable / 0
China Securities Finance Corporation	Domestic non-state-owned legal person	1.26%	22,186,818	0	Not applicable / 0

Limited						
Industrial and Commercial Bank of China Limited - Zhong Ou AMC Medical and Health Hybrid Securities Investment Fund	Others	1.15%	20,115,229	0	Not applicable	0
New China Life Insurance Co., Ltd. - Dividend - Individual Dividend - 018L-FH002 Shenzhen	Others	1.13%	19,791,994	0	Not applicable	0
National Social Security Fund - Portfolio 112	Others	0.97%	16,989,744	0	Not applicable	0
New China Life Insurance Co., Ltd. - Traditional - General Insurance Products - 018L-CT001 Shenzhen	Others	0.89%	15,597,134	0	Not applicable	0
Industrial and Commercial Bank of China Limited - Huatai-PB CSI 300 Open-ended Index Fund	Others	0.85%	14,882,245	0	Not applicable	0
China Construction Bank Corporation - E Fund CSI 300 Medical and Health Trading Open Index Securities Investment Fund	Others	0.63%	10,986,410	0	Not applicable	0

Shareholdings of top 10 shareholders without restricted sale conditions (excluding shares lent through refinancing and restricted shares held by senior managers)

Name of shareholder	Number of shares held without restricted sale conditions	Types and number of shares	
		Type of shares	Quantity
China Grand Enterprises, INC.	730,938,157	RMB common shares	730,938,157
Hangzhou Huadong Medicine Group Co., Ltd.	288,000,000	RMB common shares	288,000,000
Hong Kong Securities Clearing Company Limited	52,003,638	RMB common shares	52,003,638
China Securities Finance Corporation Limited	22,186,818	RMB common shares	22,186,818
Industrial and Commercial Bank of China Limited - Zhong Ou AMC Medical and Health Hybrid Securities Investment Fund	20,115,229	RMB common shares	20,115,229

New China Life Insurance Co., Ltd. - Dividend - Individual Dividend - 018L-FH002 Shenzhen	19,791,994	RMB common shares	19,791,994
National Social Security Fund - Portfolio 112	16,989,744	RMB common shares	16,989,744
New China Life Insurance Co., Ltd. - Traditional - General Insurance Products - 018L-CT001 Shenzhen	15,597,134	RMB common shares	15,597,134
Industrial and Commercial Bank of China Limited - Huatai-PB CSI 300 Open-ended Index Fund	14,882,245	RMB common shares	14,882,245
China Construction Bank Corporation - E Fund CSI 300 Medical and Health Trading Open Index Securities Investment Fund	10,986,410	RMB common shares	10,986,410
Description of affiliation or concerted action of the above shareholders	The Company did not know whether there was any relationship among the above shareholders, or whether they were parties acting in concert.		
Description of the participation in securities margin trading business of top 10 shareholders (if any)	As of the end of the current reporting period, none of the top 10 common shareholders of the Company held shares of the Company through securities margin trading accounts.		

Participation in the lending of shares through refinancing business of shareholders holding more than 5% of shares, top 10 shareholders and top 10 shareholders holding tradable shares without restricted sale conditions

□Applicable ☑Not applicable

Change in top 10 shareholders and top 10 shareholders holding tradable shares without restricted sale conditions due to lending/returning of shares through refinancing as compared to the previous period

□Applicable ☑Not applicable

(II) Total number of preferred shareholders and shareholding list of top 10 preferred shareholders of the Company

□Applicable ☑Not applicable

Ⅲ. Other Important Matters

☑Applicable □Not applicable

(I) Overview of the Company's overall operations during the reporting period

Guided by the principles of "promoting entrepreneurial spirit, deepening reforms, strengthening organizational systems, and capturing development opportunities", the Company, during the reporting period, maintained a strong focus on overall strategic planning and annual operational objectives. It steadily advanced research and development as well as clinical trials, optimized production process efficiency and dynamic cost management, enhanced internal coordination and collaboration, and improved organizational effectiveness, thereby ensuring the effective execution of various business management tasks.

From January to September 2025, the Company achieved total operating revenue of RMB32.664 billion, a year-on-year increase of 3.77%; net profit attributable to shareholders of the listed company was RMB2.748 billion, a year-on-year increase of 7.24%; and net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses was

RMB2.694 billion, a year-on-year increase of 8.53%.

Specifically, in Q3 2025, the Company achieved total operating revenue of RMB10.989 billion, a year-on-year increase of 4.53%; net profit attributable to shareholders of the listed company was RMB933 million, a year-on-year increase of 7.71%; and net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses was RMB932 million, a year-on-year increase of 8.77%.

The Company maintained stable and favorable overall operations. In Q4 2025, it will continue to rigorously execute the annual operational plan, efficiently advancing research, production, and business activities, with a view to achieving the full-year performance targets.

From January to September 2025, the Company's core pharmaceutical subsidiary, Zhongmei Huadong, sustained a stable growth trend in overall operations, achieving operating revenue (including CSO business) of RMB11.045 billion, representing a year-on-year increase of 11.10%; and achieved consolidated net profit attributable to the parent company in the amount of RMB2.475 billion, with a year-on-year increase of 15.62%. In the third quarter, it recorded operating revenue of RMB3.728 billion (including CSO business), representing a year-on-year increase of 14.95%, and a net profit attributable to the parent company of RMB894 million, up 18.43% year-on-year.

During the reporting period, the Company concentrated on the strategic priority of commercializing innovative products and actively pursued the expansion of its market presence. These initiatives have begun to yield tangible results, with innovative products making an increasingly significant contribution to revenue. Specifically, from January to September 2025, the Company's revenue from innovative products sales and agency services totaled RMB1.675 billion, representing a significant year-on-year increase of 62%. Among these, Mirvetuximab Soravtansine Injection (trade name: ELAHERE®) utilized the "Hong Kong-Macao Medical Devices and Pharmaceuticals Access Scheme" to pioneer its market entry, generating sales revenue of over RMB45 million from January to September 2025, andits domestic market launch is progressing smoothly and is scheduled for an official rollout in November 2025.

