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CSPC PHARMACEUTICAL GROUP LIMITED

石藥集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 1093)

INSIDE INFORMATION

PRINCIPAL FINANCIAL INFORMATION OF CSPC INNOVATION PHARMACEUTICAL CO., LTD. FOR THE THREE MONTHS ENDED 31 MARCH 2023

This announcement is made by CSPC Pharmaceutical Group Limited (the “**Company**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

CSPC Innovation Pharmaceutical Co., Ltd. (“**CSPC XNW**”) is a subsidiary of the Company and its shares are listed on the ChiNext of Shenzhen Stock Exchange (Stock Code: 300765). In compliance with the relevant requirements of Shenzhen Stock Exchange, CSPC XNW published its 2023 First Quarterly Report for the three months ended 31 March 2023 on the information disclosure webpage of Shenzhen Stock Exchange’s website at <http://www.szse.cn/disclosure/listed/notice/index.html>.

The board of directors of the Company would like to draw the attention of its shareholders and the public investors to the appendices of this announcement (the “**Appendices**”) which set out the principal financial information of CSPC XNW prepared in accordance with the PRC Accounting Standard for Business Enterprises for the three months ended 31 March 2023.

Please note that the information in the Appendices is an extract of the unaudited financial statements prepared in Chinese. In case of any inconsistency between the Chinese version and the English version, the Chinese version shall prevail.

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

Hong Kong, 26 April 2023

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

APPENDIX I

PRINCIPAL ACCOUNTING DATA AND FINANCIAL INDICATORS

Unit: RMB (Yuan)

	Current reporting period	Corresponding reporting period of last year		Increase/decrease compared with the corresponding reporting period of last year (%)
		Before adjustment	After adjustment	After adjustment
Revenue	684,020,305.00	447,222,824.66	541,028,381.87	26.43%
Net profit attributable to listed company's shareholders	181,976,426.13	110,992,466.52	123,520,129.15	47.33%
Net profit attributable to listed company's shareholders less the non-recurring gain/loss	179,439,428.78	111,537,005.48	111,537,005.48	60.88%
Net cash flows from operating activities	156,910,519.62	70,514,173.43	106,355,965.99	47.53%
Basic earnings per share (Yuan/share)	0.2939	0.2033	0.1995	47.32%
Diluted earnings per share (Yuan/share)	0.2939	0.2033	0.1995	47.32%
Weighted average return on net assets (%)	4.52%	3.69%	3.69%	0.83%
	End of the current reporting period	End of last year		Increase/decrease compared with the end of last year (%)
		Before adjustment	After adjustment	After adjustment
Total assets	5,180,768,084.66	4,584,035,512.38	4,584,035,512.38	13.02%
Equity attributable to listed company's shareholders	4,605,653,369.51	3,935,600,634.14	3,935,600,634.14	17.03%

APPENDIX II

NON-RECURRING GAIN/LOSS ITEMS AND AMOUNTS

Unit: RMB (Yuan)

Items	Amount for current reporting period	Description
Gain/loss from disposal of non-current assets (including the part offset with the provision for impairment of assets)	77,000.00	
Government grants recognised in profit or loss of current period (excluding those closely related to the company's normal operating business and continuously granted according to certain quota of amount or volume under national policies)	2,342,995.03	
Non-operating income and expenses other than the above items	491,396.25	
Less: Impact of income tax	374,393.93	
Total	2,536,997.35	

APPENDIX III

DETAILS AND REASONS FOR SIGNIFICANT CHANGES IN MAJOR ACCOUNTING DATA AND FINANCIAL INDICATORS

1. MAJOR ITEMS ON CONSOLIDATED BALANCE SHEET

Unit: RMB (Yuan)

Items	31 March 2023	31 December 2022	Percentage change	Analysis on the reasons for changes
Trade receivables financing	172,533,898.65	114,069,374.08	51.25%	Mainly due to an increase in the company's revenue and bank acceptance bills received during the reporting period.
Prepayments	34,132,787.56	19,577,279.63	74.35%	Mainly due to the increase in the company's prepayment for energy charges during the reporting period.
Bill payables	-	20,000,000.00	-100.00%	Mainly due to the reason that the company did not issue bank acceptance bills during the reporting period.
Contract liabilities	44,025,922.07	68,259,661.19	-35.50%	Mainly due to the decrease in receipts in advance of the company during the reporting period.
Capital reserve	1,595,180,373.55	1,138,471,104.02	40.12%	Mainly due to the issuance of shares of the company to specific parties to raise supporting funds during the reporting period, with the premium included in the capital reserve.

2. MAJOR ITEMS ON CONSOLIDATED INCOME STATEMENT

Unit: RMB (Yuan)

Items	January-March 2023	January-March 2022	Percentage change	Analysis on the reasons for changes
Tax and surcharge	8,095,685.39	3,535,144.74	129.01%	Mainly due to the city construction tax and education surcharge.
Research and development expenses	13,545,879.02	7,526,575.82	79.97%	Mainly due to the company's increased investment in research and development during the reporting period.
Finance costs	-228,213.77	-4,152,733.46	94.50%	Mainly due to the increase in the company's foreign exchange loss as a result of the appreciation of Renminbi against US dollars.

3. MAJOR ITEMS ON CONSOLIDATED CASH FLOW STATEMENT

Unit: RMB (Yuan)

Items	January-March 2023	January-March 2022	Percentage change	Analysis on the reasons for changes
Net cash flows from operating activities	156,910,519.62	106,355,965.99	47.53%	Mainly due to the increase in cash received from the sale of goods as a result of the increase in the company's revenue during the reporting period.
Net cash flows from investing activities	-32,906,802.28	358,719,158.47	-109.17%	Mainly due to the changes in "cash received from investment" and "cash paid for investment" since the company did not purchase structured deposits during the reporting period.
Net cash flows from financing activities	488,514,998.48	-736,892.33	N/A	Mainly due to the issuance of shares of the company to specific parties to raise supporting funds during the reporting period
Balance of cash and cash equivalents at the end of the reporting period	2,799,277,797.75	1,708,827,431.91	63.81%	Mainly due to the issuance of shares of the company to specific parties to raise supporting funds and the increase in cash received from the sale of goods as a result of the increase in the company's revenue during the reporting period, resulting in an increase in net cash flows from operating activities.