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Pharmaron Beijing Co., Ltd.

康龍化成（北京）新藥技術股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 3759)

2024 THIRD QUARTERLY REPORT

This announcement is made by Pharmaron Beijing Co., Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) pursuant to Rules 13.09 and 13.10B of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The following is the third quarterly report for 2024 of the Company. The financial data contained in this quarterly report is, except for section (IV) in Part III which has been prepared in accordance with the International Financial Reporting Standards issued by the International Accounting Standard Board (the “**IFRSs**”) or as otherwise indicated, prepared in accordance with the PRC Accounting Standards for Business Enterprises. The third quarterly report for 2024 of the Company has not been audited.

By order of the Board

Pharmaron Beijing Co., Ltd.

康龍化成（北京）新藥技術股份有限公司

Dr. Lou Boliang

Chairman

Beijing, the PRC

October 29, 2024

As at the date of this announcement, the Board of Directors comprises Dr. Lou Boliang, Mr. Lou Xiaoqiang and Ms. Zheng Bei as executive Directors; Mr. Hu Baifeng and Mr. Li Jiaqing as non-executive Directors; Ms. Li Lihua, Mr Zhou Qilin, Mr. Tsang Kwan Hung Benson and Mr. Yu Jian as independent non-executive Directors.

Pharmaron Beijing Co., Ltd.
康龍化成(北京)新藥技術股份有限公司

**6 Tai-He Road, Beijing Economic Technological
Development Area, Beijing, China**

2024 THIRD QUARTERLY REPORT

October 2024

IMPORTANT NOTICE:

- 1. The Board of Directors, the Supervisory Committee and the Directors, Supervisors and senior management warrant the truthfulness, accuracy and completeness of the Quarterly Report and that there are no false information, misleading statements or material omissions in the Quarterly Report, and shall assume joint and several legal responsibility.**

- 2. The person in charge of the Company, the Chief Financial Officer and the person in charge of Accounting Department (accounting head) of the Company warrant the truthfulness, accuracy and completeness of the financial information contained in the Quarterly Report.**

- 3. Whether the Third Quarterly Report has been audited**
 Yes No

I. MAJOR FINANCIAL DATA

(I) Major accounting data and financial indicators

Any necessary retrospective adjustment or restatement of the accounting data of the previous years

Yes No

| | The reporting period | Increase/(decrease) of the reporting period as compared with the corresponding period of the previous year | From the beginning of the year to the end of the reporting period | Increase/(decrease) from the beginning of the year to the end of the reporting period as compared with the corresponding period of the previous year |
|--|---------------------------------------|--|---|--|
| Revenue (<i>RMB</i>) | 3,212,811,697.13 | 10.02% | 8,817,275,052.00 | 3.00% |
| Net profit attributable to owners of the parent (<i>RMB</i>) | 308,396,080.13 | -12.62% | 1,421,799,112.63 | 24.82% |
| Net profit attributable to owners of the parent excluding non-recurring gains or losses (<i>RMB</i>) | 317,276,401.15 | -3.43% | 783,159,332.95 | -27.69% |
| Non-IFRS adjusted net profit attributable to owners of the parent (<i>RMB</i>) | 417,128,142.56 | -13.20% | 1,107,394,321.20 | -21.60% |
| Net cash flows from operating activities (<i>RMB</i>) | - | - | 1,770,502,528.88 | -12.76% |
| Basic earnings per share (<i>RMB/share</i>) | 0.1746 | -12.92% | 0.8028 | 24.85% |
| Diluted earnings per share (<i>RMB/share</i>) | 0.1744 | -12.93% | 0.8019 | 24.89% |
| Return on net assets on weighted average basis | 2.37% | -0.77% | 10.90% | 0.77% |
| | | | | Increase/(decrease) at the end of the reporting period as compared with the end of the previous year |
| | As at the end of the reporting period | | As at the end of the previous year | |
| Total assets (<i>RMB</i>) | 23,570,041,501.34 | | 26,476,712,835.60 | -10.98% |
| Net assets attributable to owners of the parent (<i>RMB</i>) | 13,387,169,858.40 | | 12,556,797,361.42 | 6.61% |

Revenue from principal operations, cost and gross profit margin by products or services for the first three quarters of 2024 as well as their period-on-period changes are as follows:

Unit: RMB

| By products or services | From the beginning of the year to the end of the reporting period | | | The corresponding period of the previous year | | | Increase/ (decrease) in revenue as compared with the corresponding period of the previous year |
|------------------------------------|---|------------------|---------------------|---|------------------|---------------------|--|
| | Revenue | Cost | Gross profit margin | Revenue | Cost | Gross profit margin | |
| Laboratory services | 5,218,670,210.75 | 2,882,637,208.98 | 44.76% | 5,069,130,773.99 | 2,819,338,612.82 | 44.38% | 2.95% |
| CMC (small molecule CDMO) services | 1,976,627,679.48 | 1,367,523,873.05 | 30.82% | 1,913,656,858.43 | 1,293,299,346.38 | 32.42% | 3.29% |
| Clinical development services | 1,305,960,562.22 | 1,133,536,841.37 | 13.20% | 1,262,099,160.97 | 1,031,881,474.67 | 18.24% | 3.48% |
| Biologics and CGT services | 310,983,894.16 | 444,128,688.46 | -42.81% | 310,632,638.21 | 333,247,456.83 | -7.28% | 0.11% |

The Company is a leading fully-integrated pharmaceutical R&D services platform with global operations to accelerate drug innovation for our customers, providing fully-integrated drug research, development and manufacturing services throughout the research and development cycle. By adhering to the long-standing growth strategy of building “end-to-end, fully integrated and global” services platform, the Company has a wide business presence in China and overseas. For the first three quarters of 2024, the Company’s laboratories and manufacturing facilities in China, which serve the global customers, recorded a period-on-period revenue growth of 3.67%, accounting for 87.22% of the revenue; the Company’s laboratories and manufacturing facilities overseas recorded a period-on-period revenue decrease of 1.34%, accounting for 12.78% of the revenue of the Company.

The Company continued to adhere to the “Customer Centric” corporate philosophy, serving a large, diverse and loyal customer base that includes the global top 20 pharmaceutical companies. By customer types, for the first three quarters of 2024, the Company’s revenue from the global top 20 pharmaceutical companies was RMB1,292,952,200, with an increase of 3.36% on a period-on-period basis, accounting for 14.66% of the revenue of the Company; the revenue from other customers was RMB7,524,322,900, with an increase of 2.94% on a period-on-period basis, accounting for 85.34% of the revenue of the company, of which, new customers contributed revenue accounting for 3.53% of the operating revenue. By regions of which the customers are located, for the first three quarters of 2024, the revenue from customers in North America was RMB5,730,674,800, with an increase of 4.29% on a period-on-period basis, accounting for 64.99% of the revenue of the Company; the revenue from customers in EU (including the U.K.) was RMB1,527,312,000, with an increase of 15.74% on a period-on-period basis, accounting for 17.32% of the revenue of the Company; the revenue from customers in China was RMB1,328,797,900, with an decrease of 12.14% on a period-on-period basis, accounting for 15.07% of the revenue of the Company; and the revenue from customers in other regions was RMB230,490,500, accounting for 2.62% of revenue of the Company.