Zevorcabtagene Autoleucel Injection (trade name: Saikaize®), the CAR-T product exclusively commercialized by Zhongmei Huadong, continues to be included in an increasing number of local government-subsidized insurance programs and commercial insurance plans, thereby improving patient accessibility. Meanwhile, the number of certified and registered medical institutions for this product has steadily increased, further accelerating market penetration. In the reporting period, a demand of this product commercialization has increased significantly. Specifically, from January to September 2025, the Company placed 170 valid orders with its

partner, CARsgen Therapeutics, exceeding the total number of orders for the entire previous year. Furthermore, the first domestically produced Ustekinumab Injection (trade name: SAILEXIN®) in the autoimmune field, along with the Class 1 new drug in the diabetes field, Ganagliflozin Proline Tablets (trade name: Huiyoujing®), have sustained rapid quarterly sales growth, driven by their clinical value and market promotion efforts.

In addition, the Company's exclusive promotion of the new 1.5-generation PARP inhibitor Senaparib Capsules (trade name: Paishuning®) has delivered strong market performance, with sales doubling month-on-month in the third quarter. Concurrently, the Company is actively preparing for national medical insurance and commercial insurance negotiations for its three innovative products—Paishuning®, ELAHERE® and Saikaize® in the fourth quarter of 2025, aiming to enhance patient accessibility, expand sales channels, and accelerate market penetration.

Huadong Medicine (Guizhou) Pharmaceutical Co., Ltd. (hereinafter referred to as "Guizhou Corporation") focuses on achieving breakthroughs in its core products. By establishing a professional, self-operated promotion team, it is fully committed to facilitating the market access of Shang Ke Ling® in large and medium-sized hospitals as well as its coverage in retail pharmacies. Therefore, Guizhou Corporation's overall operations continue to grow rapidly. Specifically, from January to September 2025, Guizhou Corporation achieved operating revenue of RMB172 million, representing a year-on-year increase of 194%, and a net profit of RMB53 million, up 489% year-on-year, with its profitability continuing to strengthen.

In the reporting period, the Company actively expanded its medical device sales and promotion team. In October 2025, the domestic marketing authorization application for the world's first-in-class innovative drug, Relmapirazin Injection (R&D code: MB-102), was officially approved. Its companion Transdermal GFR Measurement System (TGFR) had previously received approval in February 2025, marking the overall authorization of the world's first bedside renal function assessment product, MediBeacon® TGFR, suitable for patients with both normal and impaired renal function in the Chinese market. Because MediBeacon® TGFR possesses significant potential for clinical application,in order to deliver its early benefits to patients in China, the Company will fully leverage its commercial capabilities to facilitate rapid and efficient market penetration following launch. Simultaneously, it will collaborate closely with its partner, MediBeacon, to jointly explore application solutions across various clinical settings and further realize the product's clinical value.

From January to September 2025, the Company's pharmaceutical business segment achieved an overall operating revenue of RMB21.253 billion, representing a year-on-year increase of 3.31%, and a net profit of RMB334 million, up 3.37% year-on-year.

Impacted by the dual effects of the global economy's cyclical adjustments and intensified industry competition, growth in the Company's medical aesthetics segment remained under pressure. From January to September 2025, the segment achieved total operating revenue of RMB1.568 billion (excluding internal offsets), representing a year-on-year decline of 17.90%. In detail, from January to September 2025, the Company's wholly-owned subsidiary, Sinclair UK, achieved consolidated operating revenue of approximately RMB719 million, representing a year-on-year decrease of 7.34%. With the goal of "building a globally leading medical aesthetics enterprise", the Company actively aligns with the global trend of flat structure of management adopted by multinational corporations and is implementing strategic adjustments to its organizational structure and human resources. It is committed to establishing a refined, efficient, and innovative operating system, promoting innovation in management models, optimizing and upgrading resource allocation, focusing on core businesses, and continuously achieving breakthroughs, thereby laying a solid foundation for the sustained improvement of operational quality and long-term growth.

On the other hand, the domestic medical aesthetics market is also undergoing a period of structural adjustment. From January to September 2025, the Company's wholly-owned subsidiary, Sinclair, recorded operating revenue of RMB745 million, representing a year-on-year decrease of 18.03%. The Company is making a comprehensive progress in registration activities across its core medical aesthetics markets both domestically and internationally. In October 2025, the Chinese market registration application for MaiLi Precise—a Class 3 medical device "Lidocaine-containing Cross-linked Sodium Hyaluronate Gel for Injection"—was officially accepted. In September 2025, Sinclair's newly patented Carboxymethyl Chitosan Solution, KIO021, completed the first subject injection in its clinical study in China. Meanwhile, the U.S. clinical trial of Ellansé® S has completed enrollment of all subjects. With the continued advancement of registration for core product pipelines and the progressive launch of new products in the domestic market, the brand influence and core competitiveness of the Company's medical aesthetics business are expected to be further strengthened.

In terms of the segment of industrial microbiology, from January to September 2025, the overall revenue sustained rapid growth, representing a year-on-year increase of 28.48%. Subsequently, with the proactive expansion into overseas markets, this segment is expected to sustain its positive growth momentum.

(II) Research and development status

1. R&D overview

During the reporting period, adhering to the "Scientific Research-based and Patient-

centered" corporate philosophy, the Company has deepened its expertise in the fields of endocrinology, autoimmunity and oncology. Through sustained increase in the R&D investment and expansion of innovative drug R&D pipelines, it has strengthened the innovative R&D ecosystem and technological platforms, while accelerating clinical trials, with multiple significant milestone achievements made. As of the date of the Report, the Company's innovative drug R&D center is advancing over 90 innovative drug pipeline projects. From January to September 2025, the Company's R&D investment in pharmaceutical industry (excluding equity investment) reached RMB2.186 billion, a year-on-year increase of 35.99%, of which direct R&D expenditure was RMB1.767 billion, a year-on-year increase of 53.76%, accounting for 16.21% of pharmaceutical industrial revenue.

2. Significant R&D progress

Oncology

In March 2025, the supplemental application to convert the conditional approval of Mirvetuximab Soravtansine Injection (Elahere®, R&D code: IMGN853, HDM2002) to regular approval was accepted and passed the clinical inspection in August 2025.

The NDA for Company's Class 1 new drug, Mifanertinib Maleate Tablets (former name: Mefatinib Tablets), was approved in October 2025 for first-line treatment of adult patients with locally advanced or metastatic non-small cell lung cancer (NSCLC) harboring epidermal growth factor receptor (EGFR) exon 21 (L858R) substitution mutations.

