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廣州白雲山醫葯集團股份有限公司

GUANGZHOU BAIYUNSHAN PHARMACEUTICAL HOLDINGS CO., LTD.

(a joint stock company with limited liability established in the People's Republic of China)

(H Share Stock Code: 0874)

2021 THIRD QUARTERLY REPORT

IMPORTANT NOTICE

The board of directors (the “**Board**”), the supervisory committee of Guangzhou Baiyunshan Pharmaceutical Holdings Company Limited (the “**Company**”) and its directors, supervisors and senior management collectively and individually accept full responsibility for the truthfulness, accuracy and completeness of the information contained in this quarterly report and confirm that there are no false information, misleading statements or material omissions in this quarterly report.

Mr. Li Chuyuan (chairperson of the Board), Mr. Li Hong (executive director and general manager) and Ms. Yao Zhizhi (deputy director of Finance and the head of finance department) declared that they warranted that the financial reports contained in this quarterly report were true, accurate and complete.

The third quarterly financial reports were audited.

Yes No

This quarterly report is prepared in both English and Chinese. In the event that different interpretation occurs, the Chinese version shall prevail.

1. PRINCIPAL FINANCIAL DATA

1.1 Principal accounting data and financial indicators

Items	The Reporting Period (1 July 2021 – 30 September 2021) (Unaudited)	Increase/(Decrease) during the Reporting Period as compared with the corresponding period of 2020 (%)	From the beginning of 2021 to the end of the Reporting Period (1 January 2021 – 30 September 2021) (Unaudited)	Increase/(Decrease) from the beginning of 2021 to the end of the Reporting Period as compared with the corresponding period of 2020 (%)
Income from operations (RMB'000)	17,410,965	6.07	53,539,542	14.19
Net profit attributable to the shareholders of the Company (RMB'000)	809,362	(9.55)	3,311,743	24.55
Net profit attributable to the shareholders of the Company after deducting non-recurring items (RMB'000)	792,205	(6.17)	3,287,850	33.02
Net cash flow from operating activities (RMB'000)	Not applicable	Not applicable	5,785,483	1,388.87
Basic earnings per share (RMB/Share)	0.498	(9.55)	2.037	24.55
Diluted earnings per share (RMB/Share)	0.498	(9.55)	2.037	24.55
Ratio of weighted average return on net assets (%)	2.87	A decrease of 0.65 percentage point	12.04	An increase of 1.53 percentage points

Items	As at the end of the Reporting Period (Unaudited)	As at the end of 31 December 2020 (Audited)	Increase/(Decrease) as at the end of the Reporting Period compared with 31 December 2020 (%)
Total assets (RMB'000)	64,588,474	59,760,063	8.08
Total equity attributable to the Shareholders of the Company (RMB'000)	28,580,396	26,144,843	9.32

Notes: (1) “Reporting Period” refers to the three month period from the beginning of this quarter to the end of this quarter and the same meaning applies to the contents below.

(2) The above financial data and indicators are computed based on the figures on consolidated basis.

1.2 Non-recurring items and amount

Items	Amount of 1 July 2021 – 30 September 2021 (RMB'000)	Amount of 1 January 2021 – 30 September 2021 (RMB'000)	Notes
Profit or loss from disposal of non-current assets, including the write-off portion of provision for asset impairment	1,808	1,858	
Government grants included in the profit or loss for the current period except for the government grants that are closely related to enterprise's normal business and are enjoyed by the Company continuously in quota or by the quantity of unified national standards in accordance with the national policy	20,202	102,744	This represents the amount of government subsidies received by the Company and its subsidiaries which were transferred to non-operating income and other income in the Reporting Period.
Except for effective hedging business related to normal business of the Company, profit or loss from change of fair value from trading financial assets and trading financial liabilities, and investment income from disposal of trading financial assets, trading financial liabilities and available-for-sale financial assets	2,742	6,402	
Reverse of provision for impairment of receivables under individual impairment test	64	1,447	
Other non-operating income and expenses except for the above-mentioned items	(1,775)	(59,493)	
Other profit and loss items that meet the definition of non-recurring gains and losses	1,057	0	
Less: Income tax effect	(5,824)	(21,584)	
Effect on minority interest (after tax)	(1,117)	(7,481)	
Total	<u>17,157</u>	<u>23,893</u>	

