

Stock Code: 600380

Stock Short Name: 健康元

Joincare Pharmaceutical Group Industry Co., Ltd.

2022 Third Quarterly Report

The Board of Directors and all Directors of the Company hereby warrant that there are no false representations, misleading statements or material omissions contained in this announcement and accept legal responsibility for the truthfulness, accuracy and completeness of the contents hereof.

IMPORTANT NOTICE:

- The Board of Directors, the Board of Supervisors and Directors, Supervisors and senior management of the Company hereby warrant the truthfulness, accuracy and completeness of the contents of this quarterly report, and that there are no false representations, misleading statements or material omissions contained herein, and severally and jointly accept legal responsibility.
- The person-in-charge of the Company, the person-in-charge of accounting work and the person-in-charge of the accounting department (the head of the accounting department) hereby warrant the truthfulness, accuracy and completeness of the financial information contained in this quarterly report.
- Whether the third quarterly financial statements are audited.
Yes No

I. MAJOR FINANCIAL DATA

(I) Major Accounting Date and Financial Indicators

Unit: Yuan Currency: RMB

Item	For the Reporting Period	YoY change (%)	From the beginning of the year to the end of the Reporting Period	YoY change (%)
Revenue	4,447,021,452.61	8.51	13,011,966,738.16	9.04

Net profit attributable to shareholders of the listed company	325,293,433.73	1.23	1,126,561,953.23	11.69
Net profit attributable to shareholders of the listed company after deduction of extraordinary gains and losses	312,360,089.27	-2.90	1,116,354,521.30	21.40
Net cash flow from operating activities	N/A	N/A	2,608,992,532.97	60.93
Basic earnings per share (RMB/share)	0.1748	6.61	0.5983	16.09
Diluted earnings per share (RMB/share)	0.1739	6.19	0.5971	16.13
Weighted average return on net assets (%)	2.74	Decreased by 0.11 percentage points	9.39	Increased by 0.50 percentage points
	As at the end of the Reporting Period	As at the end of the previous year		YoY change (%)
Total assets	34,713,695,364.54	31,103,900,389.29		11.61
Owner's equity attributable to shareholders of the listed company	12,900,492,209.56	11,820,293,656.69		9.14

Notes: 1. The “Reporting Period” represents the 3-month period from the beginning to the end of this quarter, the same below.

2. From July to September 2022, the Company realized net profit attributable to shareholders of the parent of RMB325 million, of which Joincare excluding Livzon Pharmaceutical Group Inc. (“Livzon Group”) and Livzon MAB Pharm Inc. (“Livzon MAB”) realized net profit attributable to shareholders of the parent of approximately RMB217 million, representing a YoY increase of approximately 37%, and the impact of Livzon MAB on the net profit attributable to shareholders of the parent was approximately negative RMB186 million. From January to September 2022, the Company realized net profit attributable to shareholders of the parent of RMB1,127 million, of which Joincare (excluding Livzon Group and Livzon MAB) realized net profit attributable to shareholders of the parent of approximately RMB638 million, representing a YoY increase of approximately 42%, and the impact of Livzon MAB on the net profit attributable to shareholders of the parent was approximately negative RMB325 million.

3. From January to September 2022, the Company realized revenue of RMB7,402 million from chemical pharmaceuticals, representing a YoY increase of 7.16%, among which, RMB862 million were from respiratory formulation, representing a YoY increase of 215%; RMB1,151 million were from anti-infective products, representing a YoY increase of 9.29%; RMB2,646 million were from gastroenterology products, representing a YoY decrease of 11.60%; RMB2,092 million were from gonadotropic hormones, representing a YoY increase of 5.81% and RMB400 million were from psychiatry products, representing a YoY increase of 30.68%. The Company realized revenue of RMB4,054 million from APIs and intermediates, representing a YoY increase of 17.80%. The Company realized revenue of RMB864 million from traditional Chinese medicine, representing a YoY increase of 1.28%. The Company realized revenue of RMB502 million from diagnostic reagents and equipment, representing a YoY decrease of 9.09%. The Company realized revenue of RMB83 million from health care products, representing a YoY decrease of 4.30%.

