

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

## 2024 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 2024 First Quarterly Report (the “**Quarterly Report**”) 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 covering the unaudited financial results of the Company from 1 January 2024 to 31 March 2024 (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
5. Items with non-standard opinion from the auditor  
 Applicable     Not Applicable

## I. PRINCIPAL FINANCIAL DATA

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

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

Yes  No

	Reporting Period	Corresponding period of last year	Period-to-period change
Operating income (RMB)	3,242,814,513.73	3,413,055,191.98	-4.99%
Net profit attributable to shareholders of the Company (RMB)	607,823,809.46	581,909,331.89	4.45%
Net profit attributable to shareholders of the Company after deducting extraordinary gains or losses (RMB)	590,300,889.29	569,942,095.34	3.57%
Net cash flow from operating activities (RMB)	924,248,920.31	299,784,593.85	208.30%
Basic earnings per share (RMB/share)	0.65	0.62	4.84%
Diluted earnings per share (RMB/share)	0.65	0.62	4.84%
Weighted average return on net assets	4.25%	4.12%	Increased by 0.13 percentage point

	As at the end of the Reporting Period	As at the end of last year	Change
Total assets (RMB)	25,189,695,757.11	25,044,827,127.75	0.58%
Owners' equity attributable to shareholders of the Company (RMB)	14,606,161,888.41	14,042,495,302.72	4.01%

**Total share capital of the Company as at the trading day preceding the date of disclosure:**

Total share capital of the Company as at the trading day preceding the date of disclosure (shares)	927,059,567
--	-------------

**Fully diluted earnings per share based on the latest share capital:**

Paid dividends for preferred shares (RMB)	—
Paid interest on perpetual bonds (RMB)	—
Fully diluted earnings per share based on the latest share capital (RMB/share)	0.66

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

Applicable    Not Applicable

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)	306,572.18	—
Government grants included in the profit or loss for the Reporting Period (except for government grants which are closely related to the ordinary corporate business of the Company, conformed to the requirements of national policies on a determined standards, and had a continuous impact on the Company's profit or loss)	18,934,930.97	—
Gains or losses on fair value changes in financial assets and financial liabilities held by non-financial enterprises and gains or losses on disposal of financial assets and financial liabilities, except for effective hedging activities related to the ordinary operating business of the Company	3,353,719.83	—
Other non-operating income and expenses excluding the above items	-4,445,984.70	—
Less: Effect of income tax	1,026,090.97	—
Effect on minority interests (after tax)	-399,772.86	—
<b>Total</b>	<b>17,522,920.17</b>	<b>—</b>

### Details of other gains or losses items that fall within the definition of extraordinary gains or losses

Applicable    Not Applicable

The Company has no other gain or loss items that fall within the definition of extraordinary gains or losses.

**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**

Applicable  Not Applicable

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**

Applicable  Not Applicable

**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
Other receivables	45,948,492.93	32,008,338.25	43.55%	Mainly due to the increase in the receivables of export tax refund for the Period.
Other current assets	156,230,044.47	51,549,299.62	203.07%	Mainly due to the new cash management business.
Other non-current assets	397,188,990.01	171,595,133.87	131.47%	Mainly due to the new cash management business.
Financial liabilities held for trading	4,602,262.59	86,817.12	5,201.10%	Mainly due to changes in forward foreign exchange contracts.
Contract liabilities	73,866,497.83	137,998,394.09	-46.47%	Mainly because part of the contract payments received in advance in the Period which met the conditions for revenue recognition were transferred to revenue.
Non-current liabilities due within one year	1,339,864,899.02	659,679,477.31	103.11%	Mainly due to the transfer of long-term borrowings due within one year.
Long-term loans	856,672,857.82	1,612,773,278.99	-46.88%	Mainly due to the transfer of long-term borrowings due within one year in the non-current liabilities due within one year.
Treasury shares	128,431,667.85	–	100.00%	Mainly due to the additional repurchase of A Shares and H Shares for the Period.

