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麗珠醫藥集團股份有限公司
LIVZON PHARMACEUTICAL GROUP INC.*

(a joint stock company incorporated in the People's Republic of China with limited liability)
(Stock code: 1513)

2023 THIRD QUARTERLY REPORT

This announcement is made by 麗珠醫藥集團股份有限公司 Livzon Pharmaceutical Group Inc.* (the “**Company**”, together with its subsidiaries collectively, 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 Provision under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

The Company and all members of the board of directors warrant that the contents of the information disclosure are true, accurate and complete without containing any false representations, misleading statements or material omissions.

IMPORTANT NOTICE:

1. The Board, the supervisory committee and the directors, supervisors and senior management of the Company warrant the truthfulness, accuracy, completeness of the 2023 third quarterly report (the “**Quarterly Report**”) of the Company which does not contain any false representations, misleading statements or material omissions, and accept joint and several legal liabilities for its contents.
2. Mr. Zhu Baoguo (朱保國先生), the person-in-charge of the Company, Ms. Si Yanxia (司燕霞女士), the person-in-charge of accounting work, and Ms. Zhuang Jianying (莊健瑩女士), the person-in-charge of the accounting department (the head of the accounting department), declare that they warrant the truthfulness, accuracy and completeness of the financial information contained in the Quarterly Report.
3. The Quarterly Report was prepared in both Chinese and English. In the event of any discrepancy between the Chinese and the English versions, the Chinese version shall prevail. The financial statements and corresponding information as contained in the Quarterly Report have been prepared in accordance with the China Accounting Standards for Business Enterprises (中國《企業會計準則》). Unless otherwise stated, the currency denominations herein are Renminbi (RMB).
4. Whether the third quarterly report has been audited
 Yes No
5. Items with non-standard opinion from the auditor
 Applicable Not Applicable

I. KEY FINANCIAL DATA

(I) Key Accounting Data and Financial Indicators

Whether the Company has made retrospective adjustments or restatements of accounting data of prior years

Yes No

	The Reporting Period (July – September 2023)	Period-to-period change	From the beginning of the year to the end of the Reporting Period (January – September 2023)	Period-to-period change
Operating income (RMB)	2,964,874,453.89	-6.93%	9,654,792,568.76	1.76%
Net profit attributable to the Shareholders of the Company (RMB)	466,984,530.41	-4.55%	1,601,554,878.96	6.29%
Net profit attributable to the Shareholders of the Company after deducting the extraordinary gains or losses (RMB)	481,866,550.98	4.18%	1,575,572,240.19	4.41%
Net cash flow from operating activities (RMB)	–	–	2,212,403,355.39	19.72%
Basic earnings per share (RMB/share)	0.50	-3.85%	1.72	6.83%
Diluted earnings per share (RMB/share)	0.50	-3.85%	1.72	6.83%
Weighted average return on equity	3.43%	Decreased by 0.29 percentage point	11.38%	Increased by 0.04 percentage point

	End of the Reporting Period	End of last year	Change
Total assets (RMB)	24,799,963,451.50	24,864,825,366.23	-0.26%
Owners' equity attributable to the shareholders of the Company (RMB)	13,642,435,678.87	13,876,020,665.59	-1.68%

Total share capital of the Company as at the trading day prior to disclosure:

Total share capital of the Company as at the trading day prior to disclosure (shares)	935,552,687
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Fully diluted earnings per share based on the most updated share capital:

Dividends payable to preferred shares (RMB)	–
Interests payable to perpetual bonds (RMB)	–
Fully diluted earnings per share based on the most updated share capital (RMB/share)	1.71

(II) Items and Amounts of Extraordinary Gains and Losses

√ Applicable □ Not Applicable

Unit: RMB

Items	Amount for	Amount from	Explanation
	the Reporting Period (July – September 2023)	the beginning of the year to the end of the Reporting Period (January – September 2023)	
Gains and losses on disposal of non-current assets (including the written-off portion of provisions made for asset impairment)	128,495.16	-199,730.84	–
Government grants included in profit and loss for the Period (except for government grants closely associated with ordinary operating business of the Company, met national policies and regulations, continuously entitled at fixed amount or fixed level according to certain standards)	15,193,757.44	117,098,636.78	–
Gains or losses arising from changes in fair value derived from holding of financial assets held for trading and financial liabilities held for trading, and investment income generated on disposal of financial assets held for trading, financial liabilities held for trading and available-for-sale financial assets, except for effective hedging activities related to the ordinary operating business of the Company	-21,361,372.20	-59,764,628.79	–
Other non-operating income and expenditure apart from the above items	-12,067,362.31	-17,129,184.63	–
Less: Effect of income tax	-133,634.84	9,537,436.51	–
Effect of minority interests (after tax)	-3,090,826.50	4,485,017.24	–
Total	-14,882,020.57	25,982,638.77	–

