

Stock Code: 600380

Stock Short Name: 健康元

## Joincare Pharmaceutical Group Industry Co., Ltd.

### 2023 First 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 first quarterly financial statements have been audited.  
Yes No

#### I. MAJOR FINANCIAL DATA

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

Unit: Yuan Currency: RMB

Item	The Reporting Period (From January to March)	YoY change (%)
Revenues	4,559,049,786.82	-2.11
Net profit attributable to shareholders of the listed company	462,746,183.03	0.48
Net profit attributable to shareholders of the listed company after deduction of extraordinary gains and losses	446,772,473.94	-2.28
Net cash flow from operating activities	248,084,750.71	-71.55
Basic earnings per share (RMB/share)	0.2404	-0.31
Diluted earnings per share (RMB/share)	0.2398	-0.48
Weighted average return on net assets (%)	3.49	Decreased by 0.35 percentage points

	As at the end of the Reporting Period	As at the end of the previous year	Change as at the end of the Reporting Period as compared to the end of the previous year(%)
Total assets	36,193,051,015.06	35,729,253,651.41	1.30
Owner's equity attributable to shareholders of the listed company	13,365,070,332.08	13,121,820,410.55	1.85

Notes: From January to March 2023, the Company realized revenues of RMB4,559 million, representing a YoY decrease of 2.11%. Chemical pharmaceuticals realized revenues of RMB2,250 million, representing a YoY decrease of 16.09%, among which, RMB509 million were from respiratory formulation products, representing a YoY increase of 41.18%; RMB793 million were from gastroenterology products, representing a YoY decrease of 25.23%; RMB577 million were from gonadotropic hormones, representing a YoY decrease of 21.60%; RMB199 million were from anti-infection products, representing a YoY decrease of 43.29%; and RMB122 million were from psychiatry products, representing a YoY decrease of 8.25%. APIs and intermediates products realized revenues of RMB1,454 million, representing a YoY increase of 3.44%. Traditional Chinese Medicine products realized revenues of RMB567 million, representing a YoY increase of 100.68%. Biological products realized revenues of RMB62 million, representing a YoY increase of 12.22%. Diagnostic reagents and equipment products realized revenues of RMB147 million from, representing a YoY decrease of 9.54%. Health care products realized revenues of RMB40 million, representing a YoY increase of 46.99%.

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

Unit: Yuan Currency: RMB

Item	For the Reporting Period	Explanation
Government grants recognized in profit or loss for the current period (excluding government grants closely related to the ordinary operating business of the Company and are entitled in fixed amount or quantity continuously according to the applicable national policies and standards)	51,488,223.81	Government grants through the profits and losses for the Period
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	-18,242,051.06	Gains or losses arising from changes in fair value of financial assets/liabilities held for trading, and investment gains from holding and disposal of financial assets/liabilities held for trading
Other non-operating income and expenses excluding the above items	-2,822,249.38	Other non-operating income and expenses excluding the above items
Less: Effect of income tax	7,100,276.22	Effect of the above items on income tax
Effect of minority equity (after tax)	7,349,938.06	The portion of the above items to which minority shareholders are entitled
Total	15,973,709.09	

Explanations for classifying items of extraordinary gains and losses defined in the Explanatory Announcement No. 1 for Public Company Information Disclosures –Extraordinary Gains or Losses as items of recurring gains or losses.

Applicable N/A

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

Applicable N/A

Item	Change (%)	Explanation
Net cash flow from operating activities	-71.55	Mainly due to the increase in procurement expenditure of raw materials and a decrease of cash collections of sales revenue during the Reporting Period.