(II) Items and Amounts of Extraordinary Gains and Losses

Unit: Yuan Currency: RMB

Item	For the Reporting Period	From the beginning of the year to the end of the Reporting Period
Gain or loss on disposal of non-current assets	1,429,336.99	5,161,222.54
Government grants recognized in profit or loss for the current period (excluding government grants that are closely related to the ordinary operating business of the Company and are provided in fixed amount or quantity continuously according to the applicable polices and standards of the country)	45,982,790.93	140,167,993.52
Gains and losses on fair value changes incurred from financial assets held for trading, derivative financial assets, financial liabilities held for trading and derivative financial liabilities, and investment income on disposal of financial assets held for trading, derivative financial assets, financial liabilities held for trading, derivative financial liabilities and other debt investments, except for effective hedging activities related to the ordinary operating business of the Company	-14,007,798.34	-112,944,327.05
Reversal of provision for impairment of accounts receivable and contract assets tested for impairment individually	0.00	158,470.77
Other non-operating income and expenses apart from the above items	-6,269,628.08	-8,540,320.05
Less: Effect of income tax	-330,154.62	10,109,361.17
Effect of minority equity (after tax)	14,531,511.66	3,686,246.63
Total	12,933,344.46	10,207,431.93

Explanations for classifying items of extraordinary gains and losses defined in the Explanatory Announcement No. 1 for Public Company Information Disclosures –Non-recurring Profits and Losses as items of recurring profit or loss

Applicable N/A

(III) Changes in Major Accounting Data and Financial Indicators and Reasons Therefor

Applicable N/A

Item	Change (%)	Main reasons
Net cash flow from operating activities	60.93	Mainly due to an increase of cash collections of sales revenues.

(IV) Material Changes in Other Items in Financial Statements and Financial Indicators and Reasons Therefor

Balance Sheet	30 September 2022	31 December 2021	Change in proportion (%)	Main Reason
Financial assets held for trading	121,394,233.59	184,638,344.31	-34.25	Primarily due to fluctuations in market value of the securities investment held.
Other receivables	51,182,462.61	88,053,825.12	-41.87	Mainly due to the receipt of payment during the current period.
Non-current assets due within one year	38,498.84	317,381.23	-87.87	Primarily due to the recovery of finance lease payments.
Other current assets	28,941,853.23	83,986,214.37	-65.54	Primarily due to the decrease in the amount of VAT credits as a result of the refund thereof and the prepaid income tax has transferred out.
Long-term receivables	82,574.69	266,904.13	-69.06	Primarily due to the recovery of finance lease payments.
Financial liabilities held for trading	23,888,725.35	143,302.24	16570.17	Primarily due to fluctuations in fair value of foreign exchange forward contract
Contract liabilities	85,390,395.48	234,140,702.29	-63.53	Primarily due to some contract performance obligations during the current period, which satisfies the conditions for revenue recognition and results in the carrying forward of revenue.
Taxes payable	356,093,489.85	270,618,183.41	31.59	Primarily due to the increase in corporate income tax payable.
Non-current liabilities due within one year	19,385,099.93	91,576,066.33	-78.83	Mainly due to an increase of repayment of long-term borrowings.
Other current liabilities	5,977,716.75	15,626,224.29	-61.75	Primarily due to the decrease in pending output tax as the contract payment collected in advance in the current period meets the revenue recognition conditions and is carried forward.
Long-term loans	3,028,666,590.94	826,780,252.78	266.32	Mainly due to an addition to long-term borrowings during the current period.
Other comprehensive income	37,371,610.95	5,387,545.97	593.67	Mainly due to change of exchange differences on translation of statements as a result of fluctuation in exchange rate.
Statement of Income	January to September for 2022	January to September for 2021	Change in proportion (%)	Main Reason
Financial expenses	-330,371,807.68	-43,302,001.92	N/A	Mainly due to the deposit interest during the current period is higher than last period and the

