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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)**

## 2022 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, supervisory committee and the directors, supervisors and senior management of the Company warrant the truthfulness, accuracy and completeness of the 2022 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 2022 to 31 March 2022 (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
	Reporting Period	Corresponding period of last year	Period-to- period change
Operating income	3,479,027,465.92	3,349,814,145.87	3.86%
Net profit attributable to shareholders of the Company	553,293,797.77	519,651,078.57	6.47%
Net profit attributable to shareholders of the Company after deducting extraordinary gains or losses	561,046,433.69	485,302,200.16	15.61%
Net cash flow from operating activities	710,308,938.96	514,620,182.77	38.03%
Basic earnings per share (RMB/share)	0.59	0.56	5.36%
Diluted earnings per share (RMB/share)	0.59	0.55	7.27%
Weighted average return on net assets	4.17%	4.22%	Decreased by 0.05 percentage point
	As at the end of the Reporting Period	As at the end of last year	Change
Total assets	23,729,888,204.20	22,371,915,590.82	6.07%
Owners' equity attributable to shareholders of the Company	13,561,769,257.68	13,003,763,631.47	4.29%

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

Unit: RMB

<b>Item</b>	<b>Amount for the Reporting Period</b>	<b>Description</b>
Profit or loss on disposal of non-current assets (including writing-off of accrued impairment provision of assets)	-370,357.71	–
Government grants included in the profit or loss for the Reporting Period (except for government grants closely related to the corporate business and entitled according to the national standards on a fixed amount or fixed volume basis)	49,973,167.93	–
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	-46,786,135.59	–
Other non-operating income and expenses excluding the above items	290,555.94	–
Less: Effect of income tax	7,824,708.19	–
Effect on minority interests (after tax)	3,035,158.30	–
<b>Total</b>	<b>-7,752,635.92</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
Right-of-use assets	22,312,354.95	14,588,322.60	52.95%	Mainly due to an increase in lease contracts signed in the Period.
Short-term loans	1,405,807,901.10	2,043,048,023.71	-31.19%	Mainly due to repayment of loans by subsidiaries in the Period.
Contract liabilities	92,205,147.45	167,796,768.82	-45.05%	Mainly because part of the contract payments received in advance in the Period which met the conditions for revenue recognition were transferred to revenue.
Taxes payables	270,115,285.91	160,385,251.99	68.42%	Mainly due to an increase in enterprise income tax payables.
Long-term loans	1,626,661,809.48	636,780,252.78	155.45%	Mainly due to an increase of new long-term loans by subsidiaries in the Period.
Lease liabilities	10,119,399.23	5,274,240.80	91.86%	Mainly due to an increase in lease contracts signed in the Period which led to an increase in lease payments payables for more than one year.
Other comprehensive income	32,356,471.55	46,548,997.70	-30.49%	Mainly due to changes in the fair value of other equity instrument investments and changes in exchange rates which led to changes in translation differences in foreign currency statements.

## 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
Finance expenses	-37,928,486.80	-23,336,581.96	-62.53%	Mainly due to an increase in interest income in the Period as compared with the previous period.
Gains from changes in fair value	-53,502,658.48	-36,631,085.76	-46.06%	Mainly due to fluctuations in the market value of subject securities investment held.
Credit impairment loss	789,451.79	-3,207,016.48	-124.62%	Mainly due to the recovery of the receivables with relatively long ages in the Period which offset the expected credit losses accrued in the previous period.
Asset impairment loss	-5,309,013.21	-22,804,347.40	-76.72%	Mainly due to a decrease in the provision for inventory depreciation in the Period as compared with the previous period.
Gains from disposal of assets	-370,357.71	21,927.78	-1,788.99%	Mainly due to losses occurred from disposal of fixed assets in the Period.
Non-operating income	1,882,370.35	6,297,187.09	-70.11%	Mainly due to the transfer of the accounts that have been outstanding for a long time and do not need to be paid to non-operating income during the previous period.
Non-operating expenditure	1,591,814.41	2,817,423.55	-43.50%	Mainly due to that the expenditure of charitable donation of the previous period was relatively high.
Other comprehensive net income after taxation	-14,442,932.04	-123,910,341.14	88.34%	Mainly due to the disposal of other equity instrument investments and the other comprehensive gains that were previously recognized by them were transferred to retained earnings during the previous period.