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

Unit: Yuan Currency: RMB

Balance Sheet	31 March 2023	31 December 2022	Change in proportion (%)	Main Reason
Financial liabilities held for trading	4,759,250.98	755,634.43	529.84	Mainly due to changes in exchange rates forward foreign exchange contracts.
Contract liabilities	118,380,947.47	292,977,730.74	-59.59	Mainly because part of the contract payments received in advance in the Period which met the conditions for revenue recognition were recognized as revenues.
Employee benefits payable	361,917,343.05	573,010,571.46	-36.84	Mainly due to the payment of the year end performance bonus for the previous year.
Treasury shares	717,135,581.08	347,176,561.29	106.56	Mainly due to increase of repurchase of shares during the Reporting Period.
Other comprehensive income	-42,580,905.41	4,704,473.53	-1005.12	Mainly due to changes in the fair value of other equity instrument investments.
Statement of Income	January to March 2023	January to March 2022	Change in proportion (%)	Main Reason
Financial expenses	-15,861,425.43	-30,519,305.67	N/A	Mainly due to an increase of financial expenses as a result of exchange losses.
Income from investments	39,625,949.95	29,176,808.52	35.81	Mainly due to the receipt of bonus payments during the Reporting Period.
Gains from changes in fair values	-27,478,190.74	-54,151,999.18	N/A	Mainly due to fluctuations in the market value of the securities investments held.
Losses of credit impairment	-15,459,174.59	217,773.10	-7198.75	Mainly due to the receivables and the increase in the expected credit loss for the Reporting Period as compared with the previous period.

Assets impairment loss	1,837,691.27	-5,309,013.21	N/A	Mainly due to the provision for price decline of inventories for the Reporting Period decreased as compared with the previous period.
Non-operating income	876,580.36	2,321,933.96	-62.25	Mainly due to the decrease in income from disposal of scrap items for the Reporting Period as compared to the previous period.
Non-operating expenses	3,698,829.74	2,084,578.34	77.44	Mainly due to the increase in expenditure of charitable donation for the Reporting Period as compared with the previous period.
<b>Cash Flow Statement</b>	<b>January to March 2023</b>	<b>January to March 2022</b>	<b>Change in proportion (%)</b>	<b>Main Reason</b>
Net cash flow from operating activities	248,084,750.71	871,904,476.98	-71.55	Mainly due to the increase in procurement expenditure of raw materials and a decrease of cash collections of sales revenue during the Reporting Period.
Net cash flow from investing activities	-71,511,309.54	-77,907,837.67	N/A	Mainly due to the recovery of investment amount and the decreased investment of construction of new plants for the Reporting Period as compared with the previous period.
Net cash flow from financing activities	-118,644,351.81	62,714,553.34	-289.18	Mainly due to the decrease in repayment and borrowings received for the Reporting Period as compared with the previous period.
Effect of foreign exchange rate changes on cash	-47,773,910.21	-12,259,201.98	N/A	Mainly due to changes in foreign exchange rates resulting in an increase in exchange loss from foreign exchange funds held.
Net increase in cash and cash equivalents	10,155,179.14	844,451,990.66	-98.80	Mainly due to the decrease in cash generated from ordinary operating activities and the increase in procurement expenditure of raw materials during the Reporting 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	87,173	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 legal person	895,653,653	46.43	0	Pledge	95,679,725
Hong Kong Securities Clearing Company Limited	Unknown	110,920,501	5.75	0	Unknown	
Might Seasons Limited	Foreign legal person	51,931,021	2.69	0	Unknown	
Citibank, National Association	Unknown	13,780,230	0.71	0	Unknown	
Huaxia Life Insurance Co., Ltd. - Own fund	Unknown	11,854,118	0.61	0	Unknown	
He Zhong	Domestic natural person	7,800,024	0.40	0	Unknown	
Agricultural Bank of China Limited - CSI 500 Exchange Traded Index Securities Investment Fund	Unknown	7,010,694	0.36	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	-	
Industrial Bank Co., Ltd. - Caitong Asset Management Health Industry Hybrid Securities Investment Fund	Unknown	6,000,000	0.31	0	Unknown	
108 portfolio of national social security fund	Unknown	5,857,721	0.30	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)	895,653,653	Ordinary shares denominated in Renminbi	895,653,653
Hong Kong Securities Clearing Company Limited	110,920,501	Ordinary shares denominated in Renminbi	110,920,501
Might Seasons Limited	51,931,021	Ordinary shares denominated in Renminbi	51,931,021
Citibank, National Association	13,780,230	Ordinary shares denominated in Renminbi	13,780,230
Huaxia Life Insurance Co., Ltd. - Own fund	11,854,118	Ordinary shares denominated in Renminbi	11,854,118
He Zhong	7,800,024	Ordinary shares denominated in Renminbi	7,800,024
Agricultural Bank of China Limited - CSI 500 Exchange Traded Index Securities Investment Fund	7,010,694	Ordinary shares denominated in Renminbi	7,010,694
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
Industrial Bank Co., Ltd. - Caitong Asset Management Health Industry Hybrid Securities Investment Fund	6,000,000	Ordinary shares denominated in Renminbi	6,000,000
108 portfolio of national social security fund	5,857,721	Ordinary shares denominated in Renminbi	5,857,721

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, 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 58,122,392 shares in total, accounting for 3.01%.