				exchange gains arising from fluctuation in exchange rate.
Income from investments (loss is indicated by“-”)	48,386,584.36	69,260,277.50	-30.14	Primarily due to a decrease in dividend for the current period, together with fluctuation in exchange rate and losses from settlement of the forward foreign exchange contract business.
Gains from changes in fair values (loss is indicated by“-”)	-86,989,533.83	-18,014,545.96	N/A	Primarily due to fluctuations in market value of the securities investment held.
Impairment loss of assets (loss is indicated by“-”)	-142,159,872.24	-35,798,711.62	N/A	Primarily due to the impairment provision for inventories for the current period is higher than last period.
Gains from disposal of assets (loss is indicated by“-”)	1,121,679.66	18,357,859.21	-93.89	Mainly due to gains from transfer of land use rights during last period.
Cash Flow Statement	January to September for 2022	January to September for 2021	Change in proportion (%)	Main Reason
Net cash flow from operating activities	2,608,992,532.97	1,621,169,704.58	60.93	Mainly due to an increase of cash collections of sales revenues for the current period.
Net cash flow from investing activities	-886,929,197.44	-1,509,334,937.50	N/A	Mainly due to the combination of cash collection through selling equity and the additional investment for last period.
Net cash flow from financing activities	873,841,344.96	-1,783,771,890.06	N/A	Mainly due to the further borrowings and capital raised (issuance of GDRs) for the current period.

II. SHAREHOLDERS

(I) Total Number of Holders of Ordinary Shares and Number of Holders of Preferred Shares with Restored

Voting Rights and Shareholdings of Top 10 Shareholders

Unit: shares

Total number of holders of ordinary shares as of the end of the Reporting Period	96,795	Total number of holders of preferred shares with restored voting rights as of the end of the Reporting Period (if any)	0			
Shareholdings of the top 10 shareholders						
Name of shareholder	Nature of shareholder	Number of shares held	Percentage (%)	Number of shares held with selling restrictions	Pledge, mark or lock-up	
					Share status	Number
Shenzhen Baiyeyuan Investment Co., Ltd. (深圳市百业源投资有限公司)	Domestic non-state-owned entity	878,272,753	45.56	0	Pledge	95,679,725
Hong Kong Securities Clearing Company Limited	Unknown	130,019,561	6.74	0	Unknown	
Citibank, National Association	Unknown	63,825,000	3.31	0	Unknown	

Might Seasons Limited	Foreign entity	57,487,434	2.98	0	Unknown	
Huaxia Life Insurance Co., Ltd. - Own fund	Unknown	9,275,718	0.48	0	Unknown	
He Zhong	Domestic natural person	7,800,024	0.40	0	Unknown	
Abu Dhabi Investment Authority (阿布达比投资局)	Foreign entity	6,334,742	0.33	0	Unknown	
Joincare Pharmaceutical Group Industry Co., Ltd. — the Second Phase Ownership Scheme under Medium to Long-term Business Partner Share Ownership Scheme (健康元药业集团股份有限公司—中长期事业合伙人持股计划之第二期持股计划)	Others	6,275,372	0.33	0	-	
16011 portfolio of basic endowment insurance fund	Unknown	5,867,634	0.30	0	Unknown	
Agricultural Bank of China Limited - CSI 500 Exchange Traded Index Securities Investment Fund	Unknown	5,480,994	0.28	0	Unknown	
Shareholdings of the top 10 shareholders without selling restrictions						
Name of shareholder	Number of tradable shares held without selling restrictions		Class and number of shares			
			Class of shares		Number	
Shenzhen Baiyeyuan Investment Co., Ltd. (深圳市百业源投资有限公司)	878,272,753		Ordinary shares denominated in Renminbi		878,272,753	
Hong Kong Securities Clearing Company Limited	130,019,561		Ordinary shares denominated in Renminbi		130,019,561	
Citibank, National Association	63,825,000		Ordinary shares denominated in Renminbi		63,825,000	
Might Seasons Limited	57,487,434		Ordinary shares denominated in Renminbi		57,487,434	
Huaxia Life Insurance Co., Ltd. - Own fund	9,275,718		Ordinary shares denominated in Renminbi		9,275,718	
He Zhong	7,800,024		Ordinary shares denominated in Renminbi		7,800,024	
Abu Dhabi Investment Authority (阿布达比投资局)	6,334,742		Ordinary shares denominated in Renminbi		6,334,742	
Joincare Pharmaceutical Group Industry Co., Ltd. — the Second Phase Ownership Scheme under Medium to Long-term Business Partner Share Ownership Scheme (健康元药业集团股份有限公司—中长期事业合伙人持股计划之第二期持股计划)	6,275,372		Ordinary shares denominated in Renminbi		6,275,372	
16011 portfolio of basic endowment insurance fund	5,867,634		Ordinary shares denominated in Renminbi		5,867,634	
Agricultural Bank of China Limited - CSI 500 Exchange Traded Index Securities Investment Fund	5,480,994		Ordinary shares denominated in Renminbi		5,480,994	
Description of connection or acting-in-concert relationship of the above shareholders	There was no connection or acting-in-concert relationship between Shenzhen Baiyeyuan Investment Co., Ltd., a controlling shareholder of the Company, and other shareholders; whether there is connection or acting-in-concert relationship among other shareholders is unknown					

