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丽珠医药  
LIVZON

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 FIRST 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 Provisions 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 (the “**Board**”) 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 and completeness of the 2023 First Quarterly Report (the “**Quarterly Report**”) which does not contain 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 covering the unaudited financial results of the Company from 1 January 2023 to 31 March 2023 (the “**Reporting Period**” or “**Period**”) has been prepared in both Chinese and English. Where any discrepancies arise between the Chinese version and the English version, 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 in Renminbi (RMB).
4. Whether the financial report of the first quarter has been audited

Yes  No

## I. PRINCIPAL FINANCIAL DATA

### (I) Principal Accounting Data and Financial Indicators

			Unit: RMB
	<b>Reporting Period</b>	<b>Corresponding period of last year</b>	<b>Period-to- period change</b>
Operating income	3,413,055,191.98	3,479,027,465.92	-1.90%
Net profit attributable to shareholders of the Company	581,909,331.89	553,293,797.77	5.17%
Net profit attributable to shareholders of the Company after deducting extraordinary gains or losses	569,942,095.34	561,046,433.69	1.59%
Net cash flow from operating activities	299,784,593.85	710,308,938.96	-57.80%
Basic earnings per share (RMB/share)	0.62	0.59	5.08%
Diluted earnings per share (RMB/share)	0.62	0.59	5.08%
Weighted average return on net assets	4.12%	4.17%	Decreased by 0.05 percentage point
	<b>As at the end of the Reporting Period</b>	<b>As at the end of last year</b>	<b>Change</b>
Total assets	25,620,821,364.99	24,864,825,366.23	3.04%
Owners' equity attributable to shareholders of the Company	14,284,902,029.13	13,876,020,665.59	2.95%

## (II) Items and Amounts of Extraordinary Gains or Losses

Unit: RMB

<b>Item</b>	<b>Amount for the Reporting Period</b>	<b>Description</b>
Government grants included in the profit or loss for the Reporting Period (except for government grants closely related to the ordinary operating business of the Company and entitled according to the national standards on a fixed amount or fixed volume basis)	40,295,342.15	–
Gains or losses on fair value changes in financial assets held for trading and financial liabilities held for trading, and investment income on disposal of financial assets held for trading, financial liabilities held for trading and held-for-sale financial assets, except for effective hedging activities related to the ordinary operating business of the Company	-19,324,572.22	–
Other non-operating income and expenses excluding the above items	-2,853,134.61	–
Less: Effect of income tax	5,400,702.02	–
Effect on minority interests (after tax)	749,696.75	–
<b>Total</b>	<b>11,967,236.55</b>	<b>–</b>

### **Explanation on defining the items of extraordinary gains or losses as set out in the “Interpretative Announcement for Information Disclosure of Companies that Issue Securities to the Public 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 set out in the “Interpretative Announcement for Information Disclosure of Companies that Issue Securities to the Public No. 1 – Extraordinary Gains or Losses” as items of recurring gains or losses.

### (III) Information and Reasons of Changes in Principal Accounting Data and Financial Indicators

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

Item	Amount at the end of the Period (RMB)	Amount at the beginning of the year (RMB)	Change in percentage	Description
Development expenditure	125,253,323.41	268,954,952.69	-53.43%	Mainly due to the approval for market launch of Tocilizumab Solution for Injection of the Company for the Period and the transfer of the accumulated development expenditure of this project to intangible assets.
Financial liabilities held for trading	4,110,695.40	710,034.43	478.94%	Mainly due to changes in forward foreign exchange contracts.
Contract liabilities	63,882,764.85	226,185,055.51	-71.76%	Mainly because part of the contract payments received in advance in the Period which met the conditions for revenue recognition were transferred to revenue.
Employee benefits payables	207,189,322.35	350,633,059.16	-40.91%	Mainly due to the payment of the year end performance bonus for the previous year.
Treasury shares	177,799,240.43	55,936,280.81	217.86%	Mainly due to the additional repurchase of A Shares for the Period.
Other comprehensive income	120,944,678.38	186,488,658.73	-35.15%	Mainly due to changes in the fair value of other equity instrument investments.