Description of non-recurring profit or loss items listed in the Explanatory Announcement No. 1 on Information Disclosure by Public Issuers - Non-recurring Profit or Loss Items (《公開發行證券的公司信息披露解釋性公告第1號—非經常性損益》) being defined as recurring profit or loss items

Applicable Not applicable

1.3 Changes in major accounting data and financial indicators of the Company and reasons for changes

Applicable Not applicable

Items	Fluctuation (%)	Reasons for fluctuation
Net profit attributable to the shareholders of the Company after deducting non-recurring items	33.02	The year-on-year increase in net profit attributable to the shareholders of the Company after deducting non-recurring profit or loss was attributable to: the decrease in total profit from January to September 2020 resulting from the sales decline of the subsidiaries of the Company due to the significant decline in market demands under the impacts of the COVID-19 coronavirus epidemic (“the COVID-19 epidemic”). Due to the gradual easing of the COVID-19 epidemic in China from January to September 2021, the recovery of market demands boosted the growth in sales and profit from principal operations of the subsidiaries of the Company. The Company and its subsidiaries also enhanced capital management, achieving a year-on-year increase in income from capitals and hence total profit.
Net cash flow from operating activities	1,388.87	The year-on-year increase in net cash flow from operating activities was attributable to: (1) a year-on-year increase in net cash flow from operating activities from January to September 2021 as the receipt of payments for the sale of goods by Guangzhou WLJ Great Health Industry Co., Ltd., a wholly-owned subsidiary of the Company, during the 2021 Spring Festival mainly took place in January 2021 while the receipt of payments for the sale of goods during the 2020 Spring Festival mainly took place in the end of 2019 given the delayed 2021 Spring Festival as compared with the 2020 Spring Festival; and (2) a year-on-year increase in net cash flow from operating activities resulting from the year-on-year increase in the sales receivables received by the subsidiaries of the Company due to the easing of the COVID-19 epidemic in China from January to September 2021.

2. INFORMATION OF SHAREHOLDERS

The total number of shareholders holding ordinary shares, the number of shareholders holding preferred shares whose voting rights are restored and the shareholdings of the top ten shareholders of the Company

The total number of shareholders holding ordinary shares as at the end of the Reporting Period 103,462

The number of shareholders holding preferred shares whose voting rights are restored as at the end of the Reporting Period Not applicable

Shareholders	Nature of shareholders	The top ten shareholders of the Company				
		Number of shares held (share)	Approximate percentage of the total issued share capital (%)	Number of shares subject to selling restrictions (share)	Number of shares pledged, marked or freed Shares status	Number of shares (share)
Guangzhou Pharmaceutical Holdings Limited	State-owned legal person	732,305,103	45.04	0	Nil	0
HKSCC Nominees Limited	Others	219,765,300	13.52	0	Unknown	–
Guangzhou China Life Urban Development Industry Investment Enterprise (Limited Partnership)	Others	73,313,783	4.51	0	Nil	0
Guangzhou State-owned Asset Development Holdings Limited	State-owned legal person	56,397,400	3.47	0	Nil	0
China Securities Finance Corporation Limited	Others	47,277,962	2.91	0	Nil	0
Hong Kong Securities Clearing Company Limited	Others	23,520,752	1.45	0	Nil	0
China AMC – Agricultural Bank – Huaxia China Securities Financial Asset Management Plan	Others	8,795,136	0.54	0	Nil	0
Zhongou AMC – Agricultural Bank – Zhongou China Securities Financial Asset Management Plan	Others	8,680,636	0.53	0	Nil	0
Boshi AMC – Agricultural Bank – Boshi China Securities Financial Asset Management Plan	Others	8,662,836	0.53	0	Nil	0
Dacheng AMC – Agricultural Bank – Dacheng China Securities Financial Asset Management Plan	Others	8,657,836	0.53	0	Nil	0