Note: Citibank, National Association is the depository of the Company's GDRs (Global Depository Receipts), the corresponding underlying domestic A Shares of GDRs shall be registered under its name according to the laws; According to the depository's statistics, as of the end of the Reporting Period, the Company had a total of 1,378,023 GDRs outstanding accounting for 21.59% of the total number of GDRs issued by the Company.

### III. OTHER REMINDERS

Other important information regarding the Company's operations during the Reporting Period to which investors should be reminded to pay attention.

Applicable N/A

### IV. QUARTERLY FINANCIAL STATEMENTS

(I) Audit Opinion

Applicable N/A

(II) Financial Statements

**Consolidated Balance Sheet**

31 March 2023

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

Unit: Yuan Currency: RMB Audit status: Unaudited

Item	31 March 2023	31 December 2022
<b>Current assets:</b>		
Monetary funds	14,458,474,995.37	14,808,488,110.96
Financial assets held for trading	85,646,883.17	109,015,664.98
Notes receivable	2,202,720,144.84	1,959,985,016.85
Accounts receivable	3,259,431,777.79	3,103,758,850.15
Receivables financing		
Prepayments	457,539,057.82	364,265,142.57
Other receivables	56,254,117.17	52,535,740.14
In which: Interests receivable		
Dividends receivable		
Inventories	2,790,598,613.23	2,561,869,999.57
Contract assets		
Assets Held-for-sale		
Non-current assets due within one year	54,581,111.11	54,048,611.11
Other current assets	182,329,092.88	163,539,900.32
Total current assets	23,547,575,793.38	23,177,507,036.65
<b>Non-current assets:</b>		
Debt investment		
Other debt investment		
Long-term receivables		
Long-term equity investment	1,432,562,509.67	1,419,882,594.59
Other equity instrument investments	1,149,287,217.20	1,193,958,879.05
Other non-current financial assets		
Investment properties	6,191,475.43	6,191,475.43
Fixed assets	5,230,295,232.48	5,265,200,110.91
Construction in progress	909,461,674.66	811,300,068.96
Productive biological assets		
Oil and gas assets		
Right-of-use assets	40,694,040.95	41,843,133.97
Intangible assets	832,112,818.49	802,115,125.75
Development expenditures	300,157,334.73	428,284,884.17
Goodwill	636,339,503.82	614,468,698.73
Long-term deferred expenses	290,036,796.09	277,867,716.95
Deferred income tax assets	506,141,586.79	533,861,743.26
Other non-current assets	1,312,195,031.38	1,156,772,182.99
Total non-current assets	12,645,475,221.68	12,551,746,614.76
Total assets	36,193,051,015.06	35,729,253,651.41
<b>Current liabilities:</b>		
Short-term loans	2,099,069,713.00	2,126,050,615.06
Financial liabilities held for trading	4,759,250.98	755,634.43
Notes payable	1,659,215,210.65	1,635,906,989.22
Accounts payable	1,044,610,610.21	943,905,580.91
Receipts in advance		
Contract liabilities	118,380,947.47	292,977,730.74
Employee benefits payable	361,917,343.05	573,010,571.46
Taxes payable	302,213,706.06	337,702,273.73
Other payables	3,650,990,302.39	3,680,334,360.88
In which: Interests payable		