Explanation on defining items of extraordinary gains or losses as illustrated in the “Notice on Explanation of Information Disclosure of Companies Publicly Issuing Securities No.1 – Extraordinary Gains or Losses” as items of recurring gains or losses

The Company has not defined any items of extraordinary gains or losses as illustrated in the “Notice on Explanation of Information Disclosure of Companies Publicly Issuing Securities No.1 – Extraordinary Gains or Losses” as items of recurring gains or losses.

(III) Changes of Key Accounting Data and Financial Indicators and Reasons Thereof

√ Applicable □ Not Applicable

1. Substantial changes of items in the consolidated balance sheet and reasons thereof

Item	Amount at the end of the Period (RMB)	Amount at the beginning of the year (RMB)	Change	Explanation
Financial assets held for trading	73,180,112.60	108,094,033.51	-32.30%	Mainly due to fluctuations in the market value of underlying securities investment held.
Construction in progress	267,118,518.62	602,442,281.75	-55.66%	Mainly due to the production lines of new factories and workshops of the subsidiaries transferred to fixed assets.
Financial liabilities held for trading	7,819,108.14	710,034.43	1,001.23%	Mainly due to changes in forward foreign exchange contracts.
Contract liabilities	62,811,410.67	226,185,055.51	-72.23%	Mainly due to the fact that part of the contract payments received in advance fulfilled the conditions for revenue recognition and were transferred to revenue during the Period.
Non-current liabilities due within one year	13,649,479.98	10,440,962.31	30.73%	Mainly due to the increase in amount payable under lease due within one year.
Other current liabilities	44,283,966.92	98,268,918.44	-54.94%	Mainly due to the decrease in estimated refund payable.
Treasury shares	402,090,709.70	55,936,280.81	618.84%	Mainly due to the additional repurchase of the Company's A shares during the Period.

2. Substantial changes of items in the consolidated income statement from the beginning of the year to the end of the Reporting Period and reasons thereof

Item	Amount for the Period (RMB) (January – September 2023)	Amount for the Previous Period (RMB) (January – September 2022)	Change	Explanation
Operating income	9,654,792,568.76	9,488,253,415.41	1.76%	See note for details.
Gains from changes in fair value	-41,993,723.63	-78,272,892.48	46.35%	Mainly due to fluctuations in the market value of underlying securities investment held.
Credit impairment loss	-18,668,104.14	-9,116,587.96	-104.77%	Mainly due to aging changes of accounts receivables resulting in the corresponding increase in expected credit loss during the Period.
Gains from disposal of assets	-199,730.84	1,121,679.66	-117.81%	Mainly due to gains incurred from disposal of fixed assets during the Previous Period.
Non-operating expenditure	19,987,199.49	10,493,028.51	90.48%	Mainly due to an increase in charitable donation expenses during the Period compared to the Previous Period.
Profit and loss attributable to minority interests	22,766,303.03	53,530,865.97	-57.47%	Mainly due to a decrease in the operating performance of non-wholly owned subsidiaries during the Period compared to the Previous Period.
Other comprehensive net income after taxation	-50,048,149.48	100,294,789.83	-149.90%	Mainly due to changes in the fair value of other equity instrument investments and exchange rate fluctuations resulting in changes in conversion differences of foreign currency statements.

Note: From January to September 2023, the Group recorded an operating income of RMB9,654.79 million, representing a period-to-period increase of 1.76%. Income from chemical drug preparation products amounted to RMB5,153.48 million, representing a period-to-period decrease of 4.71%, of which, income from gastroenterology products amounted to RMB2,279.37 million, representing a period-to-period decrease of 12.93%; income from gonadotropic hormone products amounted to RMB2,188.12 million, representing a period-to-period increase of 4.94%; income from psychiatry products amounted to RMB429.98 million, representing a period-to-period increase of 7.60%; income from anti-infection drugs amounted to RMB242.64 million, representing a period-to-period decrease of 18.57%. The income from API and intermediate products amounted to RMB2,587.37 million, representing a period-to-period increase of 3.55%. The income from traditional Chinese medicine preparation products amounted to RMB1,246.68 million, representing a period-to-period increase of 50.17%. The income from biological products amounted to RMB112.54 million, representing a period-to-period decrease of 31.09%. The income from diagnostic reagent and equipment products amounted to RMB467.73 million, representing a period-to-period decrease of 6.88%.