## 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	3,242,814,513.73	3,413,055,191.98	-4.99%	Please see Note for details
Finance expenses	-54,508,308.03	-8,753,192.92	-522.72%	Mainly due to the increase in interest income from deposits for the Period as compared with the previous period.
Other income	28,651,483.27	42,998,406.83	-33.37%	Mainly due to the decrease in government grants for the Period as compared with the previous period.
Investment income	15,721,478.43	37,800,624.35	-58.41%	Mainly due to the receipt of bonus payments in the previous period.
Gains from changes in fair value	1,546,661.96	-25,953,603.69	105.96%	Mainly due to fluctuations in the market value of the securities investments held.
Credit impairment loss	-5,646,628.22	-13,321,686.08	57.61%	Mainly due to aging changes of accounts receivables resulting in the corresponding decrease in expected credit loss during the Period.
Asset impairment loss	-4,097,945.69	1,837,691.27	-322.99%	Mainly due to the increase in the provision for decline in value of inventories for the Period as compared with the previous period.
Gains from disposal of assets	306,572.18	–	100.00%	Mainly due to the gains from disposal of fixed assets during the Period.
Non-operating income	1,226,260.97	463,689.40	164.46%	Mainly due to an increase in income from disposal of scraps during the Period.
Non-operating expenditure	5,672,245.67	3,316,824.01	71.01%	Mainly due to an increase in write-off loss on assets during the Period.
Profit and loss attributable to minority interests	108,255,150.69	31,952,619.02	238.80%	Mainly due to the increase in operating results of non-wholly owned subsidiaries for the Period as compared with the previous period.
Other comprehensive net income after taxation	-22,951,789.36	-66,013,142.44	65.23%	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 March 2024, the Group recorded operating income of RMB3,242.81 million, representing a period-to-period decrease of 4.99%. Chemical drug preparation products recorded income of RMB1,586.36 million, representing a period-to-period decrease of 2.31%. Among them, gastroenterology products recorded income of RMB588.96 million, representing a period-to-period decrease of 25.68%; gonadotropic hormones products recorded income of RMB806.93 million, representing a period-to-period increase of 39.89%; psychiatry products recorded income of RMB134.82 million, representing a period-to-period increase of 10.11%; anti-infection products recorded income of RMB43.12 million, representing a period-to-period decrease of 65.96%. APIs and intermediate products recorded income of RMB955.37 million, representing a period-to-period decrease of 3.89%. Traditional Chinese medicine preparation products recorded income of RMB389.35 million, representing a period-to-period decrease of 29.61%. Diagnostic reagent and equipment products recorded income of RMB235.58 million, representing a period-to-period increase of 60.26%.

### 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	924,248,920.31	299,784,593.85	208.30%	Mainly due to the decrease in procurement and expenses.
Subtotal of cash inflow from investing activities	6,035,760.64	102,275,842.41	-94.10%	Mainly due to the recovery of investment amount in the previous period.
Subtotal of cash outflow from investing activities	463,372,361.82	167,102,024.50	177.30%	Mainly due to an increase in investment payments for the Period.
Net cash flow from investing activities	-457,336,601.18	-64,826,182.09	-605.48%	Mainly due to an increase in investment payments for the Period.
Subtotal of cash inflow from financing activities	721,939,862.90	1,070,315,870.74	-32.55%	Mainly due to the decrease in new borrowings for the Period.
Subtotal of cash outflow from financing activities	1,376,553,551.05	753,630,238.36	82.66%	Mainly due to the increase in repayment of borrowings for the Period.
Net cash flow from financing activities	-654,613,688.15	316,685,632.38	-306.71%	Mainly due to the combined effect of the decrease in new borrowings and the increase in repayment of borrowings for the Period.
Effect of changes in foreign exchange rates on cash and cash equivalents	-690,196.85	-23,818,029.01	97.10%	Mainly due to changes in foreign exchange rates resulting in a decrease in exchange loss from foreign exchange funds held.
Net increase in cash and cash equivalents	-188,391,565.87	527,826,015.13	-135.69%	Mainly due to the combined effect of the decrease in new borrowings and the increase in repayment of borrowings for 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

Unit: share

Total number of ordinary shareholders as at the end of the Reporting Period	43,751 holders (including 43,538 holders of A shares and 21 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)	-
---	--	--	---