In the first three quarters of 2024, the Company's new purchase orders increased by more than 18% year-on year, as a result of the recovery of overseas customer demand and more ongoing projects progress into mid-to-late stages of clinical development. Specifically, the new purchase orders of laboratory services increased by more than 12% year-on-year, and the new purchase orders of CMC (small molecule CDMO) services increased by more than 30% year-on-year.

(II) Non-recurring gains or losses items and amounts

√ Applicable □ Not Applicable

Unit: RMB

| Item | The reporting period | From the beginning of the year to the end of the reporting period | Note |
|---|----------------------|---|--|
| Gains or losses from disposal of non-current assets (including written-off portion of provisions for assets impairment) | -3,138,405.50 | -23,917,418.14 | It was due to losses from disposal of non-current assets. |
| Government grants included in profit/(loss) of the current period (except for those closely related to the Company's ordinary business and granted on an ongoing basis under the state's policies according to certain standard amount or volume) | 13,371,172.20 | 43,580,488.89 | It was mainly due to government subsidies related to daily activities. |
| Gains or losses on changes in fair value of arising from held-for-trading financial assets, held-for-trading financial liabilities, and investment income from disposal of held-for-trading financial assets, held-for-trading financial liabilities and available-for-sale financial assets, except effective hedging activities related to the Company's normal business operations | -13,748,474.41 | 646,516,836.53 | It was mainly due to the Company's gains related to disposal of equity interests in the Group's investment in Proteologix, repurchase of Convertible Bonds and gains or losses related to unhedged foreign currency forward contracts. |
| Other non-operating income and expenses other than the above items | -2,967,491.97 | -5,782,636.34 | |
| Less: Effect of income tax | 2,003,507.70 | 21,002,446.98 | |
| Impact on non-controlling interests (after tax) | 393,613.64 | 755,044.28 | |
| Total | <u>-8,880,321.02</u> | <u>638,639,779.68</u> | |

Other specific circumstances of gains or losses items that meet the definition of non-recurring gains or losses:

Applicable Not Applicable

The Company did not have other specific circumstances of gains or losses items that meet the definition of non-recurring gains or losses.

Description of non-recurring gains or losses items as illustrated in the Explanatory Announcement No. 1 for Information Disclosure by Public Issuers of Securities – Non-recurring Gains or Losses Items defined as recurring gains or losses items:

Applicable Not Applicable

The Company did not list any non-recurring gains or losses items as illustrated in the Explanatory Announcement No. 1 for Information Disclosure by Public Issuers of Securities – Non-recurring Gains or Losses Items as recurring gain or loss items.

(III) Changes in major accounting data and financial indicators and the reasons thereof

Applicable Not Applicable

| Item | As at the end of the reporting period/from the beginning of the year to the end of the reporting period (RMB) | Balance at the beginning of the year/the corresponding period of the previous year (RMB) | Percentage of changes | Reasons for changes |
|--|---|--|-----------------------|--|
| Cash and bank balances | 2,001,124,529.33 | 5,918,915,276.72 | -66.19% | Cash and bank balances decreased by RMB3,917,790,700 as compared with the balance at the beginning of the year, representing a decrease of 66.19%, including: cash and cash equivalents decreased by RMB3,857,571,100. Please refer to the consolidated statement of cash flows from the beginning of the year to the end of period for details. |
| Prepayments | 25,571,997.64 | 17,808,809.79 | 43.59% | Prepayments increased by RMB7,763,200 as compared with the balance at the beginning of the year, representing an increase of 43.59%, mainly due to the increase in prepayments for raw material purchases. |
| Other receivables | 164,884,628.36 | 113,133,478.22 | 45.74% | Other receivables increased by RMB51,751,200 as compared with the balance at the beginning of the year, representing an increase of 45.74%, mainly due to the increase in tax refund subsidy receivable. |
| Non-current assets due within one year | | 144,333,621.48 | -100.00% | It was due to the maturity and recovery of debt investments. |

| Item | As at the end of the reporting period/from the beginning of the year to the end of the reporting period (RMB) | Balance at the beginning of the year/the corresponding period of the previous year (RMB) | Percentage of changes | Reasons for changes |
|---|---|--|-----------------------|---|
| Deferred tax assets | 207,514,695.78 | 153,217,789.92 | 35.44% | Deferred tax assets increased by RMB54,296,900 as compared with the balance at the beginning of the year, representing an increase of 35.44%, mainly due to the increase in deferred tax assets related to deductible losses. |
| Non-current liabilities due within one year | 451,989,956.32 | 335,656,839.78 | 34.66% | Non-current liabilities due within one year increased by RMB116,333,100 as compared with the balance at the beginning of the year, representing an increase of 34.66%, mainly due to the increase in long-term borrowings due within one year. |
| Bond payables | | 3,891,500,601.59 | -100.00% | It was due to the repurchase of convertible bonds by the Company. |
| Other non-current liabilities | | 117,582,015.01 | -100.00% | It was due to the repurchase of convertible bonds by the Company. |
| Other equity instruments | | 198,554,160.44 | -100.00% | It was due to the repurchase of convertible bonds by the Company. |
| Other comprehensive income | 51,712,554.95 | -4,830,087.99 | 1,170.63% | Other comprehensive income increased by RMB56,542,600 as compared with the balance at the beginning of the year, representing an increase of 1,170.63%, mainly due to the change in the exchange difference on translation of foreign financial statements. |
| Taxes and surcharges | 85,002,888.26 | 58,913,417.72 | 44.28% | Taxes and surcharges increased by RMB26,089,500 on a period-on-period basis during the reporting period, representing an increase of 44.28%, mainly due to the period-on-period increase in urban maintenance and construction tax, education surcharge and property tax. |
| Investment income | 616,402,111.56 | 48,982,484.83 | 1,158.41% | Investment income increased by RMB567,419,600 representing an increase of 1,158.41% on a period-on-period basis during the reporting period, mainly due to investment income from disposal of other non-current financial assets and repurchase of convertible bonds. |
| Gains on change in fair value | -22,123,214.76 | 40,201,079.24 | -155.03% | Gains on change in fair value decreased by RMB62,324,300 representing a decrease of 155.03% on a period-on-period basis, mainly due to the decrease in gains on change in fair value of biological assets and derivative financial instruments. |

| Item | As at the end of the reporting period/from the beginning of the year to the end of the reporting period (RMB) | Balance at the beginning of the year/the corresponding period of the previous year (RMB) | Percentage of changes | Reasons for changes |
|-----------------------------|--|---|------------------------------|---|
| Credit impairment losses | -24,846,953.62 | -17,530,101.09 | 41.74% | It was due to the period-on-period increase in credit impairment losses on trade receivables during the reporting period. |
| Gains on disposal of assets | -23,917,418.14 | 248,309.87 | -9,732.09% | It was due to the period-on-period increase in gains on disposal of non-current assets during the reporting period. |
| Non-operating income | 1,201,135.59 | 3,389,121.43 | -64.56% | It was mainly due to the period-on-period decrease in government subsidies related to non-daily activities received by the Company during the reporting period. |
| Non-operating expenses | 6,561,971.93 | 10,928,665.52 | -39.96% | It was due to the period-on-period decrease in losses arising from the disposal of biological assets during the reporting period. |
| Income tax expenses | 252,668,803.97 | 186,420,334.57 | 35.54% | During the reporting period, the income tax expenses increased due to the increase in profit before tax. |