The Company's self-developed differentiated innovative ADC drug pipeline targeting novel targets has established a gradient layout. Current key advancing projects include HDM2005, HDM2020, HDM2012, HDM2017, and HDM2024. Among these, the ROR1-targeted ADC project, HDM2005, is at the forefront of global clinical development for ROR1 ADCs and is currently conducting three clinical trials in China: a Phase I trial of HDM2005 monotherapy for advanced hematologic malignancies (MCL, DLBCL, classical Hodgkin lymphoma (cHL)), which has completed five dose-escalation cohorts, with two dose levels now in the expansion phase; a Phase I trial of HDM2005 monotherapy for advanced solid tumors, with the first subject dosed in May 2025, seven subjects enrolled to date, and dose escalation ongoing at 2.5 mg/kg; and a Phase Ib/II trial of HDM2005 combination therapy for DLBCL patients, which enrolled its first subject in September 2025. Additionally, the FGFR2b-targeting HDM2020 and MUC17-targeting HDM2012 have received IND approvals in China and the U.S. In August 2025, the Phase I trial of HDM2012 for advanced solid tumors dosed its first subject, making it the world's first MUC17 ADC to enter clinical development. Patient enrollment in the first dose cohort has been completed. Furthermore, in August 2025, the Phase I trial of HDM2020 for advanced solid tumors dosed its first subject.

Currently, patient enrollment for dose escalation at the first dose level is underway. The CDH17-targeting HDM2017 has received IND approvals in both the U.S. and China in September 2025. In addition, HDM2024 is progressing through preclinical development and is aiming to submit its IND application in the Q4 2025.

In October 2025, the Company's associate, Heidelberg Pharma AG in Germany, announced that its Amanitin-based ADC candidate, HDP-101 (HDM2027), was granted Fast Track designation by the U.S. Food and Drug Administration (FDA). Additionally, the IND application for HDP-101 (HDM2027) in China has been approved. The Company is currently conducting clinical preparation activities and anticipates initiating the clinical trial by late 2025 or early 2026.

The small-molecule anti-tumor drug HPK-1 PROTAC (hematopoietic progenitor kinase 1 proteolysis-targeting chimera), HDM2006 tablets, is currently undergoing a Phase I clinical trial in China for the treatment of advanced solid tumors, with enrollment for the third dose cohort underway.

For DR30206 Injection, a proprietary PD-L1/VEGF/TGF-β tri-specific antibody fusion protein developed by the Company's subsidiary Doer Biologics, is currently leading global R&D progress for the same target. In April 2025, the Phase Ib clinical trial of DR30206 for first-line treatment of NSCLC successfully dosed its first subject. The clinical trial application for combination therapy with standard chemotherapy in patients with advanced or metastatic gastrointestinal tumors was approved in April 2025, and the Phase Ib/IIa clinical study of this combination regimen is currently underway.

Endocrinology

The oral small-molecule GLP-1 receptor agonist HDM1002 (conveglipron) has now completed enrollment of all subjects for its Phase III clinical trial in China for the weight management indication. The study is currently in the treatment follow-up and data collection phase. Furthermore, both Phase III clinical studies of this product for the treatment of type 2 diabetes have commenced, with the first subject enrolled in August 2025.

The HDM1005 (poterepatide) injection, a GLP-1R/GIPR long-acting polypeptide dual-target agonist, enrolled its first subject in the Phase III clinical trial for the weight management indication in October 2025. The Phase II clinical trial for the diabetes indication completed full subject enrollment in July 2025, and the application for Pre-Phase III consultation for this indication is currently being prepared.

DR10624, a first-in-class triple-target agonist (FGF21R/GCGR/GLP-1R) developed by the controlling subsidiary of Doer Biologics, has successfully completed a Phase II clinical trial for severe hypertriglyceridemia. The study results were selected as the latest breakthrough research for

the 2025 American Heart Association Scientific Sessions (AHA Scientific Sessions 2025) and will be featured as the opening presentation on the main stage of the AHA 2025 main venue, scheduled for November this year. Preparations are currently underway for the Phase III clinical trial targeting the indication of severe hypertriglyceridemia. Furthermore, the IND application for severe hypertriglyceridemia in the U.S. received approval in October 2025. The Phase II clinical trial targeting patients with metabolic-associated steatotic liver disease with high risk of fibrosis and those with metabolic-alcohol-related steatotic liver disease is currently being conducted concurrently.

The IND application for HDM1010 tablets (a fixed-dose oral combination formulation of HDM1002) for the treatment of type 2 diabetes was approved by the U.S. FDA in June 2025, and clinical trial preparations are currently underway.

The marketing authorization application for Semaglutide Injection for the diabetes indication was submitted and accepted in March 2025, and successfully passed clinical review. For the weight management indication, all subjects in the Phase III clinical trial were enrolled in February 2025, and the study is currently in the treatment follow-up and data collection phase.

The marketing authorization application for Insulin Degludec Injection was submitted and accepted in February 2025; the on-site inspection has been completed, and the application is currently under technical review.

The Phase III clinical trial of Insulin Degludec and Insulin Aspart Injection achieved top-line results in September 2025.

Autoimmunity

The supplemental application of HDM3001 (QX001S), a biosimilar of Ustekinumab developed in collaboration between the Company and Qyuns Therapeutics, for the new pediatric plaque psoriasis indication, was approved in March 2025. Additionally, the marketing authorization application and supplemental application for Crohn's disease were accepted for review in February 2025.

The innovative drug HDM3016 (QX005N), jointly developed with Qyuns Therapeutics, is currently in Phase III clinical trials in China for two indications: prurigo nodularis and atopic dermatitis. Enrollment for the Phase III study in atopic dermatitis has been completed, and a Pre-BLA communication for the prurigo nodularis indication is anticipated to be submitted in the Q4 2025.

HDM3014 (Roflumilast Cream), developed in collaboration between the Company and Arcutis, has achieved positive top-line results in Phase III clinical trials in China for both plaque psoriasis and atopic dermatitis. The NDA submissions for both indications are planned in Q4 2025.