The top ten shareholders of the Company not subject to selling restrictions

Shareholders	Number of shares without selling restrictions (share)	Class and number of shares Class of shares	Number of shares (share)
Guangzhou Pharmaceutical Holdings Limited	732,305,103	Domestic shares denominated in RMB	732,305,103
HKSCC Nominees Limited	219,765,300	H shares	219,765,300
Guangzhou China Life Urban Development Industry Investment Enterprise (Limited Partnership)	73,313,783	Domestic shares denominated in RMB	73,313,783
Guangzhou State-owned Asset Development Holdings Limited	56,397,400	Domestic shares denominated in RMB	56,397,400
China Securities Finance Corporation Limited	47,277,962	Domestic shares denominated in RMB	47,277,962
Hong Kong Securities Clearing Company Limited	23,520,752	Domestic shares denominated in RMB	23,520,752
China AMC – Agricultural Bank – Huaxia China Securities Financial Asset Management Plan	8,795,136	Domestic shares denominated in RMB	8,795,136
Zhongou AMC – Agricultural Bank – Zhongou China Securities Financial Asset Management Plan	8,680,636	Domestic shares denominated in RMB	8,680,636
Boshi AMC – Agricultural Bank – Boshi China Securities Financial Asset Management Plan	8,662,836	Domestic shares denominated in RMB	8,662,836
Dacheng AMC – Agricultural Bank – Dacheng China Securities Financial Asset Management Plan	8,657,836	Domestic shares denominated in RMB	8,657,836
Explanation on the connection or parties acting in concert among the above shareholders	(1)	According to the information provided by HKSCC Nominees Limited, the H shares held by it were held on behalf of clients. The Company was not aware of any connection among the above top ten shareholders, or whether they were parties acting in concert as provided in the “Rules Governing the Disclosure of Change in Shareholders’ Shareholding in Listed Companies”.	
	(2)		
Explanation on the participation in margin trading and refinancing business of the top ten shareholders and the top ten shareholders not subject to selling restrictions of the Company	Nil		

3. OTHER MATTERS

Other important information about the operation of the Company during the Reporting Period that investors should be reminded of

Applicable Not applicable

4. APPENDIX

4.1 Financial Report

Consolidated Balance Sheet

As at 30 September 2021

Items	30 September 2021 (RMB)	31 December 2020 (RMB)
Current assets:		
Cash at bank and on hand	23,952,122,343.64	19,470,276,224.53
Settlement provisions	–	–
Funds lent	–	–
Financial assets held for trading	4,000,000.00	4,000,000.00
Derivative financial assets	–	–
Notes receivable	922,601,153.96	1,134,815,993.39
Accounts receivable	13,300,816,033.92	12,389,655,576.61
Accounts receivable financing	2,648,418,115.80	2,164,978,925.29
Advances to suppliers	695,374,674.22	1,032,533,165.54
Premiums receivable	–	–
Cession insurance premiums receivable	–	–
Provision for insurance contracts	–	–
Other receivables	1,026,552,080.80	765,711,481.37
Including: Interest receivable	–	4,477,916.67
Dividends receivable	150,000,000.00	37,938,523.45
Financial assets purchased under resale agreements	–	–
Inventories	8,576,004,303.39	9,764,531,363.80
Contract assets	–	–
Classified as assets held for sale	–	–
Current portion of non-current assets	–	–
Other current assets	520,772,187.35	670,115,291.06
Total current assets	<u>51,646,660,893.08</u>	<u>47,396,618,021.59</u>