#### Shareholdings of the Top 10 Shareholders (excluding shares lent through securities lending and refinancing)

Name of shareholder	Nature of shareholder	Shareholding percentage (%)	Number of shares held	Status of pledged, charged or locked up		
				Number of restricted shares held	Status of shares	Number
HKSCC Nominees Limited <sup>(Note 2)</sup>	Foreign legal person	33.41%	309,547,589	-	-	-
Joincare Pharmaceutical Group Industry Co., Ltd. (健康元藥業集團股份有限公司)	Domestic non-state owned legal person	23.89%	221,376,789	-	-	-
Hong Kong Securities Clearing Company Limited	Foreign legal person	5.44%	50,431,580	-	-	-
Guangzhou Begol Trading Holdings Limited (廣州市保科力貿易公司)	State-owned legal person	1.87%	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 legal person	1.82%	16,830,835	-	-	-
Abu Dhabi Investment Authority (阿布達比投資局)	Foreign legal person	0.69%	6,426,533	-	-	-
UBS AG	Foreign legal person	0.65%	6,035,475	-	-	-
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	0.55%	5,094,949	-	-	-
Monetary Authority of Macao – Internal Funds (澳門金融管理局-自有資金)	Foreign legal person	0.53%	4,955,526	-	-	-
Agricultural Bank of China Limited – CSI 500 Index Open-ended Fund (中國農業銀行股份有限公司–中證500交易型開放式指數證券投資基金)	Others	0.44%	4,080,649	-	-	-

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

Name of shareholder	Number of non-restricted shares held	Class of shares	Class of shares Number
HKSCC Nominees Limited	309,547,589	Overseas listed foreign shares	309,547,589
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 Renminbi	221,376,789
Hong Kong Securities Clearing Company Limited	50,431,580	Ordinary shares denominated in Renminbi	50,431,580
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
Abu Dhabi Investment Authority (阿布達比投資局)	6,426,533	Ordinary shares denominated in Renminbi	6,426,533
UBS AG	6,035,475	Ordinary shares denominated in Renminbi	6,035,475
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
Monetary Authority of Macao – Internal Funds (澳門金融管理局-自有資金)	4,955,526	Ordinary shares denominated in Renminbi	4,955,526
Agricultural Bank of China Limited – CSI 500 Index Open-ended Fund (中國農業銀行股份有限公司 – 中證500交易型開放式指數證券投資基金)	4,080,649	Ordinary shares denominated in Renminbi	4,080,649
Kuwait Investment Authority (科威特政府投資局)	3,940,241	Ordinary shares denominated in Renminbi	3,940,241
Description on the connected relationship or acting-in-concert relationship among the aforementioned shareholders	<p>(1) On 2 January 2004, Joincare and 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 Joincare; (2) Haibin Pharma 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》).</p>		
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 2024 provided by the Registrar Company 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 as nominee include 163,364,672 H shares of the Company held on behalf of Topsino Industries, which is a wholly-owned subsidiary of Joincare, the Company's controlling shareholder.

**Lending of shares by shareholders holding more than 5% of the shares, top 10 shareholders and top 10 shareholders with unrestricted tradable shares in refinancing business**

Applicable  Not Applicable

**The top 10 shareholders and the top 10 shareholders with unrestricted tradable shares changed from the previous period due to the lending/repayment of refinancing**

Applicable  Not Applicable

**(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

**(I) The Progress of Repurchase of Shares**

**1. The progress of repurchase of A Shares**

As at 31 March 2024, the Company repurchased a total of 2,152,600 A shares by way of centralized bidding transactions, representing 0.23% of the total share capital of the Company. The highest purchase price was RMB35.15 per share and the lowest purchase price was RMB32.95 per share. The total amount of funds used was RMB73,436,534.00 (excluding transaction costs). The above mentioned repurchase complies with the Company's existing share repurchase scheme.

**2. The progress of repurchase of H Shares**

As at 31 March 2024, the Company repurchased a total of 2,476,300 H shares, representing 0.27% of the total share capital of the Company. The highest purchase price was HK\$25.15 per share and the lowest purchase price was HK\$23.05 per share. The total amount of funds used was HK\$60,363,260.00 (excluding transaction costs). The above mentioned repurchase complies with the Company's general mandate to repurchase H Shares.