## 2. Substantial changes of items in consolidated income statement and reasons thereof

Item	Amount for the Period (RMB)	Amount for the corresponding period of last year (RMB)	Change in percentage	Description
Operating income	3,413,055,191.98	3,479,027,465.92	-1.90%	Please see Note for details.
Finance expenses	-8,753,192.92	-37,928,486.80	76.92%	Mainly due to the decrease in interest income from deposits for the Period as compared with the previous period.
Investment income	37,800,624.35	21,795,223.54	73.44%	Mainly due to the receipt of bonus payments during the Period.
Gains from changes in fair value	-25,953,603.69	-53,502,658.48	51.49%	Mainly due to fluctuations in the market value of the securities investments held.
Credit impairment loss	-13,321,686.08	789,451.79	-1,787.46%	Mainly due to the increase in the provision for expected credit impairment loss of receivables for the Period as compared with the previous period.
Asset impairment loss	1,837,691.27	-5,309,013.21	134.61%	Mainly due to the decrease in the provision for price decline of inventories for the Period as compared with the previous period.
Gains from disposal of assets	-	-370,357.71	100.00%	Mainly due to losses occurred from the disposal of fixed assets in the previous period.
Non-operating income	463,689.40	1,882,370.35	-75.37%	Mainly due to the decrease in income from disposal of scrap items for the Period as compared to the previous period.
Non-operating expenditure	3,316,824.01	1,591,814.41	108.37%	Mainly due to the increase in expenditure of charitable donation for the Period as compared with the previous period.
Profit and loss attributable to minority interests	31,952,619.02	57,829,973.71	-44.75%	Mainly due to the decrease in operating results of non-wholly owned subsidiaries for the Period as compared with the previous period.
Other comprehensive net income after taxation	-66,013,142.44	-14,442,932.04	-357.06%	Mainly due to changes in the fair value of other equity instrument investments.

*Note:* From January to March 2023, the Group recorded operating income of RMB3,413.06 million, representing a period-to-period decrease of 1.90%. Chemical drug preparation products recorded income of RMB1,623.91 million, representing a period-to-period decrease of 20.95%. Among them, gastroenterology products recorded income of RMB792.51 million, representing a period-to-period decrease of 25.23%; gonadotropic hormones products recorded income of RMB576.82 million, representing a period-to-period decrease of 21.60%; psychiatry products recorded income of RMB122.44 million, representing a period-to-period decrease of 8.25%; anti-infection products recorded income of RMB126.67 million, representing a period-to-period increase of 10.57%. APIs and intermediate products recorded income of RMB995.74 million, representing a period-to-period increase of 10.64%. Traditional Chinese medicine preparation products recorded income of RMB553.16 million, representing a period-to-period increase of 103.65%. Biological products recorded income of RMB62.27 million, representing a period-to-period increase of 12.22%. Diagnostic reagent and equipment products recorded income of RMB147.00 million, representing a period-to-period decrease of 9.54%.