Dividends payable	11,892,804.66	12,252,074.84
Liabilities held-for-sale		
Non-current liabilities due within one year	65,000,820.80	63,077,260.98
Other current liabilities	88,863,541.97	101,276,714.35
Total current liabilities	9,395,021,446.59	9,754,997,731.76
<b>Non-current liabilities:</b>		
Long-term loans	3,666,476,993.70	3,230,844,042.88
Bonds payable		
Lease liabilities	20,171,911.31	23,482,486.07
Long-term payables		
Long-term payroll payable		
Estimated liabilities		
Deferred income	441,393,354.98	384,537,267.55
Deferred income tax liabilities	232,294,155.75	231,164,425.48
Other non-current liabilities	90,000,000.00	84,000,000.00
Total non-current liabilities	4,450,336,415.73	3,954,028,221.98
Total liabilities	13,845,357,862.33	13,709,025,953.74
<b>Owner's equity (or shareholder's equity):</b>		
Paid-in capital	1,929,189,374.00	1,929,189,374.00
Other equity instruments		
In which: Preferred shares		
Perpetual debts		
Capital reserve	2,541,441,353.22	2,343,693,215.99
Less: Treasury shares	717,135,581.08	347,176,561.29
Other comprehensive income	-42,580,905.41	4,704,473.53
Special reserve		
Surplus reserve	734,766,581.50	734,766,581.50
Undistributed profits	8,919,389,509.85	8,456,643,326.82
Total owner's equity (or shareholder's equity) attributable to the parent company	13,365,070,332.08	13,121,820,410.55
Minority shareholder's equity	8,982,622,820.65	8,898,407,287.12
Total owner's equity (or shareholder's equity)	22,347,693,152.74	22,020,227,697.67
Total liabilities and owner's equity (or shareholder's equity)	36,193,051,015.06	35,729,253,651.41

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 March, 2023

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

Unit: Yuan Currency: RMB Audit status: Unaudited

Item	First quarter (January to March) for 2023	First quarter (January to March) for 2022
I. Total revenues	4,559,049,786.82	4,657,343,538.89
In which: Operating revenues	4,559,049,786.82	4,657,343,538.89
II. Total operating costs	3,563,214,097.57	3,650,160,694.91
In which: Operating costs	1,713,465,807.02	1,611,006,712.60
Operating tax and surcharges	54,610,788.80	52,198,225.41
Selling expenses	1,220,569,090.59	1,413,289,256.99
Administrative expenses	209,257,340.10	252,854,561.35
R&D expenses	381,172,496.49	351,331,244.23
Financial expenses	-15,861,425.43	-30,519,305.67
In which: Interest expenses	33,036,361.57	29,854,923.66
Interest income	68,217,553.45	68,468,649.16
Add: Other income	54,191,288.49	59,138,624.91
Income from investments (loss is indicated by“-”)	39,625,949.95	29,176,808.52
In which: Income from investments in associates and joint ventures	11,470,389.65	15,204,632.53
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“-”)	-27,478,190.74	-54,151,999.18
Losses of credit impairment (loss is indicated by“-”)	-15,459,174.59	217,773.10
Assets impairment loss (loss is indicated by“-”)	1,837,691.27	-5,309,013.21
Gains from disposal of assets (loss is indicated by“-”)		-370,357.71
III. Operating profit (loss is indicated by“-”)	1,048,553,253.63	1,035,884,680.41
Add: Non-operating income	876,580.36	2,321,933.96
Less: Non-operating expenses	3,698,829.74	2,084,578.34
IV. Total profit (loss is indicated by“-”)	1,045,731,004.25	1,036,122,036.03
Less: Income tax expenses	167,212,968.94	173,764,775.30
V. Net profit (loss is indicated by“-”)	878,518,035.31	862,357,260.73
(I) Classified by business continuity		
1. Net profit from ongoing operation (loss is indicated by“-”)	878,518,035.31	862,357,260.73
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“-”)	462,746,183.03	460,537,813.53
2. Profit and loss of minority shareholders (loss is indicated by“-”)	415,771,852.27	401,819,447.20