3. Substantial changes of items in the consolidated cash flow statement from the beginning of the year to the end of the Reporting Period and reasons thereof

Item	Amount for the Period (RMB) (January – September 2023)	Amount for the Previous Period (RMB) (January – September 2022)	Change	Explanation
Subtotal of cash inflow from investing activities	457,840,165.72	71,135,583.20	543.62%	Mainly due to the recovery of investment amount during the Period.
Net cash flow from financing activities	-1,768,301,850.08	-757,588,971.12	-133.41%	Mainly due to the combined effect of the decrease in new borrowings and payment for share repurchase during the Period.
Effect of changes in foreign exchange rates on cash and cash equivalents	33,034,857.17	131,850,063.12	-74.95%	Mainly due to changes in foreign exchange rates resulting in a decrease in exchange gains from foreign currency funds held.
Net increase in cash and cash equivalents	-76,793,532.42	453,132,823.42	-116.95%	Mainly due to the combined effect of the decrease in new borrowings and payment for share repurchase during the Period.

II. INFORMATION OF SHAREHOLDERS

(I) Total Number of Ordinary Shareholders and Preferred Shareholders with Voting Rights Resumed and Shareholdings of the Top 10 Shareholders

Unit: share

Total number of ordinary shareholders as at the end of the Reporting Period	45,778 (including 45,756 A Shareholders and 22 H Shareholders ^{Note 1)})	Total number of preferred shareholders with voting rights resumed as at the end of the Reporting Period (if any)	-
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Shareholdings of the Top 10 Shareholders

Name of shareholder	Nature of shareholder	Shareholding percentage	Number of shares held	Number of shares held		
				with selling restrictions	Pledge, charge or lock-up Share status	Number
HKSCC Nominees Limited ^{Note 2}	Foreign entity	33.09%	309,546,029	-	-	-
Joincare Pharmaceutical Group Industry Co., Ltd. (健康元藥業集團股份有限公司)	Domestic non-state owned entity	23.66%	221,376,789	-	-	-
Hong Kong Securities Clearing Company Limited	Foreign entity	2.46%	23,047,932	-	-	-
Guangzhou Begol Trading Holdings Limited (廣州市保科力貿易公司)	State-owned entity	1.85%	17,306,329	17,306,329	Pledged and locked up	17,306,329
Shenzhen Haibin Pharmaceutical Co., Ltd. (深圳市海濱製藥有限公司)	Domestic non-state owned entity	1.80%	16,830,835	-	-	-
Shanghai Lingren Private Equity Fund Management Partnership (Limited Partnership) - Lingren Excellence Evergreen Phase II Private Equity Securities Investment Fund (上海瓊仁私募基金管理合夥企業(有限合夥) - 瓊仁卓越長青二期私募證券投資基金)	Others	0.54%	5,094,949	-	-	-
Monetary Authority of Macao- Internal Funds (澳門金融管理局-自有資金)	Foreign entity	0.53%	4,955,526	-	-	-
UBS AG	Foreign entity	0.52%	4,821,443	-	-	-
Abu Dhabi Investment Authority (阿布達比投資局)	Foreign entity	0.51%	4,770,312	-	-	-
China Post Life Insurance Co., Ltd. - Dividend Insurance Products (中郵人壽保險股份有限公司-分紅保險產品)	Others	0.43%	3,979,922	-	-	-

