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## **JOINN LABORATORIES (CHINA) CO., LTD.**

### **北京昭衍新藥研究中心股份有限公司**

*(A joint stock company incorporated in the People's Republic of China with limited liability)*  
**(Stock Code: 6127)**

## **2023 THIRD QUARTERLY REPORT**

This announcement is made pursuant to Rule 13.09(2) and Rule 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 (Cap. 571 of the Laws of Hong Kong).

The following is the third quarterly report of JOINN Laboratories (China) Co., Ltd. (the “**Company**”, together with its subsidiaries, collectively the “**Group**”) for financial year 2023 (the “**2023 Third Quarterly Report**”). This announcement and the accompanying financial statements are originally prepared in Chinese and published in both English and Chinese. If there is any inconsistency or conflict between the Chinese and English versions, the Chinese version shall prevail.

Shareholders of the Company and public investors should note that the financial report therein is prepared in accordance with the PRC Accounting Standards for Business Enterprises and has not been audited.

By Order of the Board  
**JOINN Laboratories (China) Co., Ltd.**  
**Feng Yuxia**  
*Chairperson*

Beijing, the PRC, 30 October 2023

*As at the date of this announcement, the Board comprises Ms. Feng Yuxia as the Chairperson and executive Director, Mr. Zuo Conglin, Mr. Gao Dapeng, Ms. Sun Yunxia and Dr. Yao Dalin as executive Directors, and Mr. Sun Mingcheng, Dr. Zhai Yonggong, Mr. Ou Xiaojie and Mr. Zhang Fan as independent non-executive Directors.*

## IMPORTANT NOTICE

The board of Directors, the Supervisory Committee, the Directors, Supervisors and senior management of the Company warrant that the information stated in this quarterly report is true, accurate, complete and without any false representation, misleading statement or material omission, and assume several and joint liabilities.

The person in charge of the Company, the person in charge of accounting affairs, and the person responsible for the accounting department (head of the accounting department), hereby warrant the truthfulness, accuracy and completeness of the financial statements contained in this quarterly report.

Whether the third quarterly report has been audited

Yes  No

### I. MAJOR FINANCIAL DATA

#### (I) Key accounting data and financial indicators

Unit: RMB Currency: RMB

Item	Reporting Period	Change during the Reporting Period compared to the same period of last year (%)	From the beginning of the year to the end of the Reporting Period	Change from the beginning of the year to the end of the Reporting Period compared to the same period of last year (%)
Revenue	575,002,491.20	15.11	1,587,079,779.38	24.34
Net profit attributable to shareholders of the Company	236,971,204.96	-9.18	327,598,359.05	-48.17
Net profit attributable to shareholders of the Company after deducting non-recurring gain or loss items	234,201,796.98	-10.04	311,088,263.39	-48.62
Net cash flow from operating activities	N/A	N/A	448,440,218.42	-42.38
Basic earnings per share (RMB per share)	0.32	-8.57	0.44	-47.62
Diluted earnings per share (RMB per share)	0.32	-8.57	0.44	-47.62
Weighted average return on net assets (%)	2.88	-0.63	3.98	-4.51
	At the end of the Reporting Period		At the end of last year	Change as compared to the end of last year (%)
Total assets	10,232,670,064.53		10,364,215,494.62	-1.27
Owners' equity attributable to shareholders of the listed company	8,234,384,077.37		8,183,701,358.27	0.62

Note: The "Reporting Period" refers to the three-month period from the beginning of this quarter to the end of this quarter, the same shall apply below.

## Description of key accounting data and financial indicators of the Company:

The fluctuations in the Company's net profit attributable to shareholders of listed company were mainly attributable to the combined effect of the growth in the net profit of the laboratory services business on a resilient basis, net profit from fund management income and change in fair value of biological assets.

1. During the Reporting Period, the laboratory service business maintained steady growth, contributing net profit of RMB308,862,700, up 16.03% year-on-year (the same period of the previous year: RMB266,187,900).
2. Net profit from fund management income was RMB103,073,500.
3. Net loss arising from the change in fair value of biological assets was RMB100,848,000.