The Company's independently developed modified new drug, Ruxolitinib Gel (HDM3010), for the treatment of prurigo nodularis, has achieved top-line results from its Phase I/II clinical study. A Pre-Phase III communication application was submitted in September 2025. In addition, a Phase III clinical trial in vitiligo is currently ongoing.

The MC2-01 Cream, developed in collaboration between the Company and MC2 Therapeutics, received approval in July 2025 to initiate a Phase III clinical trial in China for plaque psoriasis. The Phase III clinical trial preparations are currently underway.

The Company's independently developed first-in-class bispecific antibody candidates, HDM3018 Injection and HDM4002 Injection, are currently under IND-enabling development, with IND applications in China and the U.S. targeted for 2026.

Other segments

The Transdermal GFR Measurement System, a Class 3 innovative medical device, was approved by the NMPA in February 2025. The marketing authorization application for Relmapirazin Injection used cooperatively with the device was approved in October 2025.

The marketing authorization application for Ranibizumab Injection was submitted and accepted in May 2025.

3. Major regulatory milestones in pharmaceutical innovation since 2025 (innovative drugs, medical devices and biosimilars)

From 2025 to the date of the Report, the Company's products have received five marketing approvals, six marketing authorization applications have been accepted, and eighteen IND approvals have been granted in China or the U.S., as detailed in the table below:

No.	Item	Category	China Registration Class	Milestone Event
1	Paishuning®(Senaparib Capsules)	Innovative drug	Class 1 chemical drug	Approved in China in January 2025
2	Transdermal GFR Measurement System	Innovative medical device	Class 3 medical device	Approved in China in February 2025
3	SAILEXIN® (Ustekinumab Injection)	Biosimilar	Class 3.3 therapeutic biological product	Supplemental application for the new pediatric indication of plaque psoriasis approved in China in March 2025
4	Relmapirazin Injection	Innovative drug	Class 1 chemical drug	Approved in China in October 2025
5	Mairuidong® (Mifanertinib Maleate Tablets)	Innovative drug	Class 1 chemical drug	Approved in China in October 2025
6	SAILEXIN® (Ustekinumab Injection) and Ustekinumab Injection (intravenous infusion)	Biosimilar	Class 3.3 therapeutic biological product	The marketing authorization application and supplemental application for Crohn's disease were accepted for review in February 2025
7	Insulin degludec injection	Biosimilar	Class 3.3 therapeutic biological product	The marketing authorization application was accepted in February 2025

8	Elahere® (Mirvetuximab Soravtansine Injection)	Innovative drug	Class 3.1 therapeutic biological product	The supplemental application, converted from conditional to standard approval, was accepted in March 2025
9	Semaglutide Injection	Biosimilar	Class 3.3 therapeutic biological product	The marketing authorization application was accepted in March 2025
10	Ranibizumab Injection	Biosimilar	Class 3.3 therapeutic biological product	The marketing authorization application was accepted in May 2025
11	Edaravone Tablet	Modified new drug	Class 2.2 chemical drug	The marketing authorization application was accepted in July 2025
12	HDM2006	Innovative drug	Class 1 chemical drug	The IND for advanced malignancies was approved in the U.S. in January 2025
13	HDM1005	Innovative drug	Class 1 chemical drug	The IND for OSA in patients with obesity or overweight was approved in China in February 2025
14	HDM1005	Innovative drug	Class 1 chemical drug	The IND for HFpEF in patients with obesity or overweight was approved in China in March 2025
15	HDM3019	Innovative drug	Class 1 therapeutic biological product	The IND for rheumatoid arthritis was approved in China in March 2025
16	DR30206	Innovative drug	Class 1 therapeutic biological product	The IND for combination standard chemotherapy in patients with advanced or metastatic gastrointestinal tumors was approved in China in April 2025
17	HDM7008	Innovative drug	Class 1 chemical drug	The IND for hypertension was approved in China in April 2025
18	HDM2005	Innovative drug	Class 1 therapeutic biological product	The IND for R-CHP combination therapy in patients with DLBCL was approved in China in May 2025
19	HDM1010	Innovative drug	Class 1 chemical drug	The IND for diabetes was approved in the U.S. in June 2025
20	0.3% roflumilast topical foam	Innovative drug	Class 5.1 chemical drug	The IND for seborrheic dermatitis was approved in China in June 2025
21	HDM2020	Innovative drug	Class 1 therapeutic biological product	The IND for advanced solid tumors was approved in China in June 2025
22	HDM2012	Innovative drug	Class 1 therapeutic biological product	The IND for advanced solid tumors was approved in the U.S. in June 2025
23	HDM2020	Innovative drug	Class 1 therapeutic biological product	The IND for advanced solid tumors was approved in the U.S. in July 2025
24	HDM2012	Innovative drug	Class 1 therapeutic biological product	The IND for advanced solid tumors was approved in China in July 2025
25	HDM1002	Innovative drug	Class 1 chemical drug	The IND for weight management was approved in the U.S. in July 2025
26	MC2-01 Cream	Innovative drug	Class 5.1 chemical drug	The IND for plaque psoriasis was approved in China in July 2025
27	HDM2017	Innovative drug	Class 1 therapeutic biological product	The IND for advanced malignant solid tumors was approved in the U.S. in September 2025
28	HDM2017	Innovative drug	Class 1 therapeutic biological product	The IND for advanced malignant solid tumors was approved in China in September 2025
29	DR10624	Innovative drug	Class 1 therapeutic biological product	The IND for severe hypertriglyceridemia was approved in the U.S. in October 2025

Note: Paishuning® (Senaparib Capsules) is a product exclusively marketed by the Company in mainland China, while HDM7008 (SNK-2726) is a product jointly developed by the Company in collaboration with Synerk.