Description of the participation of the top 10 shareholders and the top 10 shareholders without selling restrictions in margin financing and securities lending and refinancing business (if any)	As of the end of the Reporting Period, the number of the shares lent from Shenzhen Baiyeyuan Investment Co., Ltd., a controlling shareholder of the Company, through participation in refinancing is 17,380,900, without any transfer of ownership. He Zhong, a shareholder, holds a total of 7,800,024 shares of the Company, including 800,000 shares held through ordinary securities accounts and 7,000,024 shares held through credit securities accounts.
Description of the special repurchase account among the top 10 shareholders	As of the end of the Reporting Period, the special repurchase account of the Company (special securities repurchase account of Joincare Pharmaceutical Group Industry Co., Ltd.) owned 17,459,813 shares in total, accounting for 0.91%.

Note: Citibank, National Association is the depository of the Company's GDRs, the corresponding domestic basic A Shares of GDRs shall registered under its name according to the laws; the GDRs issued by the Company shall be not converted into A Shares from 26 September 2022 (Switzerland Time) to 23 January 2023 (Switzerland Time).

III. OTHER REMINDERS

Other important information that needs to be brought to the attention of investors regarding the Company's operations during the Reporting Period

Applicable N/A

IV. QUARTERLY FINANCIAL STATEMENTS

(I) Audit Opinion

Applicable N/A

(II) Financial Statements

Consolidated Balance Sheet

30 September 2022

Prepared by: Joincare Pharmaceutical Group Industry Co., Ltd.