### 3. Substantial changes of items in consolidated statement of cash flows and reasons thereof

Item	Amount for the Period (RMB)	Amount for the corresponding period of last year (RMB)	Change in percentage	Description
Net cash flow from operating activities	299,784,593.85	710,308,938.96	-57.80%	Mainly due to the increase in procurement expenditure of raw materials for the Period.
Subtotal of cash inflow from investing activities	102,275,842.41	13,170,276.83	676.57%	Mainly due to the recovery of investment amount during the Period.
Net cash flow from investing activities	-64,826,182.09	-218,506,995.62	70.33%	Mainly due to the recovery of investment amount and the decrease in investment of construction of new plants and workshops of subsidiaries during the Period.
Subtotal of cash inflow from financing activities	1,070,315,870.74	1,698,295,357.02	-36.98%	Mainly due to the decrease in borrowings received for the Period as compared with the previous period.
Subtotal of cash outflow from financing activities	753,630,238.36	1,344,955,534.95	-43.97%	Mainly due to the decrease in repayment for the Period as compared with the previous period.
Effect of changes in foreign exchange rates on cash and cash equivalents	-23,818,029.01	-9,621,652.40	-147.55%	Mainly due to changes in foreign exchange rates resulting in an increase in exchange loss from foreign exchange funds held.
Net increase in cash and cash equivalents	527,826,015.13	835,520,113.01	-36.83%	Mainly due to the decrease in cash generated from ordinary operating activities resulted from the increase in procurement expenditure of raw materials during the Period.

## II. INFORMATION OF SHAREHOLDERS

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

Total number of ordinary shareholders as at the end of the Reporting Period	56,429 holders (including 56,406 holders of A shares and 23 holders of H shares <sup>Note 1)</sup> )	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	Number of shares held (shares)	Shareholding percentage (%)	Number of restricted shares held (shares)	Status of pledged, charged or locked up Status of shares	Number (shares)
HKSCC Nominees Limited <sup>(Note 2)</sup>	Foreign legal person	309,576,609	33.09%	–	–	–
Joincare Pharmaceutical Industry Group Co., Ltd. (健康元藥業集團股份有限公司)	Domestic non-state owned legal person	221,376,789	23.66%	–	–	–
Hong Kong Securities Clearing Company Limited	Foreign legal person	30,792,857	3.29%	–	–	–
Guangzhou Begol Trading Holdings Limited (廣州市保科力貿易公司)	State-owned legal person	17,306,329	1.85%	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 legal person	16,830,835	1.80%	–	–	–
Shanghai Lingren Private Equity Fund Management Partnership (Limited Partnership) – Lingren Excellence Evergreen Phase II Private Equity Securities Investment Fund (上海瓏仁私募基金管理合夥企業 (有限合夥)–瓏仁卓越長青二期私募證券投資基金)	Others	5,094,949	0.54%	–	–	–
Penghua Fund Management Co., Ltd. – Social Security Fund 16051 Portfolio	Others	3,330,287	0.36%	–	–	–
Agricultural Bank of China Limited – Penghua Pharmaceutical Technology Equity Securities Investment Fund	Others	2,705,000	0.29%	–	–	–
HE Shijin (何時金)	Domestic natural person	2,677,405	0.29%	–	–	–
Taiping Life Insurance Company Limited (太平人壽保險有限公司)	State-owned legal person	2,604,952	0.28%	–	–	–