*Note:* From January to March 2022, the Group recorded operating income of RMB3,479.03 million, representing a period-to-period increase of 3.86%. Chemical drug preparation products recorded income of RMB2,109.73 million, representing a period-to-period increase of 10.90%. Among them, gastroenterology products recorded income of RMB1,070.43 million, representing a period-to-period increase of 5.90%; gonadotropic hormones products recorded income of RMB737.48 million, representing a period-to-period increase of 22.84%; psychiatry products recorded income of RMB133.45 million, representing a period-to-period increase of 30.87%; anti-infection products recorded income of RMB114.56 million, representing a period-to-period increase of 8.02%. APIs and intermediate products recorded income of RMB899.95 million, representing a period-to-period increase of 16.13%. Traditional Chinese medicine preparation products recorded income of RMB271.62 million, representing a period-to-period decrease of 36.14%. Diagnostic reagent and equipment products recorded income of RMB162.50 million, representing a period-to-period decrease of 30.77%.

### 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	710,308,938.96	514,620,182.77	38.03%	Mainly due to an increase of sales revenue and an increase in interest income and government subsidies received in the Period.
Subtotal of cash inflow from investing activities	13,170,276.83	71,793,090.12	-81.66%	Mainly due to that the amount received from investments in the previous period was relatively high.
Subtotal of cash inflow from financing activities	1,698,295,357.02	1,275,049,865.43	33.19%	Mainly due to an increase of new long-term loans by subsidiaries in the Period.
Net cash flow from financing activities	353,339,822.07	-82,487,558.70	528.36%	Mainly due to an increase of new long-term loans by subsidiaries in the Period.
Effect of changes in foreign exchange rates on cash and cash equivalents	-9,621,652.40	-1,064,105.14	-804.20%	Mainly due to an increase of exchange losses on foreign currency funds held as a result of the fluctuations in exchange rates.
Net increase in cash and cash equivalents	835,520,113.01	237,348,615.93	252.02%	Mainly due to an increase of cash from daily operating activities of the Company and an increase of new long-term loans by subsidiaries.

## 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	57,995 holders (including 57,970 holders of A shares and 25 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	312,934,017	33.35%	–	–	–
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	23.59%	–	–	–
Hong Kong Securities Clearing Company Limited	Foreign legal person	30,792,857	3.28%	–	–	–
Guangzhou Begol Trading Holdings Limited (廣州市保科力貿易公司)	State-owned legal person	17,306,329	1.84%	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	1.79%	–	–	–
Shanghai Lingren Private Equity Fund Management Partnership (Limited Partnership) – Lingren Excellence Evergreen Phase II Private Equity Securities Investment Fund (上海瓚仁私募基金管理合夥企業 (有限合夥) – 瓚仁卓越長青二期私募證券投資基金)	Others	5,094,949	0.54%	–	–	–
CITIC Securities Co., Ltd. – Social Security Fund Portfolio 1106 (中信証券股份有限公司 – 社保基金1106組合)	Others	4,509,492	0.48%	–	–	–
Abu Dhabi Investment Authority (阿布達比投資局)	Foreign legal person	3,787,831	0.40%	–	–	–
HE Shijin (何時金)	Domestic natural person	2,494,000	0.27%	–	–	–
Taiping Life Insurance Company Limited (太平人壽保險有限公司)	State-owned legal person	2,399,952	0.26%	–	–	–

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

Name of Shareholder	Number of non-restricted shares held (shares)	Class of shares	Number (shares)
HKSCC Nominees Limited	312,934,017	Overseas listed foreign shares	312,934,017
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
CITIC Securities Co., Ltd. – Social Security Fund Portfolio 1106 (中信證券股份有限公司 – 社保基金1106 組合)	4,509,492	Ordinary shares denominated in Renminbi	4,509,492
Abu Dhabi Investment Authority (阿布達比投資局)	3,787,831	Ordinary shares denominated in Renminbi	3,787,831
HE Shijin (何時金)	2,494,000	Ordinary shares denominated in Renminbi	2,494,000
Taiping Life Insurance Company Limited (太平人壽保險有限公司)	2,399,952	Ordinary shares denominated in Renminbi	2,399,952
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



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

Description on the connected relationship or acting-in-concert relationship among the aforementioned shareholders	(1) On 2 January 2004, Joicare Pharmaceutical Industry Group Co., Ltd. (“Joicare”) and Guangzhou Begol Trading Holdings Limited (“Begol”) 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 Joicare; (2) Shenzhen Haibin Pharmaceutical Co., Ltd. is a subsidiary controlled by Joicare 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

- Note:* 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 2022 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 Joicare, the Company’s controlling shareholder.