Items	30 September 2021 (RMB)	31 December 2020 (RMB)
Non-currents assets:		
Entrusted loans and advances	–	–
Debt investment	625,123,890.02	505,069,444.73
Other debt investment	–	–
Long-term receivables	–	–
Long-term equity investment	1,868,619,961.34	1,865,866,171.60
Other equity instrument investment	161,235,842.61	116,367,414.84
Other non-current financial assets	254,113,081.98	263,528,067.86
Investments properties	241,194,256.79	213,001,989.80
Fixed assets	3,084,608,099.66	2,912,513,169.84
Construction in progress	1,535,164,483.31	1,276,251,488.95
Bearer biological assets	2,891,827.50	3,153,885.00
Oil and gas assets	–	–
Right-of-use assets	837,635,070.41	909,338,251.24
Intangible assets	2,424,188,408.72	2,443,588,248.17
Development expenditure	8,984,805.86	6,735,587.41
Goodwill	825,573,066.90	825,573,066.90
Long-term prepaid expenses	111,024,994.47	111,306,370.33
Deferred tax assets	768,397,104.72	751,722,372.84
Other non-current assets	193,057,968.91	159,429,328.02
Total non-current assets	<u>12,941,812,863.20</u>	<u>12,363,444,857.53</u>
Total Assets	<u><u>64,588,473,756.28</u></u>	<u><u>59,760,062,879.12</u></u>

Items	30 September 2021 (RMB)	31 December 2020 (RMB)
Current liabilities:		
Short-term borrowings	9,071,673,719.64	8,265,729,653.03
Borrowings from central banks	-	-
Deposits funds	-	-
Financial liabilities held for trading	-	-
Derivative financial liabilities	-	-
Notes payable	2,702,557,850.40	3,284,549,237.79
Accounts payable	11,171,869,977.23	10,874,808,379.60
Advances from customers	-	-
Contract liabilities	1,608,979,189.09	1,249,255,585.45
Financial assets sold under repurchase agreements	-	-
Deposits from customers and interbank	-	-
Funds received as agent of stock exchange	-	-
Funds received as stock underwrite	-	-
Employee benefits payable	936,273,375.87	846,778,208.52
Taxes payable	427,512,198.16	316,109,068.00
Other payables	4,862,527,741.03	4,013,915,065.13
Including: Interest payable	-	17,844,845.53
Dividends payable	55,870,902.50	57,512,041.85
Handling charges and commissions payable	-	-
Cession insurance premiums payable	-	-
Liabilities held for sales	-	-
Current portion of non-current liabilities	255,782,253.77	236,106,690.45
Other current liabilities	183,287,883.44	155,979,889.85
Total current liabilities	31,220,464,188.63	29,243,231,777.82
Non-current liabilities:		
Insurance contract reserve	-	-
Long-term borrowings	767,827,500.00	497,550,000.00
Bonds payable	-	-
Including: Preferred stock	-	-
Perpetual bond	-	-
Lease liabilities	505,970,669.40	561,824,454.28
Long-term payables	22,846,772.00	22,846,772.00
Long-term employee benefits payable	310,000.45	302,723.26
Provisions	71,326,404.75	104,528,196.76
Deferred income	827,590,200.08	784,074,821.24
Deferred tax liabilities	308,481,489.08	286,359,056.86
Other non-current liabilities	54,761,702.71	54,078,462.71
Total non-current liabilities	2,559,114,738.47	2,311,564,487.11
Total Liabilities	33,779,578,927.10	31,554,796,264.93