Shareholdings of the Top 10 Shareholders Without Selling Restrictions

Name of shareholder	Number of shares held without selling restrictions	Class of shares	Number
HKSCC Nominees Limited ^{Note 2}	309,546,029	Overseas listed foreign shares	309,546,029
Joincare Pharmaceutical Group Industry Co., Ltd. (健康元藥業集團股份有限公司)	221,376,789	Ordinary shares denominated in RMB	221,376,789
Hong Kong Securities Clearing Company Limited	23,047,932	Ordinary shares denominated in RMB	23,047,932
Shenzhen Haibin Pharmaceutical Co., Ltd. (深圳市海濱製藥有限公司)	16,830,835	Ordinary shares denominated in RMB	16,830,835
Shanghai Lingren Private Equity Fund Management Partnership (Limited Partnership) – Lingren Excellence Evergreen Phase II Private Equity Securities Investment Fund (上海瓊仁私募基金管理合夥企業(有限合夥) – 瓊仁卓越長青二期私募證券投資基金)	5,094,949	Ordinary shares denominated in RMB	5,094,949
Monetary Authority of Macao – Internal Funds (澳門金融管理局 – 自有資金)	4,955,526	Ordinary shares denominated in RMB	4,955,526
UBS AG	4,821,443	Ordinary shares denominated in RMB	4,821,443
Abu Dhabi Investment Authority (阿布達比投資局)	4,770,312	Ordinary shares denominated in RMB	4,770,312
China Post Life Insurance Co., Ltd. – Dividend Insurance Products (中郵人壽保險股份有限 公司 – 分紅保險產品)	3,979,922	Ordinary shares denominated in RMB	3,979,922
China Minsheng Banking Corp., Ltd. – GF Balanced Growth Hybrid Securities Investment Fund (中國民生銀行股份有限公司 – 廣發均衡增長 混合型證券投資基金)	3,576,600	Ordinary shares denominated in RMB	3,576,600

Description of connection or acting-in-concert relationship of the above shareholders

(1) On 2 January 2004, Joincare Pharmaceutical Group Industry Co., Ltd. (“Joincare”) and Guangzhou Begol Trading Holdings Limited (“Begol”) entered into a Share Transfer and Custody Agreement and a Share Pledge Agreement, pursuant to which the 6,059,428 shares of the Company held by Begol as domestic legal shares (the number of shares was increased to 7,877,256 shares after the Company’s implementation of 2014 Equity Distribution, the number of shares was increased to 10,240,432 shares after the Company’s implementation of 2016 Equity Distribution, the number of shares was increased to 13,312,561 shares after the Company’s implementation of 2017 Equity Distribution and the number of shares was increased to 17,306,329 shares after the Company’s implementation of 2018 Equity Distribution) were directly transferred, entrusted and pledged to Joincare; (2) Shenzhen Haibin Pharmaceutical Co., Ltd. was a subsidiary directly and indirectly owned by Joincare as to 100% equity interest; (3) the Company was not aware whether the other Shareholders mentioned above are related parties or persons acting-in-concert as defined in the Administrative Measures for the Takeover of Listed Companies (《上市公司收購管理辦法》).

Description of the top 10 shareholders involved in margin financing and securities lending business (if any)

Not Applicable

- Notes:*
1. The shareholdings of the above top 10 shareholders are listed in accordance with the data in the register of members as at 30 September 2023 provided by Shenzhen Branch of China Securities Depository and Clearing Corporation Limited and Tricor Investor Services Limited in Hong Kong.
 2. HKSCC Nominees Limited is a nominee holder of H Shares of the Company, and the Company cannot ascertain whether such H Shares are subject to any pledge or lock-up, and such H Shares held by HKSCC Nominees Limited on behalf of others included 163,364,672 H Shares of the Company held by Topsino Industries Limited (天誠實業有限公司), which was a wholly-owned subsidiary of Joicare, the controlling shareholder of the Company.
 3. There is the special repurchase security account among the top 10 shareholders of the Company, and the number of shares held is 11,614,548 shares, which have not been cancelled.

(II) Total Number of Preferred Shareholders of the Company and Shareholdings of the Top 10 Preferred Shareholders

Applicable Not Applicable

III. OTHER IMPORTANT EVENTS

Applicable Not Applicable

Progress of Repurchase of Part of A Shares

As at 30 September 2023, the Company made a total repurchase of 11,614,548 A Shares of the Company by means of centralized bidding transactions, accounting for 1.24% of the total share capital of the Company. The highest purchase price was RMB37.34 per share, while the lowest purchase price was RMB32.25 per share. The aggregate amount of funds used for the repurchase was RMB402,016,931.96 (excluding the transaction costs). The above mentioned repurchase complied with the Company's existing Share Repurchase Scheme.

IV. QUARTERLY FINANCIAL STATEMENTS

(I) Financial Statements

Consolidated Balance Sheet

Prepared by: Livzon Pharmaceutical Group Inc.