### (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

## 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	9,988,898,444.77	9,146,373,455.01
Financial assets held for trading	129,304,804.73	182,773,354.56
Bills receivables	1,533,503,020.94	1,342,029,380.44
Accounts receivables	2,137,968,331.69	1,951,898,111.20
Receivables financing		
Prepayments	284,547,040.02	281,083,347.36
Other receivables	45,171,611.51	47,768,970.54
Of which: Interest receivables		
Dividends receivables		
Inventories	1,636,346,402.49	1,663,227,968.17
Contract assets		
Held-for-sale assets		
Non-current assets due within one year	317,381.23	317,381.23
Other current assets	51,239,597.33	57,624,626.16
<b>Total current assets</b>	<b>15,807,296,634.71</b>	<b>14,673,096,594.67</b>
<b>Non-current assets:</b>		
Debt investments		
Other debt investments		
Long-term receivables	266,904.13	266,904.13
Long-term equity investments	1,110,048,309.02	1,064,968,250.00
Other equity instrument investments	620,894,774.46	629,914,544.37
Other non-current financial assets		
Investment properties		
Fixed assets	3,609,039,871.01	3,669,728,093.97
Construction in progress	692,407,671.48	554,575,587.48
Productive biological assets		
Oil and gas assets		
Right-of-use assets	22,312,354.95	14,588,322.60
Intangible assets	299,897,429.13	260,279,167.34
Development expenditure	617,691,163.36	574,499,574.42
Goodwill	103,040,497.85	103,040,497.85
Long-term deferred expenses	127,333,584.99	129,910,521.60
Deferred income tax assets	269,922,881.70	252,694,687.27
Other non-current assets	449,736,127.41	444,352,845.12
<b>Total non-current assets</b>	<b>7,922,591,569.49</b>	<b>7,698,818,996.15</b>
<b>Total assets</b>	<b>23,729,888,204.20</b>	<b>22,371,915,590.82</b>

Item	Amount at the end of the Period	Amount at the beginning of the year
<b>Current liabilities:</b>		
Short-term loans	<b>1,405,807,901.10</b>	2,043,048,023.71
Financial liabilities held for trading	<b>177,410.89</b>	143,302.24
Bills payable	<b>1,262,165,138.59</b>	1,026,619,858.93
Accounts payable	<b>691,004,565.36</b>	790,679,701.29
Receipts in advance		
Contract liabilities	<b>92,205,147.45</b>	167,796,768.82
Employee benefits payables	<b>216,152,702.19</b>	296,784,492.89
Tax and surcharge payables	<b>270,115,285.91</b>	160,385,251.99
Other payables	<b>2,654,559,320.70</b>	2,416,840,968.10
Of which: Interest payables		
Dividends payables	<b>6,951,984.46</b>	6,951,984.46
Held-for-sale liabilities		
Non-current liabilities due within one year	<b>11,932,307.15</b>	9,284,335.86
Other current liabilities	<b>10,663,325.14</b>	13,485,363.41
<b>Total current liabilities</b>	<b>6,614,783,104.48</b>	6,925,068,067.24
<b>Non-current liabilities:</b>		
Long-term loans	<b>1,626,661,809.48</b>	636,780,252.78
Bonds payables		
Leasing liabilities	<b>10,119,399.23</b>	5,274,240.80
Long-term payables		
Long-term employee benefits payable		
Provisions		
Deferred gains	<b>306,730,921.68</b>	258,882,992.46
Deferred income tax liabilities	<b>157,018,867.29</b>	156,885,243.92
Other non-current liabilities	<b>84,000,000.00</b>	78,000,000.00
<b>Total non-current liabilities</b>	<b>2,184,530,997.68</b>	1,135,822,729.96
<b>Total liabilities</b>	<b>8,799,314,102.16</b>	8,060,890,797.20
Share capital	<b>938,247,822.00</b>	937,865,121.00
Other equity instruments		
Of which: Preferred shares		
Perpetual bonds		
Capital reserve	<b>1,647,878,227.93</b>	1,629,356,574.34
Less: Treasury shares	<b>71,209,491.00</b>	71,209,491.00
Other consolidated earnings	<b>32,356,471.55</b>	46,548,997.70
Special reserve		
Surplus reserve	<b>744,801,154.15</b>	744,801,154.15
Undistributed profits	<b>10,269,695,073.05</b>	9,716,401,275.28
Total equity attributable to shareholders of the parent company	<b>13,561,769,257.68</b>	13,003,763,631.47
Minority interests	<b>1,368,804,844.36</b>	1,307,261,162.15
<b>Total shareholders' (or owners') equity</b>	<b>14,930,574,102.04</b>	14,311,024,793.62
<b>Total liabilities and shareholders' (or owners') equity</b>	<b>23,729,888,204.20</b>	22,371,915,590.82