Items	30 September 2021 (RMB)	31 December 2020 (RMB)
Shareholders' equity:		
Share capital	1,625,790,949.00	1,625,790,949.00
Other equity instruments	-	-
Including: Preferred stock	-	-
Perpetual bond	-	-
Capital surplus	9,885,011,185.13	9,885,011,185.13
Less: Treasury shares	-	-
Other comprehensive income	(19,187,481.95)	(17,673,498.70)
Special reserve	-	-
Surplus reserve	1,720,302,768.39	1,720,302,768.39
General risk provision	-	-
Undistributed profits	<u>15,368,478,698.19</u>	<u>12,931,411,564.72</u>
Total equity attributable to the Shareholders of the parent Company	28,580,396,118.76	26,144,842,968.54
Minority interest	<u>2,228,498,710.42</u>	<u>2,060,423,645.65</u>
Total Shareholders' Equity	<u>30,808,894,829.18</u>	<u>28,205,266,614.19</u>
Total Liabilities and Shareholders' Equity	<u>64,588,473,756.28</u>	<u>59,760,062,879.12</u>

*Person in charge of
the Company*
Mr. Li Chuyuan

*Person in charge of
the Financial Work*
Mr. Li Hong

*Person in charge of
Finance Department*
Ms. Yao Zhizhi

Consolidated Income Statement
1 January – 30 September 2021

Items	1 January - 30 September 2021 (RMB)	1 January - 30 September 2020 (RMB)
1. Total operating income	53,539,542,415.85	46,884,611,873.09
Including: Operating income	53,539,542,415.85	46,884,611,873.09
Interest income	-	-
Premiums earned	-	-
Fees and commissions income	-	-
2. Total operating costs	49,470,087,334.14	43,584,693,200.90
Including: Operating cost	42,705,386,796.49	38,137,761,153.93
Interest expense	-	-
Fees and commissions expense	-	-
Surrenders	-	-
Net claims paid	-	-
Net reserves for insurance contracts	-	-
Policyholder dividends	-	-
Reinsurance expenses	-	-
Taxes and surcharges	237,021,334.18	205,665,125.21
Selling and distribution expenses	4,572,348,972.25	3,525,589,093.75
General and administrative expenses	1,468,651,734.02	1,318,919,627.21
R&D expenses	604,708,177.54	403,093,157.14
Financial expenses	(118,029,680.34)	(6,334,956.34)
Including: Interest expense	309,209,999.86	247,052,111.20
Interest income	444,557,092.80	283,377,270.15
Add: Other income	98,974,290.56	240,149,682.42
Investment income (“-” for loss)	157,621,054.72	40,606,631.39
Including: Income from investments in associates and joint ventures	154,229,019.71	75,481,302.37
Gains on termination of financial assets measured at amortized cost (“-” for loss)	-	-
Exchange gains and losses (“-” for loss)	-	-
Gains on hedging of net exposure (“-” for loss)	-	-
Gains from changes in fair value (“-” for loss)	(9,669,024.36)	(10,091,603.90)
Impairment losses in respect of credit (“-” for loss)	(40,981,028.72)	(101,600,258.01)
Impairment losses in respect of assets (“-” for loss)	(14,845,484.93)	(18,625,624.00)
Gains from disposal of assets (“-” for loss)	1,858,123.81	5,178,482.22

Items	1 January - 30 September 2021 (RMB)	1 January - 30 September 2020 (RMB)
3. Operating profit (“-” for loss)	<u>4,262,413,012.79</u>	<u>3,455,535,982.31</u>
Add: Non-operating income	17,033,752.53	46,720,944.01
Less: Non-operating expenses	74,402,743.21	26,417,638.31
4. Total profit (“-” for loss)	<u>4,205,044,022.11</u>	<u>3,475,839,288.01</u>
Less: Income tax expenses	695,868,664.28	642,171,447.56
5. Net profit (“-” for loss)	<u>3,509,175,357.83</u>	<u>2,833,667,840.45</u>
(1) Classified by the continuity of operations		
A. Net profit from continuing operations (“-” for loss)	3,509,175,357.83	2,833,667,840.45
B. Net profit from discontinued operations (“-” for loss)	-	-
(2) Classified by ownership of the equity		
A. Net profit attributable to the parent company’s shareholders (“-” for loss)	3,311,742,664.03	2,659,067,349.66
B. Minority interest (“-” for loss)	197,432,693.80	174,600,490.79
6. Other comprehensive income, net of tax	(717,220.13)	(15,842,567.18)
Other comprehensive income, net of tax attributable to the parent company’s shareholders	(1,513,983.25)	(12,922,326.97)
(1) Other comprehensive income that will not be reclassified to profit or loss	(1,131,572.23)	1,661,057.43
A. Changes arising from the remeasurement of of defined benefit obligation	-	-
B. Other comprehensive income that will not be reclassified to profit or loss under equity method	-	-
C. Changes in fair value of other equity instrument investments	(1,131,572.23)	1,661,057.43
D. Change in fair value of the company’s own credit risk	-	-