Unit: RMB

Item	Amount at the End of the Period	Amount at the Beginning of the Year
Current assets:		
Monetary funds	10,356,123,005.75	10,411,348,410.09
Financial assets held for trading	73,180,112.60	108,094,033.51
Bills receivable	1,585,518,266.44	1,623,939,626.22
Accounts receivables	2,410,565,858.09	2,415,256,725.64
Receivables financing		
Prepayments	227,596,006.22	201,986,556.28
Other receivables	47,823,318.92	44,426,856.44
Of which: Interest receivable		
Dividends receivable		
Inventories	2,142,478,933.28	2,045,341,552.12
Contract assets		
Held-for-sale assets		
Non-current assets due within one year		
Other current assets	141,106,030.43	136,903,280.08
Total current assets	16,984,391,531.73	16,987,297,040.38
Non-current assets:		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investments	1,070,208,015.03	1,055,939,326.49
Other equity instrument investments	609,547,001.32	682,275,271.41
Other non-current financial assets		
Investment properties		
Fixed assets	4,378,403,127.23	3,967,614,462.32
Construction in progress	267,118,518.62	602,442,281.75
Productive biological assets		
Oil and gas assets		
Right-of-use assets	22,136,289.39	21,828,952.90
Intangible assets	433,696,549.59	557,437,332.79
Development expenditure	258,051,755.61	268,954,952.69
Goodwill	124,911,302.94	103,040,497.85
Long-term deferred expenses	172,377,578.89	147,783,523.97
Deferred income tax assets	279,930,365.44	280,547,017.74
Other non-current assets	199,191,415.71	189,664,705.94
Total non-current assets	7,815,571,919.77	7,877,528,325.85
Total assets	24,799,963,451.50	24,864,825,366.23

Item	Amount at the End of the Period	Amount at the Beginning of the Year
Current liabilities:		
Short-term loans	1,560,008,750.00	1,622,239,859.89
Financial liabilities held for trading	7,819,108.14	710,034.43
Bills payables	1,049,593,937.66	1,007,745,986.84
Accounts payables	751,303,625.08	854,276,460.61
Receipts in advance		
Contract liabilities	62,811,410.67	226,185,055.51
Employee benefits payables	296,206,524.52	350,633,059.16
Taxes and surcharge payables	251,059,602.83	255,516,487.73
Other payables	3,264,151,316.71	2,970,648,095.37
Of which: Interest payable		
Dividends payable	40,783,404.96	12,252,074.84
Held-for-sale liabilities		
Non-current liabilities due within one year	13,649,479.98	10,440,962.31
Other current liabilities	44,283,966.92	98,268,918.44
Total current liabilities	7,300,887,722.51	7,396,664,920.29
Non-current liabilities:		
Long-term loans	2,428,728,610.19	1,974,444,042.88
Bonds payables		
Leasing liabilities	8,980,245.57	11,607,998.43
Long-term payables		
Long-term employee benefits payables		
Provisions		
Deferred gains	308,974,005.78	273,208,796.75
Deferred income tax liabilities	194,156,010.16	188,648,016.16
Other non-current liabilities	90,000,000.00	84,000,000.00
Total non-current liabilities	3,030,838,871.70	2,531,908,854.22
Total liabilities	10,331,726,594.21	9,928,573,774.51
Share capital	935,552,687.00	935,552,687.00
Other equity instruments		
Of which: Preferred shares		
Perpetual bonds		
Capital reserve	1,676,757,889.55	1,627,478,362.60
Less: treasury shares	402,090,709.70	55,936,280.81
Other comprehensive income	131,373,384.30	186,488,658.73
Special reserve		
Surplus reserve	744,801,154.15	744,801,154.15
Undistributed profits	10,556,041,273.57	10,437,636,083.92
Total equity attributable to shareholders of the parent company	13,642,435,678.87	13,876,020,665.59
Minority interests	825,801,178.42	1,060,230,926.13
Total shareholders' (or owners') equity	14,468,236,857.29	14,936,251,591.72
Total liabilities and shareholders' (or owners') equity	24,799,963,451.50	24,864,825,366.23

Chairman of the Board and Legal Representative:
Zhu Baoguo

Executive Director and President:
Tang Yanggang

Chief Financial Officer:
Si Yanxia

Head of Accounting Department:
Zhuang Jianying

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

Prepared by: Livzon Pharmaceutical Group Inc.