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>3,479,027,465.92</b>	3,349,814,145.87
Less: Operating costs	<b>1,177,627,078.95</b>	1,122,873,640.04
Tax and surcharge	<b>37,462,155.37</b>	40,381,713.93
Selling expenses	<b>1,106,521,771.51</b>	1,134,889,601.99
Administrative expenses	<b>199,383,394.22</b>	170,502,506.19
R&D expenses	<b>288,330,797.66</b>	231,485,371.64
Finance expenses	<b>-37,928,486.80</b>	-23,336,581.96
Of which: Interest expenses	<b>23,448,658.85</b>	14,068,040.27
Interest income	<b>62,380,723.44</b>	34,485,832.26
Add: Other income	<b>52,466,905.60</b>	73,137,809.50
Investment income (“-” represents losses)	<b>21,795,223.54</b>	16,833,577.54
Of which: Income from investment in associates and joint ventures	<b>15,078,700.65</b>	-3,506,817.44
Gains from changes in fair value (“-” represents losses)	<b>-53,502,658.48</b>	-36,631,085.76
Credit impairment loss (“-” represents losses)	<b>789,451.79</b>	-3,207,016.48
Asset impairment loss (“-” represents losses)	<b>-5,309,013.21</b>	-22,804,347.40
Gains from disposal of assets (“-” represents losses)	<b>-370,357.71</b>	21,927.78
<b>II. Operating profit (“-” represents losses)</b>	<b>723,500,306.54</b>	700,368,759.22
Add: non-operating income	<b>1,882,370.35</b>	6,297,187.09
Less: non-operating expenditure	<b>1,591,814.41</b>	2,817,423.55
<b>III. Total profit (“-” represents total losses)</b>	<b>723,790,862.48</b>	703,848,522.76
Less: income tax expenses	<b>112,667,091.00</b>	106,096,145.35
<b>IV. Net profit (“-” represents net losses)</b>	<b>611,123,771.48</b>	597,752,377.41
(I) Classified by continuing operations:		
Of which: Net profit from continuing operations (“-” represents net losses)	<b>611,123,771.48</b>	597,752,377.41
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>553,293,797.77</b>	519,651,078.57
Profit and loss attributable to minority interests (“-” represents net losses)	<b>57,829,973.71</b>	78,101,298.84

Item	Amount for the Period	Amount for the previous period
<b>V. Other comprehensive net income after taxation</b>	<b>-14,442,932.04</b>	-123,910,341.14
Other comprehensive net income after taxation attributable to shareholders of the parent company	<b>-14,192,526.15</b>	-123,666,253.18
(I) Other comprehensive income not to be reclassified into profit or loss	<b>-7,864,640.20</b>	-134,214,231.82
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>-7,864,640.20</b>	-134,214,231.82
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>-6,327,885.95</b>	10,547,978.64
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>-6,327,885.95</b>	10,547,978.64
7. Others		
Other comprehensive net income after taxation attributable to minority interests	<b>-250,405.89</b>	-244,087.96
<b>VI. Total comprehensive income</b>	<b>596,680,839.44</b>	473,842,036.27
Total comprehensive income attributable to shareholders of the parent company	<b>539,101,271.62</b>	395,984,825.39
Total comprehensive income attributable to minority interests	<b>57,579,567.82</b>	77,857,210.88
<b>VII. Earnings per share</b>		
(I) Basic earnings per share	<b>0.59</b>	0.56
(II) Diluted earnings per share	<b>0.59</b>	0.55