Items	1 January - 30 September 2021 (RMB)	1 January - 30 September 2020 (RMB)
(2) Other comprehensive income that may be reclassified into profit or loss	(382,411.02)	(14,583,384.40)
A. Other comprehensive income that may be reclassified to profit or loss under equity method	-	-
B. Change in fair value of other debt investments	(2,238,105.27)	(11,680,960.84)
C. Gains and losses arising from changes in fair value of available-for-sale financial assets	-	-
D. Provision for credit loss of other debt investments	4,364,063.69	-
E. Cash flow hedge reserve		
F. Difference arising from the translation of foreign currency financial statements	(2,508,369.44)	(2,902,423.56)
G. Others	-	-
Other comprehensive income, net of tax attributable to minority shareholders	796,763.12	(2,920,240.21)
7. Total comprehensive income	<u>3,508,458,137.70</u>	<u>2,817,825,273.27</u>
Total comprehensive income attributable to shareholders of the parent company	3,310,228,680.78	2,646,145,022.69
Total comprehensive income attributable to minority shareholders	198,229,456.92	171,680,250.58
8. Earnings per share		
(1) Basic earnings per share (RMB/Share)	2.037	1.636
(2) Diluted earnings per share (RMB/Share)	2.037	1.636

If business combination happened under the same control during the Reporting Period, the combined party recognized the net profit of RMB0 and RMB0 before combination and the corresponding period last year, collectively.

*Person in charge of
the Company*

Mr. Li Chuyuan

*Person in charge of
the Financial Work*

Mr. Li Hong

*Person in charge of
Finance Department*

Ms. Yao Zhizhi

Consolidated Cash Flow Statement

1 January – 30 September 2021

Items	1 January – 30 September 2021 (RMB)	1 January – 30 September 2020 (RMB)
1. Cash flows from operating activities		
Cash received from sale of goods and rendering of services	51,793,363,131.13	42,527,900,412.43
Customer deposits and interbank net increase in deposits	–	–
Net increase in borrowings from central banks	–	–
Borrowing funds from other financial institutions net increase	–	–
Receipt of the original insurance contract cash	–	–
Net cash received from reinsurance business	–	–
Net increase in policyholders' deposits and investments	–	–
Charge interest, fees and commissions	–	–
Net increase in placements from banks and the financial institutions	–	–
Net increase in repo operations funds	–	–
Net cash received from customer brokerage deposits	–	–
Refund of taxes and surcharges	18,440,546.51	8,572,593.41
Cash received relating to other operating activities	1,360,832,935.50	1,551,450,333.56
Sub-total of cash inflows	<u>53,172,636,613.14</u>	<u>44,087,923,339.40</u>
Cash paid for goods and services	38,960,003,881.98	35,355,262,625.39
Net increase in loans and advances to customers	–	–
Central banks and interbank deposits cash	–	–
Pay the original insurance contract paid in cash	–	–
Net increase in loans to banks and other financial institutions	–	–
Payment of interest, fees and commissions	–	–
Commissions on insurance policies paid	–	–
Cash paid to and on behalf of employees	3,891,407,699.58	3,449,919,396.80
Payments of taxes and surcharges	2,286,607,930.36	2,008,342,505.09
Cash paid relating to other operating activities	2,249,133,619.70	2,885,815,881.54
Sub-total of cash outflows	<u>47,387,153,131.62</u>	<u>43,699,340,408.82</u>
Net cash flows from operating activities	<u><u>5,785,483,481.52</u></u>	<u><u>388,582,930.58</u></u>