### Shareholdings of the Top 10 Shareholders Not Subject to Selling Restrictions

Name of shareholder	Number of non-restricted shares held (shares)	Class of shares	Class of shares Number (shares)
HKSCC Nominees Limited	309,576,609	Overseas listed foreign shares	309,576,609
Joincare Pharmaceutical Industry Group Co., Ltd. (健康元藥業集團股份有限公司)	221,376,789	Ordinary shares denominated in Renminbi	221,376,789
Hong Kong Securities Clearing Company Limited	30,792,857	Ordinary shares denominated in Renminbi	30,792,857
Shenzhen Haibin Pharmaceutical Co., Ltd. (深圳市海濱製藥有限公司)	16,830,835	Ordinary shares denominated in Renminbi	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 Renminbi	5,094,949
Penghua Fund Management Co., Ltd. – Social Security Fund 16051 Portfolio	3,330,287	Ordinary shares denominated in Renminbi	3,330,287
Agricultural Bank of China Limited – Penghua Pharmaceutical Technology Equity Securities Investment Fund	2,705,000	Ordinary shares denominated in Renminbi	2,705,000
HE Shijin (何時金)	2,677,405	Ordinary shares denominated in Renminbi	2,677,405
Taiping Life Insurance Company Limited (太平人壽保險有限公司)	2,604,952	Ordinary shares denominated in Renminbi	2,604,952
CITIC Securities – First Phase Business Partner Share Ownership Scheme of Livzon Group – CITIC Securities-Medium to Long-term Business Partner Employee Ownership Scheme No.1 Single Asset Management Plan of Livzon Group (中信証券 – 麗珠集團事業合夥人持股計劃第一期 – 中信証券麗珠集團 中長期事業合夥人員工持股計劃 1 號單一資產管理計劃)	2,348,960	Ordinary shares denominated in Renminbi	2,348,960
Description on the connected relationship or acting-in-concert relationship among the aforementioned shareholders	(1) On 2 January 2004, Joincare Pharmaceutical Industry Group Co., Ltd. (“ <b>Joincare</b> ”) and Guangzhou Begol Trading Holdings Limited (“ <b>Begol</b> ”) entered into a Share Transfer and Custody Agreement and a Share Pledge Agreement, pursuant to which the original domestic legal person shares of 6,059,428 shares of the Company (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) held by Begol were directly transferred, entrusted and pledged to Joincare; (2) Shenzhen Haibin Pharmaceutical Co., Ltd. is a subsidiary controlled by Joincare which directly and indirectly holds 100% of its interest; (3) the Company is not aware of any connected relationship among the other abovementioned shareholders or whether they are persons acting-in-concert under the provisions of the Administration 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 the margin financing and securities lending business (if any)	Not Applicable		



- Notes:*
1. The information on the shareholdings of the abovementioned top 10 shareholders is based on the information recorded in the register of members as at 31 March 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 the nominee holder of H shares of the Company, and the Company cannot ascertain whether such shares it held are subject to any pledge or lock-up. The shares held by HKSCC Nominees Limited include 163,364,672 H shares of the Company held on behalf of Topsino Industries Limited (天誠實業有限公司), which is a wholly-owned subsidiary of Joincare, the Company's controlling shareholder.
  3. The top 10 shareholders of the Company have the securities accounts designated for share repurchase with 5,232,048 shares held 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

**The Progress of Repurchase of Part of A Shares**

As at 31 March 2023, the Company repurchased a total of 5,232,048 A shares by way of centralized bidding transactions, representing 0.56% of the total share capital of the Company. The highest purchase price was RMB35.50 per share and the lowest purchase price was RMB32.25 per share. The total amount of funds used was RMB177,765,444.64 (excluding transaction costs). The above mentioned repurchase complies 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
<b>Current assets:</b>		
Monetary fund	<b>10,868,918,125.10</b>	10,411,348,410.09
Financial assets held for trading	<b>85,646,883.17</b>	108,094,033.51
Bills receivables	<b>1,696,035,558.06</b>	1,623,939,626.22
Accounts receivables	<b>2,567,800,461.63</b>	2,415,256,725.64
Receivables financing		
Prepayments	<b>229,251,081.19</b>	201,986,556.28
Other receivables	<b>41,094,618.86</b>	44,426,856.44
Of which: Interest receivables		
Dividends receivables		
Inventories	<b>2,238,022,180.23</b>	2,045,341,552.12
Contract assets		
Held-for-sale assets		
Non-current assets due within one year		
Other current assets	<b>141,240,493.10</b>	136,903,280.08
<b>Total current assets</b>	<b>17,868,009,401.34</b>	16,987,297,040.38
<b>Non-current assets:</b>		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investments	<b>1,069,401,024.18</b>	1,055,939,326.49
Other equity instrument investments	<b>640,137,699.40</b>	682,275,271.41
Other non-current financial assets		
Investment properties		
Fixed assets	<b>3,917,351,793.42</b>	3,967,614,462.32
Construction in progress	<b>648,717,550.98</b>	602,442,281.75
Productive biological assets		
Oil and gas assets		
Right-of-use assets	<b>23,345,280.24</b>	21,828,952.90
Intangible assets	<b>598,209,661.01</b>	557,437,332.79
Development expenditure	<b>125,253,323.41</b>	268,954,952.69
Goodwill	<b>124,911,302.94</b>	103,040,497.85
Long-term deferred expenses	<b>159,247,563.97</b>	147,783,523.97
Deferred income tax assets	<b>266,282,143.75</b>	280,547,017.74
Other non-current assets	<b>179,954,620.35</b>	189,664,705.94
<b>Total non-current assets</b>	<b>7,752,811,963.65</b>	7,877,528,325.85
<b>Total assets</b>	<b>25,620,821,364.99</b>	24,864,825,366.23