II. SHAREHOLDER INFORMATION

(I) Total number of ordinary shareholders and preferred shareholders whose voting rights have been reinstated, and shareholdings of top 10 shareholders

Unit: share

| | | | |
|---|--------|--|---|
| Total number of ordinary shareholders as at the end of the reporting period | 76,716 | Total number of preferred shareholders whose voting rights have been reinstated as at the end of the reporting period (if any) | 0 |
|---|--------|--|---|

Shareholdings of top 10 shareholders (Excluding shares lent by refinancing)

| Name of shareholders | Nature of shareholder | Percentage | Number of shares | Number of shares subject to trading restrictions | Pledged, marked or frozen shares Status | Number |
|--|---------------------------------------|------------|------------------|--|---|------------|
| HKSCC NOMINEES LIMITED | Overseas legal person | 16.87% | 301,501,968 | 0 | N/A | 0 |
| Shenzhen Xinzhong Kangcheng Investment Partnership (Limited Partnership) (深圳市信中醫成投資合夥企業(有限合夥)) | Domestic non-state-owned legal person | 14.59% | 260,827,958 | 0 | N/A | 0 |
| PHARMARON HOLDINGS LIMITED | Overseas legal person | 10.10% | 180,496,500 | 0 | N/A | 0 |
| Industrial and Commercial Bank of China Limited-Zhong Ou AMC Medical and Health Hybrid Securities Investment Fund (中國工商銀行股份有限公司－中歐醫療健康混合型證券投資基金) | Other | 4.07% | 72,795,356 | 0 | N/A | 0 |
| Mr. LOU Xiaoqiang (樓小強) | Domestic natural person | 3.39% | 60,540,050 | 45,405,037 | Pledge | 33,360,000 |
| Shenzhen Xinzhong Longcheng Investment Partnership (Limited Partnership) (深圳市信中龍成投資合夥企業(有限合夥)) | Domestic non-state-owned legal person | 2.49% | 44,498,506 | 0 | N/A | 0 |
| Ningbo Longtaikang Investment Management Co., Ltd. (寧波龍泰康投資管理有限公司) | Domestic non-state-owned legal person | 2.25% | 40,135,026 | 0 | Pledge | 24,060,000 |
| Hong Kong Securities Clearing Company Limited | Overseas legal person | 1.69% | 30,236,830 | 0 | N/A | 0 |
| Bank of China Limited-Huabao CSI Medical Trading Open-End Index Securities Investment Fund (中國銀行股份有限公司－華寶中證醫療交易型開放式指數證券投資基金) | Other | 1.67% | 29,905,761 | 0 | N/A | 0 |
| Industrial and Commercial Bank of China Limited-Zhong Ou AMC Medical Innovation Equity Securities Investment Fund(中國工商銀行股份有限公司－中歐醫療創新股票型證券投資基金) | Other | 1.52% | 27,114,530 | 0 | N/A | 0 |

**Shareholdings of top 10 holders of shares not subject to trading restrictions
(Excluding shares lent by refinancing and locked shares held by the senior management)**

Unit: share

| Name of shareholders | Number of shares not subject to trading restrictions | Class | Class of shares | Number |
|---|--|-------|---------------------------------|-------------|
| HKSCC NOMINEES LIMITED | 301,501,968 | | Oversea-listed foreign shares | 301,501,968 |
| Shenzhen Xinzhong Kangcheng Investment Partnership (Limited Partnership) (深圳市信康成投資合夥企業(有限合夥)) | 260,827,958 | | RMB-denominated ordinary shares | 260,827,958 |
| PHARMARON HOLDINGS LIMITED | 180,496,500 | | RMB-denominated ordinary shares | 180,496,500 |
| Industrial and Commercial Bank of China Limited-Zhong Ou AMC Medical and Health Hybrid Securities Investment Fund (中國工商銀行股份有限公司－中歐醫療健康混合型證券投資基金) | 72,795,356 | | RMB-denominated ordinary shares | 72,795,356 |
| Shenzhen Xinzhong Longcheng Investment Partnership (Limited Partnership) (深圳市信龍成投資合夥企業(有限合夥)) | 44,498,506 | | RMB-denominated ordinary shares | 44,498,506 |
| Ningbo Longtaikang Investment Management Co., Ltd. (寧波龍泰康投資管理有限公司) | 40,135,026 | | RMB-denominated ordinary shares | 40,135,026 |
| Hong Kong Securities Clearing Company Limited | 30,236,830 | | RMB-denominated ordinary shares | 30,236,830 |
| Bank of China Limited-Huabao CSI Medical Trading Open-End Index Securities Investment Fund(中國銀行股份有限公司－華寶中證醫療交易型開放式指數證券投資基金) | 29,905,761 | | RMB-denominated ordinary shares | 29,905,761 |
| Industrial and Commercial Bank of China Limited – Lombarda China Medical Innovation Equity Securities Investment Fund(中國工商銀行股份有限公司－中歐醫療創新股票型證券投資基金) | 27,114,530 | | RMB-denominated ordinary shares | 27,114,530 |
| Industrial and Commercial Bank of China Limited-E Fund GEM Trading Open-end Index Securities Investment Fund(中國工商銀行股份有限公司－易方達創業板交易型開放式指數證券投資基金) | 25,646,585 | | RMB-denominated ordinary shares | 25,646,585 |

Description of connected relationships or concerted actions of the above shareholders

1. Shenzhen Xinzhong Kangcheng Investment Partnership (Limited Partnership) (深圳市信中康成投資合夥企業(有限合夥)) and Shenzhen Xinzhong Longcheng Investment Partnership (Limited Partnership) (深圳市信中龍成投資合夥企業(有限合夥)) are the shareholding entities controlled by CITIC Buyout Fund Management Company Limited (中信併購基金管理有限公司).
2. Mr. LOU Xiaoqiang (樓小強), a shareholder of the Company, owns 100% equity interests of Ningbo Longtaikang Investment Management Co., Ltd. (寧波龍泰康投資管理有限公司) and Dr. LOU Boliang (樓柏良), Mr. LOU Xiaoqiang (樓小強)'s brother, is the director of Pharmaron Holdings Limited.
3. The fund manager of Industrial and Commercial Bank of China Limited-Zhong Ou AMC Medical and Health Hybrid Securities Investment Fund (中國工商銀行股份有限公司－中歐醫療健康混合型證券投資基金) and Industrial and Commercial Bank of China Limited – Lombarda China Medical Innovation Equity Securities Investment Fund(中國工商銀行股份有限公司－中歐醫療創新股票型證券投資基金) is Lombarda China Fund Management Co., Ltd.