VI. Other comprehensive income, net of tax	-83,671,573.75	-106,847,774.60
(I) Other comprehensive income attributable to owners of the parent company, net of tax	-47,285,378.94	-92,885,997.05
1. Other comprehensive income that cannot be reclassified into profit or loss	-20,803,179.78	-75,513,312.70
(1) Changes from remeasurement of defined benefit plans		
(2) Other comprehensive income that cannot be reclassified into profit or loss under the equity method		
(3) Changes in fair value of investments in other equity instruments	-20,803,179.78	-75,513,312.70
(4) Changes in fair value of the enterprise's own credit risks		
2. Other comprehensive income that will be reclassified into profit or loss	-26,482,199.17	-17,372,684.35
(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 translation differences on financial statements denominated in foreign currencies	-26,482,199.17	-17,372,684.35
(7) Others		
(II) Other comprehensive income attributable to minority shareholders, net of tax	-36,386,194.81	-13,961,777.55
VII. Total comprehensive income	794,846,461.55	755,509,486.13
(I) Total comprehensive income attributable to owners of the parent company	415,460,804.09	367,651,816.48
(II) Total comprehensive income attributable to minority shareholders	379,385,657.46	387,857,669.65
VIII. Earnings per share:		
(I) Basic earnings per share (RMB/share)	0.2404	0.2411
(II) Diluted earnings per share (RMB/share)	0.2398	0.2410

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 March, 2023

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

Unit: Yuan Currency: RMB Audit status: Unaudited

Item	First quarter (January to March) for 2023	First quarter (January to March) for 2022
<b>I. Cash flow from operating activities:</b>		
Cash received from sales of goods and rendering of services	4,361,096,155.32	4,614,758,574.74
Tax refunds received	40,439,680.21	32,240,811.32
Other cash received related to operating activities	202,829,024.01	172,771,264.97
Subtotal of cash inflow from operating activities	4,604,364,859.54	4,819,770,651.03
Cash paid for goods and services	1,563,463,357.75	1,165,780,579.10
Cash paid to and on behalf of employees	820,337,183.05	758,821,581.15
Payments of all types of taxes	541,191,286.96	420,627,138.84
Other cash paid related to operating activities	1,431,288,281.07	1,602,636,874.96
Subtotal of cash outflow in operating activities	4,356,280,108.83	3,947,866,174.05
Net cash flow from operating activities	248,084,750.71	871,904,476.98
<b>II. Cash flow from investing activities:</b>		
Cash received from disposal of investment	70,031,257.75	216,970,980.42
Cash received from investment income	26,244,584.66	6,832,308.83
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	88,664.00	346,152.00
Net cash received from disposal of subsidiaries and other business units		
Other cash received related to investing activities	297,605,105.05	7,668,394.07
Subtotal of cash inflow from investing activities	393,969,611.46	231,817,835.32
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	244,675,030.69	277,850,093.60
Cash paid for investment	6,183,753.84	30,338,557.45
Net cash paid for acquisition of subsidiaries and other business units	12,461,951.59	
Other cash paid related to investing activities	202,160,184.88	1,537,021.94
Subtotal of cash outflow in investing activities	465,480,921.00	309,725,672.99
Net cash flow from investing activities	-71,511,309.54	-77,907,837.67
<b>III. Cash flow from financing activities:</b>		
Cash received from capital contribution		53,414,701.36
In which: Cash received from investment by minority interests of subsidiaries		
Cash received from borrowings	1,249,525,870.74	1,923,486,837.26
Other cash received related to financing activities		130,847,366.53
Subtotal of cash inflow from financing activities	1,249,525,870.74	2,107,748,905.15
Cash repayments of amounts borrowed	715,074,985.04	1,776,859,803.19
Cash payments for interest expenses and distribution of dividends or profits	41,156,153.68	19,177,786.10
In which: Dividends and profit paid minority interests of subsidiaries	359,270.18	
Other cash payments related to financing activities	611,939,083.83	248,996,762.52
Subtotal of cash outflow in financing activities	1,368,170,222.55	2,045,034,351.81
Net cash flow from financing activities	-118,644,351.81	62,714,553.34
<b>IV. Effect of exchange rate fluctuations on cash and cash equivalents</b>	-47,773,910.21	-12,259,201.98
<b>V. Net increase in cash and cash equivalents</b>	10,155,179.14	844,451,990.66
Add: Opening balance of cash and cash equivalents	14,178,465,686.40	11,697,518,141.18

<b>VI. Closing balance of cash and cash equivalents</b>	14,188,620,865.54	12,541,970,131.84
---	-------------------	-------------------

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 new accounting standards or interpretations of standards, for the first time from 2023 involves adjustments to the financial statements at the beginning of the year

Applicable N/A

Hereby the announcement is made.

Joincare Pharmaceutical Group Industry Co., Ltd.  
24 April, 2023