CSPC PHARMACEUTICAL GROUP LIMITED
石藥集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 1093)

INDICATIVE RESULTS OF CSPC INNOVATION PHARMACEUTICAL CO., LTD. FOR THE YEAR ENDED 31 DECEMBER 2024

In compliance with the relevant requirements of Shenzhen Stock Exchange, CSPC Innovation Pharmaceutical Co., Ltd. ("**CSPC Innovation**"), a subsidiary of CSPC Pharmaceutical Group Limited (the "**Company**") listed on the ChiNext of Shenzhen Stock Exchange (Stock Code: 300765), has on 17 January 2025 published an announcement of its indicative results for the year ended 31 December 2024 (the "**Indicative Announcement**") on the information disclosure webpage of Shenzhen Stock Exchange's website at http://www.szse.cn/disclosure/listed/notice/index.html.

Set out in the appendix to this announcement (the "**Appendix**") is the Indicative Announcement prepared by CSPC Innovation in accordance with the China Accounting Standards for Business Enterprises in Chinese. In case of any inconsistency between the Chinese version and the English version, the Chinese version shall prevail.

Shareholders and potential investors of the Company are reminded that the financial information in the Appendix are the indicative results of CSPC Innovation for the year ended 31 December 2024, rather than that of the Company. They should exercise caution when dealing in the securities of the Company.

By order of the Board
CSPC Pharmaceutical Group Limited
CAI Dongchen
Chairman

Hong Kong, 17 January 2025

As at the date of this announcement, the Board comprises Mr. CAI Dongchen, Mr. ZHANG Cuilong, Mr. WANG Zhenguo, Mr. PAN Weidong, Mr. WANG Huaiyu, Dr. LI Chunlei, Dr. YAO Bing, Mr. CAI Xin and Mr. CHEN Weiping as executive directors; and Mr. WANG Bo, Mr. CHEN Chuan, Prof. WANG Hongguang, Mr. AU Chun Kwok Alan, Mr. LAW Cheuk Kin Stephen and Ms. LI Quan as independent non-executive directors.

APPENDIX

2024 INDICATIVE RESULTS OF CSPC INNOVATION PHARMACEUTICAL CO., LTD.

The company and all members of its board warrant that the information disclosed is true, accurate and complete, and does not contain any false statements, misleading representations or material omissions.

I. INDICATIVE RESULTS FOR THE CURRENT PERIOD

(1) Period for the indicative results

1 January 2024 to 31 December 2024.

(2) Indicative results

☐ Turnaround from loss to profit ☐ Increase over the same period last year ☑ Decrease over the same period last year

Item	Current reporting period	Same period last year
Net profit attributable to shareholders of the listed company	Profit: 4,500 to 6,600 (in Ten Thousand Yuan)	Profit: 43,443.56 (in Ten Thousand Yuan)
	Decrease as compared to the same period last year: 84.81% to 89.64%	
Net profit after deducting non-recurring gains/losses	Profit: 3,800 to 5,600 (in Ten Thousand Yuan)	Profit: 74,367.30 (in Ten Thousand Yuan)
	Decrease as compared to the same period last year: 92.47% to 94.89%	

Note 1: In January 2024, the company completed the equity transfer of and obtained control over CSPC Megalith Biopharmaceutical Co., Ltd. (hereinafter referred to as "Megalith Biopharmaceutical") through capital increase in cash. This was a business combination under common control. Therefore, the company made retrospective adjustments to the data for the same period last year in accordance with the relevant requirements of the Accounting Standards for Business Enterprises.

Note 2: In accordance with the provisions of the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public — Non-recurring Gains/Losses (2008) (《公開發行證券的公司信息披露解釋性公告第1號—非經常性損益(2008)》), the current net profit/loss of subsidiaries arising from business combination under common control from the beginning of the period to the date of merger shall be classified as non-recurring gain/loss. Therefore, the net profit/loss of Megalith Biopharmaceutical for 2023 was classified as non-recurring gain/loss in the financial statements of the listed company, and its net profit/loss for 2024 was classified as recurring gain/loss in the financial statements of the listed company.

II. COMMUNICATION WITH THE CPA FIRM

The company has communicated with the CPA firm in respect of the matters related to the indicative results, and there is no disagreement on the indicative results between both parties.

III. REASONS FOR THE CHANGES IN RESULTS

(I) Decline in the revenue generated from the functional ingredient business of the company due to the decrease in caffeine prices

During the reporting period, the company actively consolidated its leading position in the functional ingredient business. However, the export price of caffeine fell from the high levels in 2023 due to impact from market factors, with the average export price decreasing by over 20% compared to the same period last year, resulting in a decrease of approximately 400 million yuan in revenue generated from the functional ingredient business compared to the same period last year; in the meantime, the health food products business also experienced a decline in revenue due to impact from market factors. The reduced profit resulting from the decline in revenue of the above two legacy businesses is one of the major factors contributing to the decline in performance in 2024.

(II) Significant progress made by the company in a number of products under development and increase in its R&D investment

During the reporting period, the company continued to increase its investment in R&D and innovation with the annual R&D expenses amounting to approximately 840 million yuan, an increase of approximately 170 million yuan over last year. Despite the negative impact of increase in R&D expenses on the 2024 annual results of the listed company, significant progress has been made regarding a number of products: both Enlonstobart Injection (recombinant fully human anti-PD-1 monoclonal antibody) and Omalizumab for Injection (recombinant humanized anti-IgE monoclonal antibody) obtained marketing approval in 2024, with commercial sales already underway; since January 2024, IND applications for 5 ADC products and 2 mRNA vaccines have been newly approved, 1 monoclonal antibody product (Ustekinumab Injection) has been filed for marketing approval, and 1 ADC product (SYS6010 Humanized Anti-human EGFR Monoclonal Antibody-JS-1 Conjugated Injection) has been included in the list of breakthrough therapy drugs by the Center for Drug Evaluation of the National Medical Products Administration.

IV. OTHER RELEVANT INFORMATION

The indicative results data are based on preliminary estimation by the financial department of the company, and have not been audited by the audit firm. Detailed data of the actual results should be referred to those to be disclosed in the 2024 annual report of the company. Investors are advised to make cautious decision and pay attention to the investment risks involved.

V. DOCUMENTS AVAILABLE FOR INSPECTION

Explanation from the board of directors on the indicative results for the period.

The announcement is hereby made.

Board of directors
CSPC Innovation Pharmaceutical Co., Ltd.
17 January 2025