Apart from the above, the Company is not aware of any connected relationship or concerted action between the above shareholders.

Description of securities margin trading business by top 10 shareholders (if any)

Not Applicable

Lending of shares by shareholders holding more than 5% of the shares, the top 10 shareholders and the top 10 shareholders not subject to trading restrictions in the refinancing business

√ Applicable □ Not Applicable

Unit: share

**Lending of shares by shareholders holding more than 5% of the shares,
the top 10 shareholders and the top 10 shareholders not subject to
trading restrictions in the refinancing business**

| Name of shareholders (full name) | Period beginning shares held in general account and credit account | | Period beginning shares lent by refinancing and not yet returned | | Period end shares held in general account and credit account | | The number of period end shares lent by refinancing and not yet returned | |
|---|--|---|--|---|--|---|--|---|
| | Total number | Percentage of total share capital | Total number | Percentage of total share capital | Total number | Percentage of total share capital | Total number | Percentage of total share capital |
| Bank of China Limited- Huabao CSI Medical Trading Open-End Index Securities Investment Fund (中國銀行股份有限公 司－華寶中證醫療交易 型開放式指數證券投資基 金) | 25,892,311 | 1.45% | 710,200 | 0.04% | 29,905,761 | 1.67% | 0 | 0.00% |
| Industrial and Commercial Bank of China Limited-E Fund GEM Trading Open- end Index Securities Investment Fund (中國工 商銀行股份有限公司－易 方達創業板交易型開放式 指數證券投資基金) | 13,655,593 | 0.76% | 16,800 | 0.00% | 25,646,585 | 1.43% | 0 | 0.00% |

Changes in the top 10 shareholders and top 10 shareholders not subject to trading restrictions compared to the previous period due to securities lending/repayment in the refinancing business

Applicable Not Applicable

Unit: share

Changes in the top 10 shareholders and top 10 shareholders not subject to trading restrictions compared to the previous period due to securities lending/repayment in the refinancing business

| Name of shareholder (full name) | Increase/Exit during the reporting period | The number of period end shares lent by refinancing and not yet returned | | The number of period end shares held in general account, credit account and shares lent by refinancing and not yet returned | |
|--|--|--|---|--|---|
| | | Total number | Percentage of total share capital | Total number | Percentage of total share capital |
| Industrial and Commercial Bank of China Limited-E Fund GEM Trading Open-end Index Securities Investment Fund (中國工商銀行股份有限公司－易方達創業板交易型開放式指數證券投資基金) | Increase | 0 | 0.00% | 25,646,585 | 1.43% |

(II) Total number of preferred shareholders and the shareholdings of top 10 preferred shareholders

Applicable Not Applicable

(III) Change in shares subject to trading restrictions

√ Applicable □ Not Applicable

Unit: share

| Name of shareholders | Period beginning shares subject to trading restrictions | Number of shares released from trading restrictions during the reporting period | Increase in shares subject to trading restrictions during the reporting period | Period-end shares subject to trading restrictions | Reason for trading restrictions | Proposed date of release from trading restrictions |
|-------------------------|---|---|--|---|---|--|
| Mr. LOU Xiaoqiang (樓小強) | 51,041,250 | 5,636,213 | 0 | 45,405,037 | Locked shares held by the senior management | The locked shares held by the director/supervisor/senior management is released from trading restrictions in accordance with relevant laws and regulations |
| Ms. ZHENG Bei (鄭北) | 13,162,500 | 1,350,000 | 0 | 11,812,500 | Locked shares held by the senior management | The locked shares held by the director/supervisor/senior management is released from trading restrictions in accordance with relevant laws and regulations |
| Ms. Li Lihua (李麗華) | 56,250 | 0 | 0 | 56,250 | Locked shares held by the senior management | The locked shares held by the director/supervisor/senior management is released from trading restrictions in accordance with relevant laws and regulations |
| Total | <u>64,260,000</u> | <u>6,986,213</u> | <u>0</u> | <u>57,273,787</u> | | |

III. OTHER SIGNIFICANT EVENTS

Applicable Not Applicable

(I) Acquisition of Control of Shanghai JiYing

The Company has been investing significantly in the development of its sustainable technology platform and promoting innovation, making sure that the science and technology developed in Pharmaron is in line with the advancement of current and future new drug discovery and development in the biopharmaceutical industry, as well as continuously investing in cultivating and developing technological capabilities from AI. In June 2024, the Company signed relevant agreements to acquire approximately 78.5% equity interest in Shanghai JiYing AI TECH Co., Ltd. with a total consideration of RMB43.0 million in the form of equity purchase and capital increase. In July 2024, according to the agreements, the Company completed the first closing of equity purchase and obtained control over Shanghai JiYing. During the Reporting Period, Shanghai JiYing completed the industrial and commercial registration procedures for equity transfer and capital increase. Shanghai JiYing has been deeply involved in the field of AI and frontier technologies for many years and holds a competitive advantage. This acquisition is expected to further promote the digital transformation of the Company's services, empower business segments, significantly improve work efficiency, and achieve the effect of reducing costs and increasing efficiency.

(II) Repurchase, cancellation and delisting of the Convertible Bonds

In 2021, the Company successfully issued US\$300 million zero coupon convertible bonds due 2026 (the “**Series 1 Bonds**”) and RMB1,916 million zero coupon US\$ settled convertible bonds due 2026 (the “**Series 2 Bonds**”). The net proceeds raised amounted to approximately RMB3.776 billion.

As of July 2024, all Series 1 Bonds have been repurchased, redeemed and cancelled and no Series 1 Bonds remain outstanding. The Company applied to The Stock Exchange of Hong Kong Limited for the withdrawal of the listing of the Series 1 Bonds. Such withdrawal of listing became effective upon the close of business on July 11, 2024. The Series 2 Bond of the Company was repurchased or redeemed and cancelled in the first half of 2024, and delisted after the market closed on June 26, 2024.

(III) Additional investment in overseas participating company

In order to further cooperate with partners in the distribution of CDMO service capabilities in Southeast Asia, promote the development of joint ventures, provide customers with better services and solutions, further promote the globalization, high quality, sustainable and healthy development of Pharmaron, and build the international competitiveness of Pharmaron. On August 2, 2024, Pharmaron (Hong Kong) International Limited, a wholly owned subsidiary of the Company, entered into a joint agreement with other shareholders of PharmaGend Global Medical Services Pte. Ltd. (“**PharmaGend**”). The other shareholders of PharmaGend Ltd. have entered into a Share Subscription Agreement agreeing to jointly invest an additional US\$20 million in PharmaGend in proportion to their respective shareholdings. Among them, Pharmaron (Hong Kong) International Limited, a wholly owned subsidiary of the Company, holds 35% of PharmaGend's equity and invests an additional US\$7 million in PharmaGend with its own funds. On September 13, 2024, the additional investment was completed. For details, please refer to the announcements of the Company on August 5, 2024 and September 13, 2024 respectively.