4. The Company's pharmaceutical innovation achievements presented at international academic conferences since 2025

No.	Date of release	Item	Conference/journal name	Presentation	Title

				format	
1	April 2025	HDM2020	AACR Annual Meeting	Poster presentation	Preclinical development of HDM2020, a novel ADC targeting FGFR2b, in gastric cancer (GC) and squamous non-small cell lung cancer (sq-NSCLC) xenograft models
2	April 2025	HDM2012	AACR Annual Meeting	Poster presentation	Translational studies of HDM2012, a novel topoisomerase inhibitor ADC targeting MUC17, in patient derived GC, CRC, PDAC tumor models
3	April 2025	HDM2017	AACR Annual Meeting	Poster presentation	Discovery of HDM2017, a CDH17-targeting ADC for colorectal cancers
4	April 2025	HDM2022	AACR Annual Meeting	Poster presentation	Discovery of potent, selective, and orally bioavailable GSPT1 molecular glue degraders (MGDs) for the treatment of MYC-driven tumors
5	April 2025	HDM2006	AACR Annual Meeting	Poster presentation	HDM2006, A Novel and Potent HPK1 PROTAC, Enhances Immune Cell Activation and Induces Robust Tumor Growth Inhibition
6	May 2025	DR10624	EASL Annual Meeting	Poster presentation and Late-Breaker	DR10624, a First-In-Class, FGF21 Receptor (FGF21R)/Glucagon Receptor (GCGR)/GLP-1 Receptor (GLP-1R) Triple Agonist Rapidly and Significantly Reduced Liver Fat in Obese Subjects With Modest Hypertriglyceridemia: A 12-Week Randomized, Placebo-Controlled, Double-Blind, Multi-Center Trial
7	May 2025	DR10624	EASL Annual Meeting	Poster presentation	DR10624, a novel FGF21R, GCGR, and GLP-1R tri-agonist, demonstrated extraordinary efficacy in B6-Alms1-del mice, a spontaneous MASH model of mice with obesity, hyperglycemia, and dyslipidemia phenotype
8	June 2025	HDM2025	ASCO	Poster presentation	Discovery of Potent Degraders of pan-KRAS Based on a Novel KRAS Binder
9	June 2025	HDM2020、HDM2012、HDM2017	World ADC Asia	Oral presentation	Triad of precision: FGFR2b, MUC17 and CDH17 directed ADC for Advancing the treatment of solid tumors
10	June 2025	HDM1005	ADA Scientific Sessions	Oral presentation	Safety, Tolerability, Pharmacokinetics (PK), and Pharmacodynamics (PD) of a Dual GLP-1/GIP Receptor Agonist (HDM1005)—A Phase I, Randomized, Double-Blind, Placebo-Controlled, Single and Multiple Dose-Escalation Study
11	June 2025	HDM1002	ADA Scientific Sessions	Poster presentation	HDM1002-102: A Randomized, Placebo-Controlled, Four-Week, Phase 1b Study in Chinese Adults with Overweight or Obesity
12	June 2025	Semaglutide Injection	ADA Scientific Sessions	Poster presentation	Efficacy and Safety of HDG1901 vs Ozempic® in Patients with Type 2 Diabetes (T2D): A Randomized, Open-label, Bioequivalence Phase 3 Trial
13	September 2025	HDM1005	EASD Annual Meeting	Oral presentation	Significant Body Weight Reduction with Improved Body Composition by HDM1005, a Novel Long-Acting GLP-1R/GIPR Dual Agonist

14	September 2025	HDM1002	EASD Annual Meeting	Oral presentation	Significant Weight Reduction with Improved Body Composition and Serum TG/TC by HDM1002, a Novel Oral Small Molecule GLP-1R Agonist
15	September 2025	HDM7006-CAT	WSAVA	Poster presentation	WEIGHT MANAGEMENT IN OBESE PET CATS BY HDM7006, A GLP-1/GIP DUAL-TARGET AGONIST
16	September 2025	HDM7006-CANINES	WSAVA	Poster presentation	WEIGHT MANAGEMENT IN OBESE CANINES BY HDM7006, A GLP-1/GIP DUAL-TARGET AGONIST
17	October 2025	DR510	ESMO	Abstract and e-Poster	DR510: A Dual-Masking T-Cell Engager Prodrug with Single-Site Cleavage for Balancing Efficacy and Safety in Solid Tumor Therapy
18	November 2025*	DR10624	AHA Scientific Sessions	Opening remarks at the main venue and Late-Breaking Science	DR10624, a First-In-Class, FGF21 Receptor/Glucagon Receptor/GLP-1 Receptor Triple Agonist, Rapidly and Significantly Reduced Triglycerides, Atherogenic Lipids and Liver Fat in Patients With Severe Hypertriglyceridemia: Primary Results From a Randomized Phase 2 Trial
19	November 2025*	HDM2021	SITC Annual Meeting	Poster presentation	Discovery of HDM2021 as a Highly Potent CBL-B Inhibitor for Cancer Treatment
20	November 2025*	HDM4002	ASN	Poster presentation	Potent Bispecific Antibody Inhibiting Activation of Complement Alternative Pathway and Lectin Pathway for lgAN Therapy
21	December 2025*	HDM2005	ASH Annual Meeting	Poster presentation	A phase I study of HDM2005, a ROR1 targeted antibody-drug conjugate (ADC), in patients with Relapsed or Refractory B-cell non-Hodgkin lymphoma (B-NHL) or classical Hodgkin lymphoma(cHL)

*Note: Upcoming international academic conferences

5. Domestic registration progress of aesthetic medicine products

No.	Type	Product designation	Intended use	Latest progress
1	Injection	MaiLi®Precise Hyaluronic acid	Improvement of infraorbital hollows	Registration acceptance notice received from the NMPA in October 2025.
2	Injection	Lanluma®V Poly-L-lactic acid	Improvement of jawline contour	Completed enrollment of all subjects in November 2024; follow-up assessments in progress
3	Injection	KIO021 Chitosan	Improvement of facial skin condition	Completed enrollment of the first subject in September 2025.
4	Injection	Ellansé-S Polycaprolactone	Improvement of frontal contour	Completed enrollment of all subjects for new indication clinical trial in November 2024; safety follow-up in progress.
5	Injection	Ellansé-M Polycaprolactone	Improvement of temporal hollows	Received NMPA registration acceptance in January 2025; obtained supplementary notice in June; preparation of technical documentation in progress.
6	Botulinum toxin	YY001 Recombinant	Improvement of frown lines	Submitted BLA in December 2024; completed on-site factory inspection

		botulinum toxin type A		in June 2025; technical review in progress.
7	Energy-based device	V30	Improvement of body and facial wrinkles, benign skin lesions, benign vascular lesions, benign pigmented lesions, inflammatory acne, depilation, etc.	Received NMPA registration acceptance notice in March 2025; received supplementary information notice in June 2025; preparation of technical documentation in progress.