Item	Amount at the end of the Period	Amount at the beginning of the year
<b>Current liabilities:</b>		
Short-term loans	1,800,000,000.00	1,622,239,859.89
Financial liabilities held for trading	4,110,695.40	710,034.43
Bills payable	1,025,619,252.39	1,007,745,986.84
Accounts payable	895,611,646.76	854,276,460.61
Receipts in advance		
Contract liabilities	63,882,764.85	226,185,055.51
Employee benefits payables	207,189,322.35	350,633,059.16
Tax and surcharge payables	253,542,557.70	255,516,487.73
Other payables	3,006,904,790.38	2,970,648,095.37
Of which: Interest payables		
Dividends payables	11,892,804.66	12,252,074.84
Held-for-sale liabilities		
Non-current liabilities due within one year	13,522,294.89	10,440,962.31
Other current liabilities	87,157,470.84	98,268,918.44
<b>Total current liabilities</b>	<b>7,357,540,795.56</b>	<b>7,396,664,920.29</b>
<b>Non-current liabilities:</b>		
Long-term loans	2,225,976,993.70	1,974,444,042.88
Bonds payables		
Leasing liabilities	10,311,162.82	11,607,998.43
Long-term payables		
Long-term employee benefits payable		
Provisions		
Deferred gains	334,248,366.89	273,208,796.75
Deferred income tax liabilities	186,589,967.49	188,648,016.16
Other non-current liabilities	90,000,000.00	84,000,000.00
<b>Total non-current liabilities</b>	<b>2,847,126,490.90</b>	<b>2,531,908,854.22</b>
<b>Total liabilities</b>	<b>10,204,667,286.46</b>	<b>9,928,573,774.51</b>
Share capital	935,552,687.00	935,552,687.00
Other equity instruments		
Of which: Preferred shares		
Perpetual bonds		
Capital reserve	1,641,857,334.22	1,627,478,362.60
Less: Treasury shares	177,799,240.43	55,936,280.81
Other consolidated earnings	120,944,678.38	186,488,658.73
Special reserve		
Surplus reserve	744,801,154.15	744,801,154.15
Undistributed profits	11,019,545,415.81	10,437,636,083.92
Total equity attributable to shareholders of the parent company	14,284,902,029.13	13,876,020,665.59
Minority interests	1,131,252,049.40	1,060,230,926.13
<b>Total shareholders' (or owners') equity</b>	<b>15,416,154,078.53</b>	<b>14,936,251,591.72</b>
<b>Total liabilities and shareholders' (or owners') equity</b>	<b>25,620,821,364.99</b>	<b>24,864,825,366.23</b>

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

Prepared by: Livzon Pharmaceutical Group Inc.