## (II) Non-recurring profit or loss items and amounts

Unit: RMB Currency: RMB

Item	Amount for the Reporting Period	Amount from the beginning of the year to the end of the Reporting Period	Description
Gain or loss on disposal of non-current assets	-82,932.75	-182,846.07	
Tax refunds or relief subject to ultra vires or without official approval or on an occasional basis			
Government grants included in profit or loss of the current period, except for those closely related to the Company's normal operation and which were granted on a recurring basis subject to certain amount or volume upon fulfilment of specific standards in compliance with the government policies and regulations	1,940,909.39	9,294,252.44	
Capital occupancy fee from non-financial enterprises recognized through profit or loss for the period			
Gain from the difference between the cost of investment on the subsidiaries, associates and joint ventures and the shared fair value of identifiable net assets of the investee			
Profit or loss from exchange of non-monetary assets			

<b>Item</b>	<b>Amount for the Reporting Period</b>	<b>Amount from the beginning of the year to the end of the Reporting Period</b>	<b>Description</b>
Gain or loss from entrusted investments or assets management			
Provision for impairment of assets due to force majeure i.e. natural disasters			
Profit or loss from debt restructuring			
Corporate restructuring costs, such as employee placement expenses and integration costs			
Profit or loss representing the difference between the unfair transaction consideration and the fair value of the transaction			
Net profit or loss of subsidiaries resulting from merger of enterprises under common control from the beginning of the current period to the date of merger			
Profit or loss from contingencies not related to the ordinary operations of the Company			
Profit or loss arising from changes in the fair value from holding financial assets available-for-trading, derivative financial assets, transactional financial liabilities and derivative financial liabilities, and investment incomes from disposals of trading financial assets, derivative financial assets, transactional financial liabilities, derivative financial liabilities and other creditor's rights investments, except for effective hedging business related to normal operating of the Company	1,583,641.22	10,205,661.88	

<b>Item</b>	<b>Amount for the Reporting Period</b>	<b>Amount from the beginning of the year to the end of the Reporting Period</b>	<b>Description</b>
Reversal of the provisions for impairment of receivables and contract assets subject to impairment test separately			
Profit or loss from external entrusted loans			
Profit or loss from changes in fair value of investment properties using the fair value model for subsequent measurement			
One-off adjustment to profit or loss for the current period in accordance with laws and regulations on taxation and accounting			
Fees income from custodian business			
Other non-operating incomes and expenses other than the above items	-180,364.60	16,114.86	
Other profit or loss items falling within the meaning of non-recurring profit or loss			
Less: Effect of income tax	-491,845.28	-2,823,087.45	
Effect on interest of minority shareholders (after tax)			
<b>Total</b>	<b>2,769,407.98</b>	<b>16,510,095.66</b>	

Information on the classification of non-recurring profit or loss items listed in “Explanatory Announcement No. 1 on Disclosure of Information by Companies with Publicly Issued Securities – Non-recurring Profit or Loss” as recurring profit or loss items

Applicable     Not applicable

**(III) Changes in key accounting data and financial indicators and reasons for such changes**

✓ Applicable     Not applicable

<b>Items</b>	<b>Change (%)</b>	<b>Main reason</b>
Net profit attributable to shareholders of the listed company_from the beginning of the year to the end of the Reporting Period	-48.17	Mainly due to loss on fair value changes of biological assets from the beginning of the year to the end of the Reporting Period
Net profit attributable to shareholders of the listed company after deducting of non-recurring profit or loss_from the beginning of the year to the end of the Reporting Period	-48.62	Mainly due to loss on fair value changes of biological assets from the beginning of the year to the end of the Reporting Period
Net cash flow from operating activities_from the beginning of the year to the end of the Reporting Period	-42.38	Mainly due to lower contractual receipts and higher labour costs from the beginning of the year to the end of the Reporting Period
Basic earnings per share_from the beginning of the year to the end of the Reporting Period	-47.62	Mainly due to loss on fair value changes of biological assets from the beginning of the year to the end of the Reporting Period
Diluted earnings per share_from the beginning of the year to the end of the Reporting Period	-47.62	Mainly due to loss on fair value changes of biological assets from the beginning of the year to the end of the Reporting Period

## II. INFORMATION OF SHAREHOLDERS

### (I) Statement of the total number of holders of ordinary shares and holders of preference shares with restored voting rights, and the particulars of shareholdings of the top 10 shareholders