(III) External investments and collaborations from the third quarter to the disclosure date of the Report

1. On August 8, 2025, the exclusive commercialization cooperation agreement for VC005 between Huadong Medicine (Hangzhou) Co., Ltd. (hereinafter referred to as "Huadong Medicine Hangzhou"), a wholly owned subsidiary of the Company, and Jiangsu Vcare PharmaTech Co., Ltd. (hereinafter referred to as "Jiangsu Vcare"), officially took effect. Huadong Medicine Hangzhou has obtained the exclusive commercialization rights for the oral formulation of VC005 from Jiangsu Vcare in mainland China. For further details, please refer to the Company's announcement titled Announcement on the Signing of an Exclusive Commercialization Cooperation Agreement for Products by a Wholly-Owned Subsidiary (Announcement No.: 2025-078), published on CNINFO (http://www.cninfo.com.cn).

2. To further strengthen the Company's industrial investment ecosystem, expand its industrial chain layout, leverage the expertise and resource advantages of professional institutions, integrate resources from all parties, and enhance its core competitiveness, the Company, as a limited partner, jointly signed the Partnership Agreement of Hangzhou Fuguang Hongze Equity Investment Partnership (Limited Partnership) on August 18, 2025, together with the general partner, executive partner, and fund manager Shanghai Fuguang Private Equity Management Co., Ltd., and limited partners Hangzhou Industrial Investment Co., Ltd. and Hangzhou Gongshu Industrial Fund Co., Ltd., to jointly establish the Hangzhou Fuguang Hongze Equity Investment Partnership (Limited Partnership) (hereinafter referred to as the Special Pharmaceutical Industry Investment Fund). The total committed capital of the Special Pharmaceutical Industry Investment Fund is RMB2 billion, of which the Company, as a limited partner, has committed RMB980 million of own funds, representing a 49.00% share of the total committed capital. For detailed information, please refer to the Company's announcement titled Announcement on Joint Investment with Professional Investment Institutions to Establish a Special Pharmaceutical Industry Investment Fund and Related Party Transaction (Announcement No.: 2025-083), published on CNINFO (http://www.cninfo.com.cn).

As of September 22, 2025, the Special Pharmaceutical Industry Investment Fund has completed its business registration and filing with the Asset Management Association of China, and

the first tranche of capital, totaling RMB10 million, has been successfully raised. For detailed information, please refer to the Company's announcement titled Progress Announcement on Joint Investment with Professional Investment Institutions to Establish a Special Pharmaceutical Industry Investment Fund and Related Party Transaction (Announcement No.: 2025-087), published on CNINFO (http://www.cninfo.com.cn).

3. On October 9, 2025, Huadong Medicine Hangzhou, a wholly owned subsidiary of the Company, announced that it had entered into an exclusive commercialization cooperation agreement with Hangzhou Chance Pharmaceuticals Co., Ltd. (hereinafter referred to as "Chance Pharmaceutical") in mainland China for Chance Pharmaceutical's product CXG87 (improved Budesonide/Formoterol Powder for Inhalation). CXG87 is a Class 2.2 new drug independently developed by Chance Pharmaceutical, intended for the treatment of asthma and other respiratory diseases. Currently, the Phase III clinical trial of this drug for asthma has completed enrollment of all subjects, and a NDA is anticipated to be submitted in the first half of 2026. Under the terms of the agreement, Chance Pharmaceutical, as the Marketing Authorization Holder (MAH), will be responsible for the research, development, registration, manufacturing, and supply of the CXG87 product. Upon signing the agreement, Chance Pharmaceutical will receive the first payment and applicable registration and sales milestone payments. Huadong Medicine will be responsible for the commercial promotion of CXG87 in mainland China.

(IV) Registration form of receptions, including research, communication, interview and other activities

Reception date	Reception location	Reception mode	Reception object type	Reception object	Main topics discussed and information provided	Basic information index of the survey
August 20, 2025	Meeting room of the Company	Phone communication	Institutions and individuals	Soochow Securities, Sinolink Securities, GF Securities, etc.	2025 Annual Performance Exchange Meeting of Huadong Medicine	For details, see the *Record Sheet of Investor Relations Activities on August 20, 2025*, which was published by the Company at https://irm.cninfo.com.cn/ and at www.cninfo.com.cn.
September 25, 2025	Meeting room of the Company	Field visits	Institution	Citibank, Carlyle, Sumitomo Mitsui DS Asset Management, etc.	On-site survey	For details, see the *Record Sheet of Investor Relations Activities on September 25, 2025*, which was published by the Company at

						https://irm.cninfo.com.cn/ and at www.cninfo.com.cn.

IV. Quarterly Financial Statements

(I) Financial statements

1. Consolidated balance sheet

Prepared by: Huadong Medicine Co., Ltd.

September 30, 2025

Unit: RMB

Item	Closing balance	Opening balance
Current assets:		
Monetary funds	4,375,309,533.55	5,276,440,245.36
Deposit reservation for balance		
Lendings to banks and other financial institutions		
Trading financial assets		
Derivative financial assets		
Notes receivable	5,630,773.62	10,696,341.24
Accounts receivable	11,130,669,300.04	8,425,358,862.23
Receivables financing	642,918,508.71	1,677,636,420.09
Prepayments	514,419,536.14	400,291,510.71
Premium receivable		
Reinsurance accounts receivable		
Reinsurance contract reserve receivable		
Other receivables	782,158,641.12	402,870,356.31
Incl.: Interest receivable		
Dividends receivable	223,608.84	223,608.84
Financial assets purchased for resale		
Inventory	5,200,308,101.69	4,776,397,278.01
Incl.: Data resources		
Contract assets		
Assets held for sale		
Non-current assets due within one year		
Other current assets	69,370,755.85	82,099,747.34
Total current assets	22,720,785,150.72	21,051,790,761.29
Non-current assets:		
Loans and advances issued		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investment	1,460,238,936.92	1,543,646,404.76
Investment in other equity instruments	667,868,747.53	603,232,766.22
Other non-current financial assets		
Investment property	11,161,106.73	11,842,042.67
Fixed assets	4,223,188,950.66	4,422,300,775.01
Construction in progress	1,085,870,826.31	836,739,481.60
Productive biological assets		
Oil and gas assets		
Right-of-use assets	170,517,205.70	149,504,562.99
Intangible assets	3,734,873,742.82	3,644,956,428.71