## (II) Share Options Exercised at the Discretion under the Share Option Incentive Schemes

On 18 December 2023, the Company held the ninth meeting of the eleventh session of the Board, at which the Resolution on the Fulfillment of Exercise Conditions for the First Exercise Period under the First Grant of the 2022 Share Option Incentive Scheme of the Company was considered and approved. The exercise conditions for the first exercise period of the First Grant under the 2022 Share Option Incentive Scheme of the Company have been fulfilled, and 1,001 incentive participants who meet the exercise conditions were approved to exercise 7,045,000 share options in the first exercise period at the exercise price of RMB31.31 per A share. Upon review by the Shenzhen Stock Exchange and the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited, the relevant share options will be exercisable commencing from 2 January 2024. The abbreviation of the share options that can be exercised is Livzon JLC3, and the code of the share options is 037312. As at 31 March 2024, share options exercised at the discretion of the First Grant under the 2022 Share Option Incentive Scheme are as follows:

Name	Position	Number of share options under the First Grant (0'000)	Number of share options exercisable (0'000)	Number of share options exercised at the discretion (0' 000)
Tang Yanggang	Director, President	16.00	6.40	–
Xu Guoxiang	Vice Chairman, Vice President	16.00	6.40	–
Yang Daihong	Vice President	12.00	4.80	–
Du Jun	Vice President	12.00	4.80	–
Si Yanxia	Vice President, Chief Financial Officer	12.00	4.80	–
Huang Yuxuan	Vice President	12.00	4.80	–
Yang Liang	Vice President, Secretary to the Board	12.00	4.80	–
Mid-level management and core personnel of the Company (994 persons)		1,669.25	667.70	270.6605
1,001 persons in total		1,761.25	704.50	270.6605

## 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>11,143,148,609.60</b>	11,325,723,855.76
Financial assets held for trading	<b>87,854,188.64</b>	81,792,081.22
Bills receivables	<b>1,538,161,579.79</b>	1,459,333,093.74
Accounts receivables	<b>2,067,187,200.41</b>	2,115,658,645.12
Receivables financing		
Prepayments	<b>124,299,998.68</b>	139,458,224.63
Other receivables	<b>45,948,492.93</b>	32,008,338.25
Of which: Interest receivables		
Dividends receivables		
Inventories	<b>2,015,389,848.09</b>	2,060,651,179.94
Contract assets		
Held-for-sale assets		
Non-current assets due within one year		
Other current assets	<b>156,230,044.47</b>	51,549,299.62
<b>Total current assets</b>	<b>17,178,219,962.61</b>	17,266,174,718.28
<b>Non-current assets:</b>		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investments	<b>1,057,169,895.96</b>	1,031,259,800.84
Other equity instrument investments	<b>608,599,276.49</b>	638,843,775.68
Other non-current financial assets		
Investment properties	<b>10,556,516.71</b>	10,766,737.57
Fixed assets	<b>4,247,493,974.09</b>	4,294,232,468.83
Construction in progress	<b>332,916,447.35</b>	289,306,707.05
Productive biological assets		
Oil and gas assets		
Right-of-use assets	<b>19,067,666.43</b>	20,908,112.56
Intangible assets	<b>418,296,015.12</b>	426,283,093.35
Development expenditure	<b>302,795,897.47</b>	287,888,786.16
Goodwill	<b>124,911,302.94</b>	124,911,302.94
Long-term deferred expenses	<b>190,447,410.69</b>	180,732,214.07
Deferred income tax assets	<b>302,032,401.24</b>	301,924,276.55
Other non-current assets	<b>397,188,990.01</b>	171,595,133.87
<b>Total non-current assets</b>	<b>8,011,475,794.50</b>	7,778,652,409.47
<b>Total assets</b>	<b>25,189,695,757.11</b>	25,044,827,127.75