Unit: RMB

Item	Amount for the Period (January – September 2023)	Amount for the Previous Period (January – September 2022)
I. Operating income	9,654,792,568.76	9,488,253,415.41
Less: Operating costs	3,482,687,323.90	3,272,527,611.16
Tax and surcharge	114,898,186.83	106,030,810.28
Selling expenses	2,814,431,433.12	2,902,292,445.97
Administrative expenses	486,955,984.56	554,794,501.21
R&D expenses	985,755,413.94	978,746,743.57
Finance expenses	-216,475,683.51	-254,166,791.47
Of which: Interest expenses	74,677,672.33	71,071,527.61
Interest income	271,989,020.64	254,866,278.54
Add: Other income	119,087,222.15	111,767,923.98
Investment income (“-” represents losses)	50,760,662.76	39,625,539.45
Of which: Income from investments in associates and joint ventures	47,375,552.22	51,102,817.39
Gains on derecognition of financial assets at amortized cost (“-” represents losses)		
Gains from hedging net exposure (“-” represents losses)		
Gains from changes in fair value (“-” represents losses)	-41,993,723.63	-78,272,892.48
Credit impairment loss (“-” represents losses)	-18,668,104.14	-9,116,587.96
Asset impairment loss (“-” represents losses)	-108,286,426.69	-120,547,775.58
Gains from disposal of assets (“-” represents losses)	-199,730.84	1,121,679.66
II. Operating profit (“-” represents losses)	1,987,239,809.53	1,872,605,981.76
Add: Non-operating income	2,858,014.86	3,703,434.85
Less: Non-operating expenditure	19,987,199.49	10,493,028.51
III. Total profit (“-” represents total losses)	1,970,110,624.90	1,865,816,388.10
Less: Income tax expenses	345,789,442.91	305,485,403.73
IV. Net profit (“-” represents net losses)	1,624,321,181.99	1,560,330,984.37
(I) Classified by continuing operations:		
Of which: Net profit from continuing operations (“-” represents net losses)	1,624,321,181.99	1,560,330,984.37
Net profit from discontinued operations (“-” represents net losses)		
(II) Classified by attribution to ownership:		
Of which: Net profit attributable to shareholders of the parent company (“-” represents net losses)	1,601,554,878.96	1,506,800,118.40
Profit and loss attributable to minority interests (“-” represents net losses)	22,766,303.03	53,530,865.97

Item	Amount for the Period (January – September 2023)	Amount for the Previous Period (January – September 2022)
V. Other comprehensive net income after taxation	-50,048,149.48	100,294,789.83
Other comprehensive net income after taxation	-50,707,199.13	97,608,012.34
attributable to shareholders of the parent company		
(I) Other comprehensive income not to be reclassified into profit or loss	-74,558,799.51	14,697,082.48
1. Changes in remeasurement of defined benefit plans		
2. Other comprehensive income not to be reclassified into profit or loss under equity method		2,476,997.86
3. Changes in fair value of other equity instrument investments	-74,558,799.51	12,220,084.62
4. Changes in fair value of enterprise's own credit risk		
5. Others		
(II) Other comprehensive income to be reclassified into profit or loss	23,851,600.38	82,910,929.86
1. Other comprehensive income to be reclassified into profit or loss under equity method	366,793.26	133,999.48
2. Changes in fair value of other debt investments		
3. Financial assets reclassified into other comprehensive income		
4. Credit impairment provision for other debt investments		
5. Reserve for cash flow hedging (effective portion of profit or loss from cash flow hedging)		
6. Translation difference of financial statements denominated in foreign currency	23,484,807.12	82,776,930.38
7. Others		
Other comprehensive net income after taxation attributable to minority interests	659,049.65	2,686,777.49
VI. Total comprehensive income	1,574,273,032.51	1,660,625,774.20
Total comprehensive income attributable to shareholders of the parent company	1,550,847,679.83	1,604,408,130.74
Total comprehensive income attributable to minority interests	23,425,352.68	56,217,643.46
VII. Earnings per share		
(I) Basic earnings per share	1.72	1.61
(II) Diluted earnings per share	1.72	1.61

Chairman of the Board and Legal Representative: *Executive Director and President:* *Chief Financial Officer:* *Head of Accounting Department:*
Zhu Baoguo *Tang Yanggang* *Si Yanxia* *Zhuang Jianying*

Consolidated Cash Flow Statement from the Beginning of the Year to the End of the Reporting Period

Prepared by: Livzon Pharmaceutical Group Inc.