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>3,286,409,919.40</b>	3,135,230,765.61
Refund of taxes and levies	<b>26,492,928.59</b>	28,023,226.86
Cash received relating to other operating activities	<b>178,985,389.54</b>	111,132,146.25
<b>Subtotal of cash inflow from operating activities</b>	<b>3,491,888,237.53</b>	3,274,386,138.72
Cash paid for purchase of goods and services received	<b>705,720,637.44</b>	677,393,833.22
Cash paid to and on behalf of employees	<b>524,232,948.89</b>	445,569,030.45
Payments for various taxes and levies	<b>278,134,815.92</b>	384,989,833.08
Cash paid relating to other operating activities	<b>1,273,490,896.32</b>	1,251,813,259.20
<b>Subtotal of cash outflow from operating activities</b>	<b>2,781,579,298.57</b>	2,759,765,955.95
<b>Net cash flow from operating activities</b>	<b>710,308,938.96</b>	514,620,182.77
<b>II. Cash flow from investing activities:</b>		
Cash received from disposal of investments		54,739,163.66
Cash received on investment income	<b>6,832,308.83</b>	16,991,426.46
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	<b>177,968.00</b>	35,900.00
Net cash received from disposal of subsidiaries and other operating units		
Cash received relating to other investing activities	<b>6,160,000.00</b>	26,600.00
<b>Subtotal of cash inflow from investing activities</b>	<b>13,170,276.83</b>	71,793,090.12
Cash payments for acquisition of fixed assets, intangible assets and other long-term assets	<b>201,222,779.06</b>	245,253,330.49
Cash payments for investments	<b>30,338,557.45</b>	20,000,000.00
Net cash paid for acquisition of subsidiaries and other operating units		
Cash paid relating to other investing activities	<b>115,935.94</b>	259,662.63
<b>Subtotal of cash outflow from investing activities</b>	<b>231,677,272.45</b>	265,512,993.12
<b>Net cash flow from investing activities</b>	<b>-218,506,995.62</b>	-193,719,903.00

Item	Amount for the Period	Amount for the previous period
<b>III. Cash flow from financing activities:</b>		
Cash received from investments	21,187,024.40	614,233,360.56
Of which: cash received by subsidiaries from investments of minority interests		
Cash received from borrowings	1,676,437,809.48	660,000,000.00
Cash received relating to other financing activities	670,523.14	816,504.87
<b>Subtotal of cash inflow from financing activities</b>	<b>1,698,295,357.02</b>	<b>1,275,049,865.43</b>
Cash paid on repayment of debts	1,326,859,803.19	552,984,146.53
Cash paid for distribution of dividends, profits or interest	16,857,731.05	14,492,067.75
Of which: dividends and profits paid to minority interests by subsidiaries		
Cash paid relating to other financing activities	1,238,000.71	790,061,209.85
<b>Subtotal of cash outflow from financing activities</b>	<b>1,344,955,534.95</b>	<b>1,357,537,424.13</b>
<b>Net cash flow from financing activities</b>	<b>353,339,822.07</b>	<b>-82,487,558.70</b>
<b>IV. Effect of changes in foreign exchange rates on cash and cash equivalents</b>	<b>-9,621,652.40</b>	<b>-1,064,105.14</b>
<b>V. Net increase in cash and cash equivalents</b>	<b>835,520,113.01</b>	<b>237,348,615.93</b>
Add: balance of cash and cash equivalents at the beginning of the period	9,125,309,968.12	9,952,049,990.08
<b>VI. Cash and cash equivalents at the end of the period</b>	<b>9,960,830,081.13</b>	<b>10,189,398,606.01</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*



## (II) Auditor's Report

### Whether the first quarterly report is audited

Yes  No

The 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  
21 April 2022

*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*