(IV) Additional Investment in AstraZeneca Fund

In the first half of 2024, the Company reached a comprehensive strategic cooperation with Astrazeneca Investment (China) Co., Ltd. (“**AstraZeneca China**”) in respect of integrated services for R&D, commercialization and manufacturing throughout the entire process of drug discovery, preclinical and clinical development, including small molecules, biologics and CGT drugs, as well as investment in the field of innovative drug R&D. Meanwhile, based on the positive role of Wuxi AstraZeneca-CICC Venture Capital Partnership (Limited Partnership) (“**AstraZeneca Fund**”), one of AstraZeneca China’s innovative “three pillars”, in promoting China’s innovative drug industry, the Company signed the Agreement on the Transfer of the Share of the Property of Wuxi AstraZeneca CICC Venture Capital Partnership (Limited Partnership) 《關於無錫阿斯利康中金創業投資合夥企業(有限合夥)之財產份額轉讓協議》 with the relevant parties on August 16, 2024 to acquire the AstraZeneca Fund partnership interest held by Jiangsu Yuyue Medical Equipment & Supply Co., Ltd. and Shanghai Zhengxingu Investment Management Co., Ltd. for a consideration of RMB0. The Company subscribed for but has not yet paid the total of RMB91 million AstraZeneca Fund commitment held by Jiangsu Yuyue Medical Equipment & Supply Co., Ltd. and Shanghai Zhengxingu Investment Management Co., Ltd.. After this additional investment, the Company’s commitment to AstraZeneca Fund amounted to RMB191 million, accounting for 8.46% of the total contribution to AstraZeneca Fund. For details, please refer to the announcement of the Company dated August 16, 2024.

(V) Summary of other significant events during the reporting period

| Overview of events | Date of disclosure of interim announcements | Search index on the website disclosing the interim announcements |
|---|---|--|
| Completion of the repurchase of A shares of the Company | July 26, 2024 | Announcement on the Completion of the repurchase of A shares of the Company, disclosure website: HKExnews (https://www1.hkexnews.hk) |
| Progress of 2021, 2022, 2023 A Shares Incentive Scheme | August 27, 2024 | Announcement on the adjustment of 2021, 2022, 2023 Restricted A Shares Incentive Scheme, Announcement on the Fulfillment of the Vesting Conditions for the Third Vesting Period of the 2021 Restricted A Shares Incentive Scheme but the Temporary Non-listing of shares, Announcement on the Fulfillment of the Vesting Conditions for the Second Vesting Period of the 2022 Restricted A Shares Incentive Scheme but the Temporary Non-listing of Shares, Announcement on Cancellation and Lapse 2021, 2022, 2023 Restricted A Shares Granted but Not Yet Vested under the 2021, 2022, 2023 Restricted A Shares Incentive Scheme. Disclosure website: HKExnews (https://www1.hkexnews.hk) |

IV. QUARTERLY FINANCIAL STATEMENTS

(I) Financial Statements

1. Consolidated Balance Sheet

Prepared by: Pharmaron Beijing Co., Ltd.
September 30, 2024

| | <i>Unit: RMB</i> | |
|---|--|--|
| Item | Balance at the end of the period | Balance at the beginning of the period |
| Current assets: | | |
| Cash and bank balances | 2,001,124,529.33 | 5,918,915,276.72 |
| Deposit reservation for balance | | |
| Lending to banks and other financial institutions | | |
| Held-for-trading financial assets | 596,881,920.76 | 621,983,351.26 |
| Derivative financial assets | | |
| Note receivables | 1,041,780.87 | 127,660.00 |
| Trade receivables | 2,271,110,194.18 | 2,242,025,579.78 |
| Trade receivables financing | | |
| Prepayments | 25,571,997.64 | 17,808,809.79 |
| Premium receivables | | |
| Reinsurance account receivables | | |
| Reinsurance deposit receivables | | |
| Other receivables | 164,884,628.36 | 113,133,478.22 |
| Including: Interest receivables | | |
| Dividend receivables | | |
| Financial assets held under repurchase agreements | | |
| Inventories | 1,195,752,161.50 | 1,013,079,365.83 |
| Including: Data resources | | |
| Contract assets | 455,875,345.93 | 394,265,071.48 |
| Assets held for sale | | |
| Non-current assets due within one year | | 144,333,621.48 |
| Other current assets | 385,616,796.57 | 408,740,991.45 |
| Total current assets | <u>7,097,859,355.14</u> | <u>10,874,413,206.01</u> |

| Item | Balance at the end of the period | Balance at the beginning of the period |
|---|---|---|
| Non-current assets: | | |
| Disbursement of loans and advances | | |
| Debt investments | | |
| Other debt investments | | |
| Long-term receivables | | |
| Long-term equity investments | 856,217,681.88 | 722,945,600.93 |
| Other investments in equity instruments | | |
| Other non-current financial assets | 235,862,884.22 | 282,031,957.16 |
| Investment properties | | |
| Fixed assets | 7,637,577,034.57 | 6,496,642,105.34 |
| Construction in progress | 2,158,704,051.32 | 2,632,539,049.05 |
| Productive biological assets | 156,067,519.36 | 157,632,636.31 |
| Oil & gas assets | | |
| Right-of-use assets | 585,421,688.10 | 775,629,201.06 |
| Intangible assets | 800,918,914.04 | 789,056,704.67 |
| Including: Data resources | | |
| Development expenses | | |
| Including: Data resources | | |
| Goodwill | 2,841,421,641.25 | 2,780,917,692.84 |
| Long-term deferred expenses | 675,862,680.40 | 520,471,609.64 |
| Deferred tax assets | 207,514,695.78 | 153,217,789.92 |
| Other non-current assets | 316,613,355.28 | 291,215,282.67 |
| Total non-current assets | <u>16,472,182,146.20</u> | <u>15,602,299,629.59</u> |
| Total assets | <u>23,570,041,501.34</u> | <u>26,476,712,835.60</u> |

| Item | Balance at the end of the period | Balance at the beginning of the period |
|--|--|--|
| Current liabilities: | | |
| Short-term borrowings | 644,671,535.91 | 577,071,212.28 |
| Borrowings from the Central Bank | | |
| Borrowings from banks and other financial institutions | | |
| Held-for-trading financial liabilities | 26,540,539.91 | 26,930,963.59 |
| Derivative financial liabilities | | |
| Note payables | | |
| Trade payables | 485,586,643.07 | 412,220,642.83 |
| Advances from customers | | |
| Contract liabilities | 899,240,068.31 | 740,865,682.85 |
| Financial assets sold for repurchase | | |
| Customer and inter-bank deposits | | |
| Deposit for securities trading brokerage | | |
| Deposit for securities underwriting brokerage | | |
| Employee benefits payables | 609,742,699.30 | 668,660,715.70 |
| Tax payables | 248,527,129.63 | 237,947,974.18 |
| Other payables | 765,144,918.66 | 630,536,221.66 |
| Including: Interests payables | | |
| Dividend payables | | |
| Fees and commissions payables | | |
| Reinsurance account payables | | |
| Liabilities held for sale | | |
| Non-current liabilities due within one year | 451,989,956.32 | 335,656,839.78 |
| Other current liabilities | 24,599,774.88 | 24,585,599.48 |
| Total current liabilities | 4,156,043,265.99 | 3,654,475,852.35 |
| Non-current liabilities: | | |
| Insurance contract reserves | | |
| Long-term borrowings | 4,330,224,099.54 | 4,308,164,504.99 |
| Bond payables | | 3,891,500,601.59 |
| Including: Preferred shares | | |
| Perpetual bonds | | |
| Lease liabilities | 412,713,135.30 | 585,197,420.63 |
| Long-term payables | | |
| Long-term employee benefits payables | | |
| Provisions | | |
| Deferred income | 381,529,111.40 | 391,706,830.73 |
| Deferred tax liabilities | 263,489,397.98 | 290,039,272.53 |
| Other non-current liabilities | | 117,582,015.01 |
| Total non-current liabilities | 5,387,955,744.22 | 9,584,190,645.48 |
| Total liabilities | 9,543,999,010.21 | 13,238,666,497.83 |