Unit: RMB

Item	Amount for the Period	Amount for the previous period
<b>I. Operating income</b>	<b>3,413,055,191.98</b>	3,479,027,465.92
Less: Operating costs	<b>1,260,381,376.05</b>	1,177,627,078.95
Tax and surcharge	<b>40,529,108.28</b>	37,462,155.37
Selling expenses	<b>964,906,980.93</b>	1,106,521,771.51
Administrative expenses	<b>149,650,059.76</b>	199,383,394.22
R&D expenses	<b>311,408,248.52</b>	288,330,797.66
Finance expenses	<b>-8,753,192.92</b>	-37,928,486.80
Of which: Interest expenses	<b>22,642,769.50</b>	23,448,658.85
Interest income	<b>36,111,262.90</b>	62,380,723.44
Add: Other income	<b>42,998,406.83</b>	52,466,905.60
Investment income (“-” represents losses)	<b>37,800,624.35</b>	21,795,223.54
Of which: Income from investment in associates and joint ventures	<b>13,461,697.69</b>	15,078,700.65
Derecognition of income from financial assets at amortized cost (“-” represents losses)		
Gains from hedging net exposure (“-” represents losses)		
Gains from changes in fair value (“-” represents losses)	<b>-25,953,603.69</b>	-53,502,658.48
Credit impairment loss (“-” represents losses)	<b>-13,321,686.08</b>	789,451.79
Asset impairment loss (“-” represents losses)	<b>1,837,691.27</b>	-5,309,013.21
Gains from disposal of assets (“-” represents losses)		-370,357.71
<b>II. Operating profit (“-” represents losses)</b>	<b>738,294,044.04</b>	723,500,306.54
Add: non-operating income	<b>463,689.40</b>	1,882,370.35
Less: non-operating expenditure	<b>3,316,824.01</b>	1,591,814.41
<b>III. Total profit (“-” represents total losses)</b>	<b>735,440,909.43</b>	723,790,862.48
Less: income tax expenses	<b>121,578,958.52</b>	112,667,091.00
<b>IV. Net profit (“-” represents net losses)</b>	<b>613,861,950.91</b>	611,123,771.48
(I) Classified by continuing operations:		
Of which: Net profit from continuing operations (“-” represents net losses)	<b>613,861,950.91</b>	611,123,771.48
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)	<b>581,909,331.89</b>	553,293,797.77
Profit and loss attributable to minority interests (“-” represents net losses)	<b>31,952,619.02</b>	57,829,973.71

Item	Amount for the Period	Amount for the previous period
<b>V. Other comprehensive net income after taxation</b>	<b>-66,013,142.44</b>	-14,442,932.04
Other comprehensive net income after taxation attributable to shareholders of the parent company	<b>-65,543,980.35</b>	-14,192,526.15
(I) Other comprehensive income not to be reclassified into profit or loss	<b>-48,307,151.31</b>	-7,864,640.20
1. Changes in remeasurement of defined benefit plans		
2. Other comprehensive income not to be reclassified into profit or loss under equity method		
3. Changes in fair value of other equity instrument investments	<b>-48,307,151.31</b>	-7,864,640.20
4. Changes in fair value of enterprise's own credit risk		
5. Others		
(II) Other comprehensive income to be reclassified into profit or loss	<b>-17,236,829.04</b>	-6,327,885.95
1. Other comprehensive income to be reclassified into profit or loss under the equity method		
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 differences of financial statements denominated in foreign currency	<b>-17,236,829.04</b>	-6,327,885.95
7. Others		
Other comprehensive net income after taxation attributable to minority interests	<b>-469,162.09</b>	-250,405.89
<b>VI. Total comprehensive income</b>	<b>547,848,808.47</b>	596,680,839.44
Total comprehensive income attributable to shareholders of the parent company	<b>516,365,351.54</b>	539,101,271.62
Total comprehensive income attributable to minority interests	<b>31,483,456.93</b>	57,579,567.82
<b>VII. Earnings per share</b>		
(I) Basic earnings per share	<b>0.62</b>	0.59
(II) Diluted earnings per share	<b>0.62</b>	0.59

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 Cash Flow Statement

Prepared by: Livzon Pharmaceutical Group Inc.