Incl.: Data resources		
Development expenditure	1,325,274,459.03	1,033,392,377.69
Incl.: Data resources		
Goodwill	2,934,647,553.97	2,913,334,523.63
Long-term deferred expenses	18,673,755.93	22,601,572.13
Deferred income tax assets	256,991,465.54	221,848,889.06
Other non-current assets	1,318,691,298.62	1,423,855,781.39
Total non-current assets	17,207,998,049.76	16,827,255,605.86
Total assets	39,928,783,200.48	37,879,046,367.15
Current liabilities:		
Short-term borrowings	1,771,270,685.28	2,312,339,143.21
Borrowings from the central bank		
Borrowings from other banks and other financial institutions		
Trading financial liabilities		
Derivative financial liabilities		
Notes payable	3,675,987,092.13	2,576,685,923.31
Accounts payable	5,094,338,056.84	4,467,770,810.96
Advance receipts	1,273,682.87	1,115,173.00
Contract liabilities	115,929,823.64	173,609,109.58
Expense for financial assets sold for repurchase		
Deposits taken and interbank deposits		
Receivings from vicariously traded securities		
Receivings from vicariously sold securities		
Employee compensation payable	238,395,677.39	417,133,101.11
Taxes and dues payable	400,747,695.17	645,950,867.22
Other payables	3,147,883,822.08	2,849,833,595.48
Incl.: Interests payable		
Dividends payable	125,024,219.60	125,024,219.60
Handling charges and commissions payable		
Reinsurance accounts payable		
Liabilities held for sale		
Non-current liabilities due within one year	107,506,993.40	330,528,920.89
Other current liabilities	23,064,901.24	19,268,728.25
Total current liabilities	14,576,398,430.04	13,794,235,373.01
Non-current liabilities:		
Provision for insurance contracts		
Long-term borrowings	298,867,686.24	14,262,841.05
Bonds payable		
Incl.: Preferred share		
Perpetual bonds		
Lease liabilities	100,890,675.57	71,857,938.46
Long-term payables	27,051,665.90	24,715,073.51
Long-term employee compensation payable		
Estimated liabilities	31,923,494.11	28,985,982.19
Deferred revenue	200,612,513.55	183,855,718.48
Deferred income tax liabilities	196,704,637.73	197,378,528.33
Other non-current liabilities		
Total non-current liabilities	856,050,673.10	521,056,082.02
Total liabilities	15,432,449,103.14	14,315,291,455.03
Owners' equity:		
Share capital	1,754,021,048.00	1,754,262,548.00

Other equity instruments		
Incl.: Preferred share		
Perpetual bonds		
Capital reserve	2,417,816,815.74	2,550,780,602.69
Less: Treasury share	40,768,791.67	46,804,116.67
Other comprehensive income	32,763,430.24	-50,598,204.17
Special reserves		
Surplus reserves	1,395,568,477.98	1,395,568,477.98
General risk reserves		
Retained earnings	18,573,486,054.02	17,456,842,089.53
Total owners' equity attributable to the parent company	24,132,887,034.31	23,060,051,397.36
Minority interests	363,447,063.03	503,703,514.76
Total owners' equity	24,496,334,097.34	23,563,754,912.12
Total liabilities and owners' equity	39,928,783,200.48	37,879,046,367.15

Legal representative: Lv Liang Person in charge of accounting: Lv Liang Person in charge of the accounting department: Qiu Renbo

2. Consolidated income statement from the beginning of the year to the end of the reporting period

Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
I. Total operating revenue	32,664,143,135.68	31,477,654,750.50
Incl.: Operating revenue	32,664,143,135.68	31,477,654,750.50
Interest income		
Premiums earned		
Handling charges and commissions revenue		
II. Total operating costs	29,289,598,185.10	28,288,811,654.13
Incl.: Operating costs	21,715,689,459.85	21,231,803,408.72
Interest expenditure		
Handling charges and commissions expenditure		
Surrender value		
Net payments for insurance claims		
Net provision for insurance liabilities		
Expense for insurance policy dividends		
Reinsurance expenses		
Taxes and surcharges	172,981,938.92	163,791,954.73
Selling expenses	4,791,980,345.55	4,727,512,478.83
Management expenses	1,090,027,991.29	1,179,023,165.24
R&D expenses	1,507,590,822.48	948,662,894.53
Financial expenses	11,327,627.01	38,017,752.08
Incl.: Interest expense	86,551,703.07	86,594,008.13
Interest income	72,327,993.36	80,012,995.89
Plus: Other incomes	177,555,419.45	168,982,096.89
Investment income (loss expressed with "-")	-119,368,076.22	-86,710,253.53
Incl.: Investment income in associates and joint ventures	-75,251,378.58	-54,563,003.59
Income from		

derecognition of financial assets measured on the basis of amortized costs		
Exchange earnings (loss expressed with "-")		
Net income of exposure hedge (loss expressed with "-")		
Income from changes in fair value (loss expressed with "-")		
Credit impairment loss (loss expressed with "-")	-83,959,366.71	-57,939,915.17
Asset impairment loss (loss expressed with "-")		
Proceeds from disposal of assets (loss expressed with "-")	1,817,243.94	2,177,150.46
III. Operating profit (loss expressed with "-")	3,350,590,171.04	3,215,352,175.02
Plus: Non-operating revenue	5,639,215.91	7,442,671.20
Less: Non-operating expenses	93,607,836.34	88,911,294.16
IV. Total profit (total loss expressed with "-")	3,262,621,550.61	3,133,883,552.06
Less: Income tax expense	520,763,289.42	571,279,294.45
V. Net profit (net loss expressed with "-")	2,741,858,261.19	2,562,604,257.61
(I) Classification by continuity of operation		
1. Net profits from continuing operations (net loss expressed with "-")	2,741,858,261.19	2,562,604,257.61
2. Net profit from discontinued operations (net loss expressed with "-")		
(II) Classification by ownership		
1. Net profit attributable to shareholders of the parent company (net loss expressed with "-")	2,747,916,019.11	2,562,326,688.45
2. Profit or loss attributable to minority shareholders (net loss expressed with "-")	-6,057,757.92	277,569.16
VI. Net of tax of other comprehensive income	83,361,634.41	17,675,896.30
Net of tax of other comprehensive income attributable to the owner of the parent company	83,361,634.41	17,675,896.30
(I) Other comprehensive income that cannot be reclassified into the profits and losses	-171,215.68	-6,582,969.35
1. Change from re-measurement of defined benefit plan		
2. Other comprehensive income that cannot be included in the profits and losses under the equity method		
3. Changes in fair value of investment in other equity instruments	-171,215.68	-6,582,969.35
4. Changes in fair value by the enterprise's credit risks		
5. Others		
(II) Other comprehensive income that will be reclassified into the profits and losses	83,532,850.09	24,258,865.65
1. Other comprehensive income that can be transferred to the profit and loss under the equity method		
2. Changes in fair value of investments in other debt investments		
3. Financial assets reclassified into other comprehensive income		
4. Provision for credit impairment of other debt investments		