| Item | Balance at the end of the period | Balance at the beginning of the period |
|--|--|--|
| Equity: | | |
| Share capital | 1,787,394,297.00 | 1,787,394,297.00 |
| Other equity instruments | | 198,554,160.44 |
| Including: Preferred shares | | |
| Perpetual bonds | | |
| Capital reserve | 5,190,613,062.40 | 5,221,576,402.17 |
| Less: Treasury shares | 527,940,805.78 | 463,451,960.00 |
| Other comprehensive income | 51,712,554.95 | -4,830,087.99 |
| Specific reserve | | |
| Surplus reserve | 613,042,254.15 | 613,042,254.15 |
| General risk provision | | |
| Retained earnings | 6,272,348,495.68 | 5,204,512,295.65 |
| Total equity attributable to the owners of the parent | 13,387,169,858.40 | 12,556,797,361.42 |
| Non-controlling interests | 638,872,632.73 | 681,248,976.35 |
| | <hr/> | <hr/> |
| Total equity | 14,026,042,491.13 | 13,238,046,337.77 |
| | <hr/> <hr/> | <hr/> <hr/> |
| Total liabilities and equity | 23,570,041,501.34 | 26,476,712,835.60 |
| | <hr/> <hr/> | <hr/> <hr/> |

Legal representative:
LOU Boliang

Chief Financial Officer:
LI Shing Chung Gilbert

Person in charge of
Accounting Department:
LI Shing Chung Gilbert

2. Consolidated Income Statement from the Beginning of the Year to the End of the Reporting Period

Unit: RMB

| Item | Amount of the current period | Amount of the previous period |
|--|---------------------------------|----------------------------------|
| 1. Total revenue | 8,817,275,052.00 | 8,560,256,911.27 |
| Including: Revenue | 8,817,275,052.00 | 8,560,256,911.27 |
| Interest income | | |
| Insurance premium earned | | |
| Fee and commission income | | |
| 2. Total cost | 7,773,877,243.72 | 7,354,768,450.44 |
| Including: Cost | 5,830,869,556.22 | 5,482,352,417.22 |
| Interest expenses | | |
| Fee and commission expenses | | |
| Surrender value | | |
| Net claim paid | | |
| Net change in insurance contract reserves | | |
| Insurance policy dividend paid | | |
| Reinsurance expenses | | |
| Taxes and surcharges | 85,002,888.26 | 58,913,417.72 |
| Selling expenses | 186,558,875.54 | 193,918,484.93 |
| Administrative expenses | 1,206,450,606.39 | 1,213,975,771.15 |
| Research and development costs | 332,252,436.76 | 296,764,121.85 |
| Finance expenses | 132,742,880.55 | 108,844,237.57 |
| Including: Interest expenses | 193,421,758.60 | 134,090,378.10 |
| Interest income | 65,382,859.08 | 21,450,259.48 |
| Add: Other income | 43,158,688.89 | 57,176,415.68 |
| Investment income (“-” indicating loss) | 616,402,111.56 | 48,982,484.83 |
| Including: Income from investments in associates and joint ventures | -53,821,018.25 | 11,278,542.73 |
| Gains on derecognition of financial assets measured at amortized cost | | |
| Foreign exchange gains (“-” indicating loss) | | |
| Net gain on exposure hedging (“-” indicating loss) | | |
| Gains on change in fair value (“-” indicating loss) | -22,123,214.76 | 40,201,079.24 |
| Credit impairment losses (“-” indicating loss) | -24,846,953.62 | -17,530,101.09 |
| Assets impairment losses (“-” indicating loss) | -4,834,665.41 | -6,083,628.29 |
| Gains on disposal of assets (“-” indicating loss) | -23,917,418.14 | 248,309.87 |

| Item | Amount of the current period | Amount of the previous period |
|---|---------------------------------|----------------------------------|
| 3. Operating profit (“-” indicating loss) | 1,627,236,356.80 | 1,328,483,021.07 |
| Add: Non-operating income | 1,201,135.59 | 3,389,121.43 |
| Less: Non-operating expenses | 6,561,971.93 | 10,928,665.52 |
| 4. Profit before tax (“-” indicating total loss) | 1,621,875,520.46 | 1,320,943,476.98 |
| Less: Income tax expenses | 252,668,803.97 | 186,420,334.57 |
| 5. Net profit (“-” indicating net loss) | 1,369,206,716.49 | 1,134,523,142.41 |
| (i) By continuity of operations | | |
| 1. Net profit from continuing operations (“-” indicating net loss) | 1,369,206,716.49 | 1,134,523,142.41 |
| 2. Net profit from discontinued operations (“-” indicating net loss) | | |
| (ii) By ownership | | |
| 1. Net profit attributable to owners of the parent (“-” indicating net loss) | 1,421,799,112.63 | 1,139,038,016.10 |
| 2. Net profit attributable to non-controlling interests (“-” indicating net loss) | -52,592,396.14 | -4,514,873.69 |
| 6. Other comprehensive income, net of tax | 60,879,928.73 | -27,066,185.73 |
| Other comprehensive income attributable to owners of the parent, net of tax | 56,542,642.94 | -26,538,912.84 |
| (i) Other comprehensive income that may not be reclassified to profit or loss | | |
| 1. Changes arising from remeasurement under defined benefit plan | | |
| 2. Other comprehensive income that may not be transferred to gain or loss under equity method | | |
| 3. Change in fair value of investments in other equity instruments | | |
| 4. Change in fair value of own credit risk | | |
| 5. Others | | |

| Item | Amount of the current period | Amount of the previous period |
|--|---------------------------------|----------------------------------|
| (ii) Other comprehensive income that will be reclassified to profit or loss | 56,542,642.94 | -26,538,912.84 |
| 1. Other comprehensive income that may be reclassified to profit or loss under equity method | | |
| 2. Change in fair value of other debt investments | | |
| 3. Amount included in other comprehensive income on reclassification of financial assets | | |
| 4. Credit impairment allowance of other debt investments | | |
| 5. Cash flow hedging reserve | -13,381,714.64 | -104,736,610.63 |
| 6. Exchange difference on translation of foreign financial statements | 69,924,357.58 | 78,197,697.79 |
| 7. Others | | |
| Other comprehensive income attributable to the non-controlling interests, net of tax | 4,337,285.79 | -527,272.89 |
| 7. Total comprehensive income | 1,430,086,645.22 | 1,107,456,956.68 |
| (i) Total comprehensive income attributable to owners of the parent | 1,478,341,755.57 | 1,112,499,103.26 |
| (ii) Total comprehensive income attributable to the non-controlling interests | -48,255,110.35 | -5,042,146.58 |
| 8. Earnings per share: | | |
| (i) Basic earnings per share | 0.8028 | 0.6430 |
| (ii) Diluted earnings per share | 0.8019 | 0.6421 |

| | | |
|--------------------------------------|--|---|
| Legal representative: LOU Boliang | Chief Financial Officer: LI Shing Chung Gilbert | Person in charge of Accounting Department: LI Shing Chung Gilbert |
|--------------------------------------|--|---|