Unit: Yuan Currency: RMB Audit status: Unaudited

Item	30 September 2022	31 December 2021
Current assets:		
Monetary funds	14,574,355,344.50	11,729,230,390.98
Financial assets held for trading	121,394,233.59	184,638,344.31
Bill receivable	1,761,732,574.61	1,977,286,022.02
Accounts receivable	3,348,701,858.06	2,853,655,551.54
Receivables financing		
Prepayments	390,858,423.43	369,232,546.29
Other receivables	51,182,462.61	88,053,825.12
In which: Interests receivable		365,873.64
Dividends receivable		
Inventories	2,293,286,563.09	2,078,944,387.68
Contract assets		
Held-for-sale assets		
Non-current assets due within one year	38,498.84	317,381.23
Other current assets	28,941,853.23	83,986,214.37
Total current assets	22,570,491,811.96	19,365,344,663.54
Non-current assets:		
Debt investment		
Other debt investment		
Long-term receivables	82,574.69	266,904.13
Long-term equity investment	1,445,516,030.89	1,419,349,454.84
Other equity instrument investment	1,202,246,220.39	1,408,882,377.42
Other non-current financial assets		
Investment properties	6,191,475.43	6,191,475.43
Fixed assets	5,031,567,135.95	4,839,005,169.81
Construction in progress	914,020,725.38	742,998,743.75
Productive biological assets		
Oil & gas assets		
Right-of-use assets	41,072,299.34	46,774,759.69
Intangible assets	507,221,484.83	456,782,094.80
Development expenses	803,845,060.85	786,993,435.71
Goodwill	614,468,698.73	614,468,698.73
Long-term prepaid expenses	248,031,970.13	200,715,740.93
Deferred income tax assets	599,351,023.48	552,542,866.71
Other non-current assets	729,588,852.49	663,584,003.80
Total non-current assets	12,143,203,552.58	11,738,555,725.75
Total assets	34,713,695,364.54	31,103,900,389.29
Current liabilities:		
Short-term loans	2,355,133,620.36	2,518,484,835.09
Financial liabilities held for trading	23,888,725.35	143,302.24
Notes payable	1,704,031,516.46	1,582,386,767.93
Accounts payable	875,494,946.90	871,553,210.51
Receipts in advance		
Contract liabilities	85,390,395.48	234,140,702.29
Payroll payable	422,866,738.80	475,430,823.20
Taxes payable	356,093,489.85	270,618,183.41

Other payables	3,629,808,271.81	3,292,407,989.79
In which: Interests payable		
Dividends payable	14,009,877.69	6,951,984.46
Held-for-sale liabilities		
Non-current liabilities due within one year	19,385,099.93	91,576,066.33
Other current liabilities	5,977,716.75	15,626,224.29
Total current liabilities	9,478,070,521.69	9,352,368,105.08
Non-current liabilities:		
Long-term loans	3,028,666,590.94	826,780,252.78
Bonds payable		
Lease liabilities	22,778,162.56	25,071,794.32
Long-term payables		
Long-term payroll payable		
Estimated liabilities		
Deferred income	458,651,827.54	433,543,352.40
Deferred income tax liabilities	191,906,813.07	208,525,905.39
Other non-current liabilities	84,000,000.00	78,000,000.00
Total non-current liabilities	3,786,003,394.11	1,571,921,304.89
Total liabilities	13,264,073,915.80	10,924,289,409.97
Owner's equity (or shareholder's equity):		
Paid-in capital	1,927,655,269.00	1,907,727,908.00
Other equity instruments		
In which: Preferred shares		
Perpetual debts		
Capital reserve	2,358,462,480.42	2,265,357,311.92
Less: Treasury shares	222,644,454.50	222,644,454.50
Other comprehensive income	37,371,610.95	5,387,545.97
Special reserve		
Surplus reserve	649,438,942.77	640,821,179.08
Undistributed profits	8,150,208,360.92	7,223,644,166.22
Total owner's equity (or shareholder's equity) attributable to the parent company	12,900,492,209.56	11,820,293,656.69
Minority shareholder's equity	8,549,129,239.18	8,359,317,322.63
Total owner's equity (or shareholder's equity)	21,449,621,448.74	20,179,610,979.32
Total liabilities and owner's equity (or shareholder's equity)	34,713,695,364.54	31,103,900,389.29

Person-in-charge of the
Company: Zhu Baoguo

Person-in-charge of the
Company's accounting work:
Qiu Qingfeng

Person-in-charge of the
accounting department: Qiu
Qingfeng

Consolidated Income Statement

From January to September, 2022

Prepared by: Joincare Pharmaceutical Group Industry Co., Ltd.