Unit: RMB

Item	Amount for the Period	Amount for the previous period
<b>I. Cash flow from operating activities:</b>		
Cash received from sales of goods and services rendered	<b>3,269,777,541.36</b>	3,286,409,919.40
Refund of taxes and levies	<b>19,619,125.95</b>	26,492,928.59
Cash received relating to other operating activities	<b>156,728,120.11</b>	178,985,389.54
<b>Subtotal of cash inflow from operating activities</b>	<b>3,446,124,787.42</b>	3,491,888,237.53
Cash paid for purchase of goods and services received	<b>1,111,648,206.92</b>	705,720,637.44
Cash paid to and on behalf of employees	<b>554,146,329.40</b>	524,232,948.89
Payments for various taxes and levies	<b>378,846,147.45</b>	278,134,815.92
Cash paid relating to other operating activities	<b>1,101,699,509.80</b>	1,273,490,896.32
<b>Subtotal of cash outflow from operating activities</b>	<b>3,146,340,193.57</b>	2,781,579,298.57
<b>Net cash flow from operating activities</b>	<b>299,784,593.85</b>	710,308,938.96
<b>II. Cash flow from investing activities:</b>		
Cash received from disposal of investments	<b>70,031,257.75</b>	
Cash received on investment income	<b>26,244,584.66</b>	6,832,308.83
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		177,968.00
Net cash received from disposal of subsidiaries and other operating units		
Cash received relating to other investing activities	<b>6,000,000.00</b>	6,160,000.00
<b>Subtotal of cash inflow from investing activities</b>	<b>102,275,842.41</b>	13,170,276.83
Cash payments for acquisition of fixed assets, intangible assets and other long-term assets	<b>146,416,939.77</b>	201,222,779.06
Cash payments for investments	<b>6,183,753.84</b>	30,338,557.45
Net cash paid for acquisition of subsidiaries and other operating units	<b>12,461,951.59</b>	
Cash paid relating to other investing activities	<b>2,039,379.30</b>	115,935.94
<b>Subtotal of cash outflow from investing activities</b>	<b>167,102,024.50</b>	231,677,272.45
<b>Net cash flow from investing activities</b>	<b>-64,826,182.09</b>	-218,506,995.62

Item	Amount for the Period	Amount for the previous period
<b>III. Cash flow from financing activities:</b>		
Cash received from investments	<b>36,790,000.00</b>	21,187,024.40
Of which: cash received by subsidiaries from investments of minority interests	<b>36,790,000.00</b>	
Cash received from borrowings	<b>1,033,525,870.74</b>	1,676,437,809.48
Cash received relating to other financing activities		670,523.14
<b>Subtotal of cash inflow from financing activities</b>	<b>1,070,315,870.74</b>	1,698,295,357.02
Cash paid on repayment of debts	<b>595,574,985.04</b>	1,326,859,803.19
Cash paid for distribution of dividends, profits or interest	<b>31,165,868.48</b>	16,857,731.05
Of which: dividends and profits paid to minority interests by subsidiaries	<b>359,270.18</b>	
Cash paid relating to other financing activities	<b>126,889,384.84</b>	1,238,000.71
<b>Subtotal of cash outflow from financing activities</b>	<b>753,630,238.36</b>	1,344,955,534.95
<b>Net cash flow from financing activities</b>	<b>316,685,632.38</b>	353,339,822.07
<b>IV. Effect of changes in foreign exchange rates on cash and cash equivalents</b>	<b>-23,818,029.01</b>	-9,621,652.40
<b>V. Net increase in cash and cash equivalents</b>	<b>527,826,015.13</b>	835,520,113.01
Add: balance of cash and cash equivalents at the beginning of the period	<b>10,072,642,681.72</b>	9,125,309,968.12
<b>VI. Cash and cash equivalents at the end of the period</b>	<b>10,600,468,696.85</b>	9,960,830,081.13

*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*

## (II) Auditor's Report

### Whether the first quarterly report is audited

Yes  No

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

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  
20 April 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*