3. Consolidated Statement of Cash Flows from the Beginning of the Year to the End of the Reporting Period

Unit: RMB

| Item | Amount of the current period | Amount of the previous period |
|---|---------------------------------|----------------------------------|
| 1. Cash flows from operating activities: | | |
| Cash received from sales of goods and rendering of services | 8,940,386,810.41 | 8,345,874,274.78 |
| Net increase in customers deposits, due to banks and other financial institutions | | |
| Net increase in placements from the Central Bank | | |
| Net increase in placements from other financial institutions | | |
| Cash received from premiums of original insurance contracts | | |
| Net cash received from reinsurance business | | |
| Net increase in deposit from policyholders and investment | | |
| Cash received from interests, fees and commissions | | |
| Net increase in placements from banks and other financial institutions | | |
| Net increase in repurchase agreements | | |
| Net cash received from securities trading brokerage | | |
| Refunds of taxes and surcharges | 417,480,501.78 | 384,922,168.66 |
| Other cash received relating to operating activities | 123,697,544.64 | 223,560,287.20 |
| Sub-total of cash inflow from operating activities | 9,481,564,856.83 | 8,954,356,730.64 |
| Cash paid for goods and services | 1,740,077,789.56 | 1,602,776,669.59 |
| Net increase in loans and advances to customers | | |
| Net increase in deposits with the Central Bank and other financial institutions | | |
| Cash paid for compensation pay-outs of original insurance contracts | | |
| Net increase in placements with banks and other financial institutions | | |
| Cash paid for interest, fees and commissions | | |
| Cash paid for insurance dividends | | |
| Cash paid to and on behalf of employees | 4,309,827,312.87 | 3,912,340,413.31 |
| Cash paid for taxes and surcharges | 464,632,366.59 | 315,464,293.03 |
| Other cash paid relating to operating activities | 1,196,524,858.93 | 1,094,372,378.99 |
| Sub-total of cash outflow from operating activities | 7,711,062,327.95 | 6,924,953,754.92 |
| Net cash flow from operating activities | 1,770,502,528.88 | 2,029,402,975.72 |

| Item | Amount of the current period | Amount of the previous period |
|--|---|--|
| 2. Cash flow from investing activities: | | |
| Cash received from disposal of investments | 2,348,710,344.09 | 2,064,517,625.65 |
| Cash received from return on investments | 19,907,095.93 | 36,542,008.34 |
| Net cash received from disposal of fixed assets, intangible assets and other long-term assets | 418,823.61 | 6,484,432.89 |
| Net cash received from disposal of subsidiaries and other business entities | | |
| Other cash received relating to investing activities | <hr/> | <hr/> |
| Sub-total of cash inflows from investing activities | <u>2,369,036,263.63</u> | <u>2,107,544,066.88</u> |
| Cash paid to acquire fixed assets, intangible assets and other long-term assets | 1,499,084,002.80 | 2,240,536,968.91 |
| Cash paid to acquire investments | 1,738,820,163.06 | 1,674,205,939.72 |
| Net increase in pledged loans | | |
| Net cash paid to acquire subsidiaries and other business entities | 22,628,482.34 | |
| Other cash paid relating to investing activities | <u>5,942,646.64</u> | <u>667,500.00</u> |
| Sub-total of cash outflows from investing activities | <u>3,266,475,294.84</u> | <u>3,915,410,408.63</u> |
| Net cash flow from investing activities | <u><u>-897,439,031.21</u></u> | <u><u>-1,807,866,341.75</u></u> |

| Item | Amount of the current period | Amount of the previous period |
|--|---------------------------------|----------------------------------|
| 3. Cash flow from financing activities: | | |
| Cash received from capital contributions | | 953,252,900.00 |
| Including: Cash received from capital contributions by non-controlling shareholders of subsidiaries | | 953,252,900.00 |
| Cash received from borrowings | 793,674,688.64 | 491,835,187.27 |
| Other cash received relating to financing activities | | |
| | <hr/> | <hr/> |
| Sub-total of cash inflows from financing activities | 793,674,688.64 | 1,445,088,087.27 |
| | <hr/> | <hr/> |
| Cash paid for repayments of borrowings | 4,725,228,153.52 | 468,095,096.90 |
| Cash payment for distribution of dividends, profits or interest expenses | 499,136,860.86 | 395,122,272.81 |
| Including: Dividends and profit paid by subsidiaries to non-controlling shareholders | | |
| Other cash paid relating to financing activities | 355,257,779.10 | 150,385,535.36 |
| | <hr/> | <hr/> |
| Sub-total of cash outflow from financing activities | 5,579,622,793.48 | 1,013,602,905.07 |
| | <hr/> | <hr/> |
| Net cash flows from financing activities | <u>-4,785,948,104.84</u> | <u>431,485,182.20</u> |
| 4. Effect of foreign exchange rate changes on cash and cash equivalents | <u>55,313,498.77</u> | <u>10,108,061.27</u> |
| 5. Net increase in cash and cash equivalents | -3,857,571,108.40 | 663,129,877.44 |
| Add: Period-beginning balance of cash and cash equivalents | <u>5,789,114,669.03</u> | <u>1,359,712,740.14</u> |
| 6. Period-end balance of cash and cash equivalents | <u>1,931,543,560.63</u> | <u>2,022,842,617.58</u> |

(II) Audit Report

Whether the Third Quarterly Report has been audited

Yes No

The Third Quarterly Report of the Company has not been audited.