Unit: RMB

Item	Amount at the end of the Period	Amount at the beginning of the year
<b>Current liabilities:</b>		
Short-term loans	1,360,009,625.00	1,860,009,625.00
Financial liabilities held for trading	4,602,262.59	86,817.12
Bills payable	1,089,131,474.00	894,588,217.10
Accounts payable	695,239,744.33	763,825,157.69
Receipts in advance		
Contract liabilities	73,866,497.83	137,998,394.09
Employee benefits payables	187,580,396.15	264,432,630.74
Tax and surcharge payables	234,726,177.59	299,087,995.28
Other payables	3,299,725,844.33	3,157,651,033.59
Of which: Interest payables		
Dividends payables	11,458,767.63	12,478,280.13
Held-for-sale liabilities		
Non-current liabilities due within one year	1,339,864,899.02	659,679,477.31
Other current liabilities	45,173,043.96	49,778,126.82
<b>Total current liabilities</b>	<b>8,329,919,964.80</b>	<b>8,087,137,474.74</b>
<b>Non-current liabilities:</b>		
Long-term loans	856,672,857.82	1,612,773,278.99
Bonds payables		
Leasing liabilities	7,729,245.26	9,030,622.57
Long-term payables		
Long-term employee benefits payable		
Provisions		
Deferred gains	263,375,328.81	269,370,462.59
Deferred income tax liabilities	202,497,603.77	209,812,292.82
Other non-current liabilities	90,000,000.00	90,000,000.00
<b>Total non-current liabilities</b>	<b>1,420,275,035.66</b>	<b>2,190,986,656.97</b>
<b>Total liabilities</b>	<b>9,750,195,000.46</b>	<b>10,278,124,131.71</b>
Share capital	926,644,744.00	923,938,139.00
Other equity instruments		
Of which: Preferred shares		
Perpetual bonds		
Capital reserve	1,427,227,207.69	1,322,498,474.23
Less: Treasury shares	128,431,667.85	
Other consolidated earnings	119,910,673.47	143,071,567.85
Special reserve		
Surplus reserve	744,801,154.15	744,801,154.15
Undistributed profits	11,516,009,776.95	10,908,185,967.49
Total equity attributable to shareholders of the parent company	<b>14,606,161,888.41</b>	<b>14,042,495,302.72</b>
Minority interests	833,338,868.24	724,207,693.32
<b>Total shareholders' (or owners') equity</b>	<b>15,439,500,756.65</b>	<b>14,766,702,996.04</b>
<b>Total liabilities and shareholders' (or owners') equity</b>	<b>25,189,695,757.11</b>	<b>25,044,827,127.75</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>3,242,814,513.73</b>	3,413,055,191.98
Less: Operating costs	<b>1,145,651,375.63</b>	1,260,381,376.05
Tax and surcharge	<b>32,301,888.26</b>	40,529,108.28
Selling expenses	<b>876,113,247.33</b>	964,906,980.93
Administrative expenses	<b>192,677,314.53</b>	149,650,059.76
R&D expenses	<b>238,173,559.46</b>	311,408,248.52
Finance expenses	<b>-54,508,308.03</b>	-8,753,192.92
Of which: Interest expenses	<b>22,801,899.20</b>	22,642,769.50
Interest income	<b>76,023,910.05</b>	36,111,262.90
Add: Other income	<b>28,651,483.27</b>	42,998,406.83
Investment income (“-” represents losses)	<b>15,721,478.43</b>	37,800,624.35
Of which: Income from investment in associates and joint ventures	<b>13,914,420.56</b>	13,461,697.69
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>1,546,661.96</b>	-25,953,603.69
Credit impairment loss (“-” represents losses)	<b>-5,646,628.22</b>	-13,321,686.08
Asset impairment loss (“-” represents losses)	<b>-4,097,945.69</b>	1,837,691.27
Gains from disposal of assets (“-” represents losses)	<b>306,572.18</b>	
<b>II. Operating profit (“-” represents losses)</b>	<b>848,887,058.48</b>	738,294,044.04
Add: non-operating income	<b>1,226,260.97</b>	463,689.40
Less: non-operating expenditure	<b>5,672,245.67</b>	3,316,824.01
<b>III. Total profit (“-” represents total losses)</b>	<b>844,441,073.78</b>	735,440,909.43
Less: income tax expenses	<b>128,362,113.63</b>	121,578,958.52
<b>IV. Net profit (“-” represents net losses)</b>	<b>716,078,960.15</b>	613,861,950.91
(I) Classified by continuing operations:		
Of which: Net profit from continuing operations (“-” represents net losses)	<b>716,078,960.15</b>	613,861,950.91
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>607,823,809.46</b>	581,909,331.89
Profit and loss attributable to minority interests (“-” represents net losses)	<b>108,255,150.69</b>	31,952,619.02

<b>Item</b>	<b>Amount for the Period</b>	Amount for the previous period
<b>V. Other comprehensive net income after taxation</b>	<b>-22,951,789.36</b>	-66,013,142.44
Other comprehensive net income after taxation attributable to shareholders of the parent company	<b>-23,160,894.39</b>	-65,543,980.35
(I) Other comprehensive income not to be reclassified into profit or loss	<b>-23,628,450.85</b>	-48,307,151.31
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>-23,628,450.85</b>	-48,307,151.31
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>467,556.46</b>	-17,236,829.04
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>467,556.46</b>	-17,236,829.04
7. Others		
Other comprehensive net income after taxation attributable to minority interests	<b>209,105.03</b>	-469,162.09
<b>VI. Total comprehensive income</b>	<b>693,127,170.79</b>	547,848,808.47
Total comprehensive income attributable to shareholders of the parent company	<b>584,662,915.07</b>	516,365,351.54
Total comprehensive income attributable to minority interests	<b>108,464,255.72</b>	31,483,456.93
<b>VII. Earnings per share</b>		
(I) Basic earnings per share	<b>0.65</b>	0.62
(II) Diluted earnings per share	<b>0.65</b>	0.62