Unit: Yuan Currency: RMB Audit status: Unaudited

Item	First three quarters (January to September) for 2022	First three quarters (January to September) for 2021
I. Total revenue	13,011,966,738.16	11,933,648,988.85
In which: Operating revenue	13,011,966,738.16	11,933,648,988.85
II. Total operating costs	10,347,452,908.46	9,728,395,382.69
In which: Operating costs	4,590,752,440.39	4,202,628,262.24
Operating tax and surcharges	148,072,490.55	138,588,360.34
Selling expenses	3,893,351,191.76	3,820,420,328.92
Administrative expenses	813,143,493.11	651,003,507.97
R&D expenses	1,232,505,100.33	959,056,925.14
Financial expenses	-330,371,807.68	-43,302,001.92
In which: Interest expenses	95,844,022.98	73,581,421.29
Interest income	296,268,948.39	111,786,015.39
Add: Other income	142,661,731.19	177,015,688.29
Income from investments (loss is indicated by“-”)	48,386,584.36	69,260,277.50
In which: Income from investments in associates and joint ventures	52,468,548.10	11,789,322.81
Gains from derecognition of financial assets at amortized cost		
Gains from net exposure hedges (loss is indicated by“-”)		
Gains from changes in fair values (loss is indicated by“-”)	-86,989,533.83	-18,014,545.96
Losses of credit impairment (loss is indicated by“-”)	-9,508,656.53	-10,549,870.63
Impairment loss of assets (loss is indicated by“-”)	-142,159,872.24	-35,798,711.62
Gains from disposal of assets (loss is indicated by“-”)	1,121,679.66	18,357,859.21
III. Operating profit (loss is indicated by“-”)	2,618,025,762.31	2,405,524,302.95
Add: Non-operating income	4,995,275.26	5,662,349.74
Less: Non-operating expenses	13,738,456.89	19,120,502.95
IV. Total profit (loss is indicated by“-”)	2,609,282,580.68	2,392,066,149.74
Less: Income tax expenses	408,012,299.49	316,486,740.44
V. Net profit (loss is indicated by“-”)	2,201,270,281.19	2,075,579,409.30
(I) Classified by business continuity		
1. Net profit from ongoing operation (loss is indicated by“-”)	2,201,270,281.19	2,075,579,409.30
2. Net profit from discontinuing operation (loss is indicated by“-”)		
(II) Classified by ownership		
1. Net profit attributable to shareholders of the parent company (loss is indicated by“-”)	1,126,561,953.23	1,008,675,184.73
2. Profit and loss of minority shareholders (loss is indicated by“-”)	1,074,708,327.96	1,066,904,224.57
VI. Other comprehensive income, net of tax	80,412,282.94	-177,089,388.22
(I) Other comprehensive income attributable to owners of the parent company, net of tax	31,984,064.97	-90,541,944.15
1. Other comprehensive income that cannot be reclassified into profit or loss	12,029,097.03	-55,197,967.72

(1) Changes from remeasurement of defined benefit plans		
(2) Other comprehensive income that cannot be reclassified into profit or loss under the equity method	1,173,144.60	-3,992,639.64
(3) Changes in fair value of investments in other equity instruments	10,855,952.43	-51,205,328.08
(4) Changes in fair value of the enterprise's own credit risks		
2. Other comprehensive income that will be reclassified into profit or loss	19,954,967.94	-35,343,976.43
(1) Other comprehensive income that can be reclassified into profit or loss under the equity method		
(2) Changes in fair value of other debt investments		
(3) Amount of financial assets reclassified into other comprehensive income		
(4) Provision for credit impairment of other debt investments		
(5) Reserve for cash flow hedges		
(6) Exchange differences on translation of financial statements denominated in foreign currencies	19,954,967.94	-35,343,976.43
(7) Others		
(II) Other comprehensive income attributable to minority shareholders, net of tax	48,428,217.97	-86,547,444.07
VII. Total comprehensive income	2,281,682,564.13	1,898,490,021.08
(I) Total comprehensive income attributable to owners of the parent company	1,158,546,018.20	918,133,240.58
(II) Total comprehensive income attributable to minority shareholders	1,123,136,545.93	980,356,780.50
VIII. Earnings per share:		
(I) Basic earnings per share (RMB/share)	0.5983	0.5154
(II) Diluted earnings per share (RMB/share)	0.5971	0.5142

Person-in-charge of the
Company: Zhu Baoguo

Person-in-charge of the
Company's accounting work:
Qiu Qingfeng

Person-in-charge of the
accounting department: Qiu
Qingfeng

Consolidated Cash Flow Statement

From January to September, 2022

Prepared by: Joincare Pharmaceutical Group Industry Co., Ltd.