(III) Quarterly Condensed Consolidated Financial Statements Prepared in Accordance with IFRSs

1. Consolidated Statement of Profit or Loss¹

For the nine months ended September 30, 2024

| | Nine months ended September 30, | |
|---|--|-------------------------|
| | 2024 | 2023 |
| | RMB'000 | RMB'000 |
| REVENUE | 8,817,275 | 8,560,257 |
| Cost of sales | <u>(5,865,372)</u> | <u>(5,500,457)</u> |
| Gross profit | 2,951,903 | 3,059,800 |
| Other income and gains | 794,174 | 179,933 |
| Other expenses | (68,618) | (24,061) |
| Selling and distribution expenses | (186,559) | (193,918) |
| Administrative expenses | (1,263,729) | (1,263,736) |
| Research and development costs | (332,252) | (296,764) |
| Impairment losses on financial and contract assets | (25,800) | (17,497) |
| Finance costs | (193,422) | (134,090) |
| Share of (losses)/profits of associates | <u>(53,821)</u> | <u>11,279</u> |
| Profit before tax | 1,621,876 | 1,320,946 |
| Income tax expense | <u>(252,669)</u> | <u>(186,423)</u> |
| Profit for the period | <u>1,369,207</u> | <u>1,134,523</u> |
| Attributable to: | | |
| Owners of the parent | 1,421,799 | 1,139,038 |
| Non-controlling interests | <u>(52,592)</u> | <u>(4,515)</u> |
| | <u>1,369,207</u> | <u>1,134,523</u> |
| EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT | | |
| Basic | | |
| For profit for the period | <u>0.8028</u> | <u>0.6430</u> |
| Diluted | | |
| For profit for the period | <u>0.8019</u> | <u>0.6421</u> |

1 Any discrepancies in data below between the total shown and the sum of the amounts listed are due to rounding.

2. Consolidated Statement of Financial Position²

September 30, 2024

| | September 30, 2024 <i>RMB'000</i> | January 1, 2024 <i>RMB'000</i> |
|---|---|--------------------------------------|
| NON-CURRENT ASSETS | | |
| Property, plant and equipment | 10,679,646 | 9,851,705 |
| Right-of-use assets | 950,030 | 1,146,142 |
| Goodwill | 2,841,422 | 2,780,918 |
| Other intangible assets | 228,808 | 216,492 |
| Investments in associates | 856,218 | 722,946 |
| Equity investments at fair value through profit or loss | 235,863 | 282,032 |
| Biological assets | 156,068 | 157,633 |
| Deferred tax assets | 207,515 | 153,218 |
| Other non-current assets | 316,613 | 291,214 |
| | <hr/> | <hr/> |
| Total non-current assets | 16,472,183 | 15,602,300 |
| CURRENT ASSETS | | |
| Inventories | 549,520 | 365,479 |
| Contract costs | 194,619 | 155,877 |
| Trade receivables | 2,272,152 | 2,242,153 |
| Contract assets | 455,875 | 394,265 |
| Biological assets | 451,613 | 491,724 |
| Prepayments, other receivables and other assets | 576,073 | 684,017 |
| Financial assets at fair value through profit or loss | 582,784 | 594,333 |
| Derivative financial instruments | 14,098 | 27,650 |
| Pledged deposits | 68,368 | 127,750 |
| Cash and cash equivalents | 1,932,757 | 5,791,165 |
| | <hr/> | <hr/> |
| Total current assets | 7,097,859 | 10,874,413 |
| CURRENT LIABILITIES | | |
| Interest-bearing bank borrowings | 942,901 | 727,412 |
| Trade payables | 485,587 | 412,221 |
| Other payables and accruals | 1,461,060 | 1,377,183 |
| Contract liabilities | 899,239 | 740,866 |
| Lease liabilities | 153,760 | 185,316 |
| Derivative financial instruments | 26,541 | 26,931 |
| Tax payable | 186,955 | 184,547 |
| | <hr/> | <hr/> |
| Total current liabilities | 4,156,043 | 3,654,476 |
| | <hr/> | <hr/> |
| NET CURRENT ASSETS | 2,941,816 | 7,219,937 |
| | <hr/> | <hr/> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | 19,413,999 | 22,822,237 |
| | <hr/> <hr/> | <hr/> <hr/> |

| | September 30, 2024 RMB'000 | January 1, 2024 RMB'000 |
|--|---|-------------------------------|
| NON-CURRENT LIABILITIES | | |
| Interest-bearing bank borrowings | 4,330,224 | 4,308,165 |
| Deferred tax liabilities | 263,489 | 290,039 |
| Financial liabilities at fair value through profit or loss | – | 117,582 |
| Deferred income | 381,529 | 391,707 |
| Convertible bonds-debt component | – | 3,891,501 |
| Lease liabilities | 412,714 | 585,197 |
| | <u>5,387,956</u> | <u>9,584,191</u> |
| Total non-current liabilities | 5,387,956 | 9,584,191 |
| NET ASSETS | 14,026,043 | 13,238,046 |
| EQUITY | | |
| Share capital | 1,787,394 | 1,787,394 |
| Treasury shares | (527,941) | (463,453) |
| Equity component of convertible bonds | – | 198,554 |
| Reserves | 12,127,717 | 11,034,302 |
| | <u>13,387,170</u> | <u>12,556,797</u> |
| Equity attributable to owners of the parent | 13,387,170 | 12,556,797 |
| Non-controlling interests | 638,873 | 681,249 |
| | <u>638,873</u> | <u>681,249</u> |
| Total equity | 14,026,043 | 13,238,046 |

2 Any discrepancies in data below between the total shown and the sum of the amounts listed are due to rounding.

3. *Non-IFRSs adjusted net profit for the period attributable to owners of the parent*

To supplement the financial statements prepared by us, we use non-IFRSs adjusted net profit attributable to owners of the parent as an additional financial measure. We define non-IFRSs adjusted net profit attributable to owners of the parent as net profit before certain expenses/ (gains) as set out in the table below.

The Company believes that the consideration of the non-IFRSs adjusted net profit attributable to owners of the parent by eliminating the impact of certain incidental, non-cash or non-operating items is useful for better understanding and assessing underlying business performance and operating trends for the Company's management, shareholders and potential investors.

The non-IFRSs adjusted net profit attributable to owners of the parent is not an alternative to (i) profit before tax or net profit (as determined in accordance with IFRSs) as a measure of our operating performance, (ii) cash flows from operating, investing and financing activities as a measure of our ability to satisfy our cash needs, or (iii) any other measures of performance or liquidity. In addition, the presentation of the non-IFRSs adjusted net profit attributable to owners of the parent is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with the IFRSs. Shareholders and potential investors should not view the non-IFRSs adjusted net profit attributable to owners of the parent on a stand-alone basis or as a substitute for results under the IFRSs, or as being comparable to results reported or forecasted by other companies.

| | Nine months ended September 30, | |
|---|--|-------------------------|
| | 2024 | 2023 |
| | RMB'000 | RMB'000 |
| Profit attributable to owners of the parent | <u>1,421,799</u> | <u>1,139,038</u> |
| Add: | | |
| Share-based compensation expenses | 83,612 | 145,213 |
| Convertible Bonds related (gains)/losses | (6,136) | 91,279 |
| Foreign exchange related losses | 32,273 | 55,454 |
| Realized and unrealized gains from equity investments | (468,170) | (18,549) |
| One-off loss made by Pharmaron Shanghai Co., Ltd. due to the business close | <u>44,016</u> | <u>–</u> |
| Non-IFRS adjusted net profit attributable to owners of the parent | <u><u>1,107,394</u></u> | <u><u>1,412,435</u></u> |

In the first three quarters of 2024, non-IFRS adjusted net profit attributable to owners of the parent decreased by 21.6% as compared with the corresponding period of the previous year.