*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>3,385,166,590.24</b>	3,269,777,541.36
Refund of taxes and levies	<b>13,890,170.24</b>	19,619,125.95
Cash received relating to other operating activities	<b>109,707,055.51</b>	156,728,120.11
<b>Subtotal of cash inflow from operating activities</b>	<b>3,508,763,815.99</b>	3,446,124,787.42
Cash paid for purchase of goods and services received	<b>792,047,903.94</b>	1,111,648,206.92
Cash paid to and on behalf of employees	<b>591,727,485.75</b>	554,146,329.40
Payments for various taxes and levies	<b>427,031,075.82</b>	378,846,147.45
Cash paid relating to other operating activities	<b>773,708,430.17</b>	1,101,699,509.80
<b>Subtotal of cash outflow from operating activities</b>	<b>2,584,514,895.68</b>	3,146,340,193.57
<b>Net cash flow from operating activities</b>	<b>924,248,920.31</b>	299,784,593.85
<b>II. Cash flow from investing activities:</b>		
Cash received from disposal of investments		70,031,257.75
Cash received on investment income	<b>5,834,420.64</b>	26,244,584.66
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	<b>201,340.00</b>	
Net cash received from disposal of subsidiaries and other operating units		
Cash received relating to other investing activities		6,000,000.00
<b>Subtotal of cash inflow from investing activities</b>	<b>6,035,760.64</b>	102,275,842.41
Cash payments for acquisition of fixed assets, intangible assets and other long-term assets	<b>155,623,529.66</b>	146,416,939.77
Cash payments for investments	<b>307,546,469.39</b>	6,183,753.84
Net cash paid for acquisition of subsidiaries and other operating units		12,461,951.59
Cash paid relating to other investing activities	<b>202,362.77</b>	2,039,379.30
<b>Subtotal of cash outflow from investing activities</b>	<b>463,372,361.82</b>	167,102,024.50
<b>Net cash flow from investing activities</b>	<b>-457,336,601.18</b>	-64,826,182.09

Item	Amount for the Period	Amount for the previous period
<b>III. Cash flow from financing activities:</b>		
Cash received from investments	<b>79,098,734.79</b>	36,790,000.00
Of which: cash received by subsidiaries from investments of minority interests		36,790,000.00
Cash received from borrowings	<b>642,754,935.91</b>	1,033,525,870.74
Cash received relating to other financing activities	<b>86,192.20</b>	
<b>Subtotal of cash inflow from financing activities</b>	<b>721,939,862.90</b>	1,070,315,870.74
Cash paid on repayment of debts	<b>1,219,815,571.50</b>	595,574,985.04
Cash paid for distribution of dividends, profits or interest	<b>23,816,825.17</b>	31,165,868.48
Of which: dividends and profits paid to minority interests by subsidiaries	<b>1,019,512.50</b>	359,270.18
Cash paid relating to other financing activities	<b>132,921,154.38</b>	126,889,384.84
<b>Subtotal of cash outflow from financing activities</b>	<b>1,376,553,551.05</b>	753,630,238.36
<b>Net cash flow from financing activities</b>	<b>-654,613,688.15</b>	316,685,632.38
<b>IV. Effect of changes in foreign exchange rates on cash and cash equivalents</b>	<b>-690,196.85</b>	-23,818,029.01
<b>V. Net increase in cash and cash equivalents</b>	<b>-188,391,565.87</b>	527,826,015.13
Add: balance of cash and cash equivalents at the beginning of the period	<b>10,976,366,402.44</b>	10,072,642,681.72
<b>VI. Cash and cash equivalents at the end of the period</b>	<b>10,787,974,836.57</b>	10,600,468,696.85

*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) Adjustments to the financial statements as at the beginning of the year due to the application of new accounting standards for the first time since 2024**

Applicable  Not Applicable

**(III) 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  
23 April 2024

*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