5. Cash flow hedging reserves		
6. Converted difference in foreign currency financial statements	83,532,850.09	24,258,865.65
7. Others		
Net of tax of other comprehensive income attributable to minority shareholders		
VII. Total comprehensive income	2,825,219,895.60	2,580,280,153.91
(I) Total comprehensive income attributable to the owner of the parent company	2,831,277,653.52	2,580,002,584.75
(II) Total comprehensive income attributable to minority shareholders	-6,057,757.92	277,569.16
VIII. Earnings per share:		
(I) Basic earnings per share	1.5682	1.4644
(II) Diluted earnings per share	1.5666	1.4639

If there is a business combination under common control in this period, the net profit of the combined party before the combination is RMB , and the net profit of the combined party in the previous period is RMB .

Legal representative: Lv Liang Person in charge of accounting: Lv Liang Person in charge of the accounting department: Qiu Renbo

3. Consolidated cash flow statement from the beginning of the year to the end of the reporting period

Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
I. Cash flows from operating activities:		
Cash received from selling goods and providing services	35,143,641,924.19	33,334,628,825.63
Net increase in deposits from customers as well as banks and other financial institutions		
Net increase in borrowings from the central bank		
Net increase in borrowings from other financial institutions		
Cash received from the original insurance contract premium		
Net cash received from reinsurance business		
Net increase in deposits and investments from policyholders		
Cash received from interests, handling charges and commissions		
Net increase in borrowings from banks and other financial institutions		
Net increase in funds from repurchase business		
Net cash received from securities trading agency		
Refund of taxes and fees received	15,291,551.75	15,628,115.69
Receipt of other cash relating to operating activities	691,105,479.99	566,037,648.66
Subtotal of cash inflows from operating activities	35,850,038,955.93	33,916,294,589.98
Cash paid for purchase of goods and receipt of labor services	22,966,598,545.25	21,947,910,270.08
Net increase in customer loans and advance payments		
Net increase in deposits with the central bank and interbank		
Cash for payment of the original insurance		

contract		
Net increase in lendings to banks and other financial institutions		
Cash paid for interests, handling charges and commissions		
Cash for payment of dividends on policies		
Cash paid to and for employees	4,049,472,030.97	3,446,050,305.28
Various taxes and fees paid	2,277,592,721.51	1,962,213,221.83
Payment of other cash relating to operating activities	3,945,523,714.02	4,053,717,983.88
Subtotal of cash outflows from operating activities	33,239,187,011.75	31,409,891,781.07
Net cash flow from operating activities	2,610,851,944.18	2,506,402,808.91
II. Cash flows from investing activities:		
Cash received from investment recovery	14,700,000.00	1,000,000.00
Cash received from obtaining investment income	49,321,490.47	45,200,000.00
Net cash recovered from disposal of fixed assets, intangible assets and other long-term assets	10,619,487.83	2,528,623.35
Net cash received from disposal of subsidiaries and other business units		
Receipt of other cash relating to investing activities		263,981,767.12
Subtotal of cash inflows from investing activities	74,640,978.30	312,710,390.47
Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets	1,085,447,151.48	930,485,860.82
Cash paid for investment	66,060,775.00	152,360,852.87
Net increase in pledged loans		
Net cash paid for acquisition of subsidiaries and other business entities		348,814,981.61
Payments of other cash relating to investing activities	1,524,947.75	485,504,341.65
Subtotal of cash outflows from investing activities	1,153,032,874.23	1,917,166,036.95
Net cash flows from investing activities	-1,078,391,895.93	-1,604,455,646.48
III. Cash flows from financing activities:		
Cash received by absorbing investment		
Incl.: Cash received by subsidiaries from minority shareholders' investment		
Cash received from obtaining borrowings	2,519,372,648.00	3,543,115,046.17
Receipt of other cash relating to financing activities	220,601,111.10	343,706,321.33
Subtotal of cash inflows from financing activities	2,739,973,759.10	3,886,821,367.50
Cash paid for debt repayment	2,642,267,908.35	2,930,078,520.91
Cash paid to distribute dividends, profits or pay interest	1,758,448,442.05	1,751,880,188.48
Incl.: Dividends and profits paid by subsidiaries to minority shareholders	11,873,140.39	5,994,660.00
Payment of other cash relating to financing activities	701,895,348.32	366,279,261.77
Subtotal of cash outflows from financing activities	5,102,611,698.72	5,048,237,971.16
Net cash flow from financing activities	-2,362,637,939.62	-1,161,416,603.66
IV. Effect of exchange rate changes on cash and cash equivalents	-6,921,970.54	21,363,561.91
V. Net increase in cash and cash equivalents	-837,099,861.91	-238,105,879.32
Plus: Opening balance of cash and cash equivalents	4,990,151,186.68	4,208,160,010.91

VI. Closing balance of cash and cash equivalents	4,153,051,324.77	3,970,054,131.59

(II) Situation of relevant items of financial statements at the beginning of the current year after the initial implementation of adjustment of the New Accounting Standards in 2025

□Applicable ☑Not applicable

(III) Audit report

Has the Third Quarterly Financial Accounting Report been audited?

□Yes ☑No

The Company's Third Quarterly Financial Accounting Report has not been audited.

Board of Directors of Huadong Medicine Co., Ltd.

October 28, 2025