Unit: RMB

Item	Amount for the Period (January – September 2023)	Amount for the Previous Period (January – September 2022)
I. Cash flow from operating activities:		
Cash received from sale of goods and supply of services rendered	10,195,691,388.01	9,475,097,845.56
Refund of taxes and levies	82,241,227.89	193,127,216.21
Cash received relating to other operating activities	497,329,281.67	427,437,639.05
Subtotal of cash inflow from operating activities	10,775,261,897.57	10,095,662,700.82
Cash paid for purchase of goods and services rendered	3,125,599,585.75	2,550,298,764.55
Cash paid to and on behalf of employees	1,193,090,639.89	1,209,454,236.82
Payments for various taxes and levies	1,103,449,696.01	966,670,812.90
Cash paid relating to other operating activities	3,140,718,620.53	3,521,315,116.80
Subtotal of cash outflow from operating activities	8,562,858,542.18	8,247,738,931.07
Net cash flow from operating activities	2,212,403,355.39	1,847,923,769.75
II. Cash flow from investing activities:		
Cash received from disposal of investments	374,334,588.68	
Cash received on investment income	70,124,524.03	64,170,413.70
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	7,381,053.01	775,169.50
Net cash received from disposal of subsidiaries and other operating units		
Cash received relating to other investing activities	6,000,000.00	6,190,000.00
Subtotal of cash inflow from investing activities	457,840,165.72	71,135,583.20
Cash payments for acquisition of fixed assets, intangible assets and other long-term assets	554,644,502.79	790,431,463.53
Cash payments for investments	407,636,113.68	30,338,557.45
Net cash paid for acquisition of subsidiaries and other operating units	22,461,951.59	
Cash paid relating to other investing activities	27,027,492.56	19,417,600.55
Subtotal of cash outflow from investing activities	1,011,770,060.62	840,187,621.53
Net cash flow from investing activities	-553,929,894.90	-769,052,038.33

Item	Amount for the Period (January – September 2023)	Amount for the Previous Period (January – September 2022)
III. Cash flow from financing activities:		
Cash received from investments	39,240,000.00	26,581,190.01
Of which: Cash received by subsidiaries from investments of minority interests	39,240,000.00	
Cash received from borrowings	2,731,170,168.70	3,395,663,680.22
Cash received relating to other financing activities		326,863.94
Subtotal of cash inflow from financing activities	2,770,410,168.70	3,422,571,734.17
Cash paid on repayment of debts	2,330,352,425.04	2,594,080,892.47
Cash paid for distribution of dividends, profit or interests	1,843,923,076.72	1,566,668,782.30
Of which: Dividends and profits paid to minority interests by subsidiaries	303,850,432.96	289,382,106.77
Cash paid relating to other financing activities	364,436,517.02	19,411,030.52
Subtotal of cash outflow from financing activities	4,538,712,018.78	4,180,160,705.29
Net cash flow from financing activities	-1,768,301,850.08	-757,588,971.12
IV. Effect of changes in foreign exchange rates on cash and cash equivalents	33,034,857.17	131,850,063.12
V. Net increase in cash and cash equivalents	-76,793,532.42	453,132,823.42
Add: Balance of cash and cash equivalents at the beginning of the Period	10,072,642,681.72	9,125,309,968.12
VI. Balance of cash and cash equivalents at the end of the Period	9,995,849,149.30	9,578,442,791.54

Chairman of the Board and Legal Representative: *Executive Director and President:* *Chief Financial Officer:* *Head of Accounting Department:*
Zhu Baoguo *Tang Yanggang* *Si Yanxia* *Zhuang Jianying*

(II) Audit Report

Whether the third quarterly report has been audited

Yes No

The third quarterly report of the Company is unaudited.

By order of the Board
麗珠醫藥集團股份有限公司
Livzon Pharmaceutical Group Inc.*
Yang Liang
Company Secretary

Zhuhai, China
24 October 2023

As at the date of this announcement, the Executive Directors of the Company are Mr. Tang Yanggang (President) and Mr. Xu Guoxiang (Vice Chairman and Vice President); the Non-Executive Directors of the Company are Mr. Zhu Baoguo (Chairman), Mr. Tao Desheng (Vice Chairman), Mr. Qiu Qingfeng and Mr. Yu Xiong; and the Independent Non-Executive Directors of the Company are Mr. Bai Hua, Mr. Tian Qiusheng, Mr. Wong Kam Wa, Mr. Luo Huiyuan and Ms. Cui Lijie.

* *For identification purpose only*