Unit: Yuan Currency: RMB Audit status: Unaudited

Item	First three quarters (January to September) for 2022	First three quarters (January to September) for 2021
I. Cash flow from operating activities:		
Cash received from sales of goods and rendering of services	13,705,807,329.89	11,899,181,183.24
Tax refunds	219,263,256.92	117,304,422.29
Other cash received related to operating activities	536,180,845.96	357,722,261.48
Subtotal of cash inflow from operating activities	14,461,251,432.77	12,374,207,867.01
Cash paid for goods and services	4,180,212,054.68	3,161,363,236.72
Cash paid to and on behalf of employees	1,797,221,409.89	1,546,737,299.97
Taxes paid	1,293,188,165.95	1,263,867,720.70
Other cash paid related to operating activities	4,581,637,269.28	4,781,069,905.04
Subtotal of cash outflow in operating activities	11,852,258,899.80	10,753,038,162.43
Net cash flow from operating activities	2,608,992,532.97	1,621,169,704.58
II. Cash flow from investing activities:		
Cash received from withdrawal of investment	216,970,980.42	110,302,936.39
Cash received from investment income	121,905,782.77	93,348,249.99
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	1,307,684.20	8,684,509.74
Net cash received from disposal of subsidiaries and other business units		3,311,220.53
Other cash received related to investing activities	13,356,765.87	14,765,008.34
Subtotal of cash inflow from investing activities	353,541,213.26	230,411,924.99
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	975,980,046.68	960,679,392.16
Cash paid for investment	37,995,968.80	774,000,000.00
Net cash paid for acquisition of subsidiaries and other business units		
Other cash paid related to investing activities	226,494,395.22	5,067,470.33
Subtotal of cash outflow in investing activities	1,240,470,410.70	1,739,746,862.49
Net cash flow from investing activities	-886,929,197.44	-1,509,334,937.50
III. Cash flow from financing activities:		
Cash received from absorption of investments	719,365,346.09	521,836,124.79
In which: Cash received by subsidiaries from investments of minority shareholders		324,225,000.00
Borrowings received	5,297,022,796.00	2,354,753,015.63
Other cash received related to financing activities	303,958,487.50	34,430,100.74
Subtotal of cash inflow from financing activities	6,320,346,629.59	2,911,019,241.16
Cash repayment	3,504,080,892.47	2,282,684,146.53
Cash paid for dividend and profit distribution or interest payment	1,314,118,888.43	1,211,553,686.47
In which: Dividends and profit paid by subsidiaries to minority shareholders	1,314,118,888.43	846,741,767.14
Other cash paid related to financing activities	628,305,503.73	1,200,553,298.22
Subtotal of cash outflow in financing activities	5,446,505,284.63	4,694,791,131.22
Net cash flow from financing activities	873,841,344.96	-1,783,771,890.06

IV. Influence of exchange rate fluctuations on cash and cash equivalents	227,244,304.84	-20,822,588.77
V. Net increase in cash and cash equivalents	2,823,148,985.32	-1,692,759,711.75
Add: Opening balance of cash and cash equivalents	11,697,518,141.18	12,122,781,311.49
VI. Closing balance of cash and cash equivalents	14,520,667,126.50	10,430,021,599.74

Person-in-charge of the
Company: Zhu Baoguo

Person-in-charge of the
Company's accounting work:
Qiu Qingfeng

Person-in-charge of the
accounting department: Qiu
Qingfeng

Implementation of, such as new accounting standards or interpretations of standards, for the first time from 2022 involves adjustments to the financial statements at the beginning of the year of first-time implementation

Applicable N/A

Hereby the announcement is made.

Joincare Pharmaceutical Group Industry Co., Ltd.
26 October, 2022