Items	1 January – 30 September 2021 (RMB)	1 January – 30 September 2020 (RMB)
2. Cash flows from investing activities		
Cash received from disposal of investments	279,000,000.00	80,400,000.00
Cash received from returns on investments	126,139,202.67	217,347,135.40
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	6,447,450.36	5,897,331.89
Net cash received from sales of subsidiaries and other business units	33,386,871.10	–
Cash received from other investing activities	148,630.88	1,397,524.30
Sub-total of cash inflows	<u>445,122,155.01</u>	<u>305,041,991.59</u>
Cash paid to acquire fixed assets, intangible assets and other long-term assets	770,279,864.17	526,733,133.80
Cash paid to acquire investments	235,162,500.00	586,793,000.00
Net increase in loans	–	–
Net cash paid for acquire subsidiaries and other business units	–	–
Cash paid relating to other investing activities	–	1,380,252.29
Sub-total of cash outflows	<u>1,005,442,364.17</u>	<u>1,114,906,386.09</u>
Net cash flows from investing activities	<u>(560,320,209.16)</u>	<u>(809,864,394.50)</u>
3. Cash flows from financing activities		
Cash received from capital contributions	3,090,000.00	13,714,660.39
Including: Cash received from capital contributions by minority shareholders to subsidiaries	3,090,000.00	13,714,660.39
Cash received from borrowings	7,819,274,235.86	7,745,265,087.63
Cash received relating to other financing activities	2,202,894,832.01	2,219,576,620.72
Sub-total of cash inflows	<u>10,025,259,067.87</u>	<u>9,978,556,368.74</u>

Items	1 January – 30 September 2021 (RMB)	1 January – 30 September 2020 (RMB)
Cash repayments of borrowings	6,791,322,409.96	5,059,724,895.63
Cash payments for interest expenses and distribution of dividends or profits	1,192,629,895.40	1,245,655,370.04
Including: Cash payments for dividends or profit to minority shareholders of subsidiaries	30,717,171.86	39,879,338.22
Cash payments relating to other financing activities	2,261,686,909.72	2,005,123,842.39
Sub-total of cash outflows	<u>10,245,639,215.08</u>	<u>8,310,504,108.06</u>
Net cash flows from financing activities	<u>(220,380,147.21)</u>	<u>1,668,052,260.68</u>
4. Effects of foreign exchange rate changes on cash and cash equivalents	<u>255,827.94</u>	<u>(907,402.86)</u>
5. Net increase in cash and cash equivalents	5,005,038,953.09	1,245,863,393.90
Add: Cash and cash equivalents at the beginning of the period	<u>17,765,132,774.10</u>	<u>16,833,622,508.23</u>
6. Cash and cash equivalents at the end of the period	<u>22,770,171,727.19</u>	<u>18,079,485,902.13</u>

*Person in charge of
the Company*
Mr. Li Chuyuan

*Person in charge of
the Financial Work*
Mr. Li Hong

*Person in charge of
Finance Department*
Ms. Yao Zhizhi

4.2 The adjustments to relevant items in financial statements at the beginning of the year upon initial implementation year of new Revenue Standards and new Leases Standards since 2021

Applicable Not applicable

The Board of
Guangzhou Baiyunshan Pharmaceutical Holdings Company Limited

Guangzhou, the PRC, 26 October 2021

As at the date of this announcement, the Board comprises Mr. Li Chuyuan, Mr. Yang Jun, Ms. Cheng Ning, Ms. Liu Juyan, Mr. Zhang Chunbo, Mr. Wu Changhai and Mr. Li Hong, as executive directors, and Mr. Wong Hin Wing, Ms. Wang Weihong, Mr. Chen Yajin, and Mr. Huang Min as independent non-executive directors.