Unit: Share

Total number of holders of ordinary shares as at the end of the Reporting Period	56,937	Total number of holders of preference shares with restored voting rights as at the end of the Reporting Period (if any)	0			
<b>Shareholding of top 10 shareholders</b>						
Full name of shareholder	Nature of shareholder	Number of shares held	Percentage of shareholding (%)	Number of Shares subject to trading restrictions	Shares pledged, marked or frozen	
					Status of shares	Number of shares
Feng Yuxia	Domestic natural person	167,160,633	22.29	0	Nil	0
HKSCC NOMINEES LIMITED	Overseas legal person	118,979,097	15.87	0	Nil	0
Zhou Zhiwen	Domestic natural person	74,725,981	9.96	0	Nil	0
Gu Xiaolei	Domestic natural person	27,155,002	3.62	0	Pledged	9,604,000
Zuo Conglin	Domestic natural person	16,446,257	2.19	0	Nil	0
National Social Security Fund (Combination 406)	Others	16,319,096	2.18	0	Nil	0
Hong Kong Securities Clearing Company Limited	Overseas legal person	14,847,956	1.98	0	Nil	0
Industrial and Commercial Bank of China Limited – China-Europe Medical and Health Hybrid Securities Investment Fund	Others	13,926,510	1.86	0	Nil	0
Bank of China Co., Ltd. – Huabao CSI Medical Trading Open-ended Index Securities Investment Fund	Others	12,085,208	1.61	0	Nil	0
Gu Meifang	Domestic natural person	10,322,035	1.38	0	Pledged	8,400,000

<b>Shareholdings of top 10 holders of shares not subject to trading restrictions</b>			
<b>Full name of shareholder</b>	<b>Number of shares not subject to trading restrictions</b>	<b>Class and number of shares</b>	
		<b>Class of shares</b>	<b>Number of shares</b>
Feng Yuxia	167,160,633	RMB-denominated ordinary shares	167,160,633
HKSCC NOMINEES LIMITED	118,979,097	Overseas-listed foreign shares	118,979,097
Zhou Zhiwen	74,725,981	RMB-denominated ordinary shares	74,725,981
Gu Xiaolei	27,155,002	RMB-denominated ordinary shares	27,155,002
Zuo Conglin	16,446,257	RMB-denominated ordinary shares	16,446,257
National Social Security Fund (Combination 406)	16,319,096	RMB-denominated ordinary shares	16,319,096
Hong Kong Securities Clearing Company Limited	14,847,956	RMB-denominated ordinary shares	14,847,956
Industrial and Commercial Bank of China Limited – China-Europe Medical and Health Hybrid Securities Investment Fund	13,926,510	RMB-denominated ordinary shares	13,926,510
Bank of China Co., Ltd. – Huabao CSI Medical Trading Open-ended Index Securities Investment Fund	12,085,208	RMB-denominated ordinary shares	12,085,208
Gu Meifang	10,322,035	RMB-denominated ordinary shares	10,322,035
Description of connected relationships or concerted actions of the above shareholders	1. Feng Yuxia and Zhou Zhiwen are in a spousal relationship; 2. Gu Meifang and Gu Xiaolei are aunt and nephew. Except from this, the Company is not aware of any related party relationship among the shareholders mentioned above, and not aware of whether they are parties acting in concert.		
Description of top 10 shareholders and top 10 shareholders not subject to selling restrictions participating in margin trading and refinancing business (if any)	N/A		



### **III. OTHER MATTERS REQUIRED ATTENTION**

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

Applicable    Not applicable

During the first three quarters of 2023, the pharmaceutical industry in China was affected by a combination of various factors and was generally in a downturn. In this context, the Group's new orders were subject to certain fluctuations. During the Reporting Period, the Group as a whole entered into new orders amounting to approximately RMB1.8 billion, and as of the end of the Reporting Period, the Group had overall orders undertaken amounting to approximately RMB3.66 billion. Investors are advised to exercise caution when dealing in shares of the Company.

### **IV. QUARTERLY FINANCIAL STATEMENTS**

#### **(I) Type of audit opinion**

Applicable    Not applicable

(II) **Financial statements**

**Consolidated Balance Sheet**  
30 September 2023

Prepared by: JOINN Laboratories (China) Co., Ltd.

Unit: RMB    Currency: RMB    Type of audit: Unaudited

Item	30 September 2023	31 December 2022
<b>Current assets:</b>		
Monetary fund	2,904,297,343.53	2,916,847,629.10
Provision of settlement fund		
Funds lent		
Financial assets held for trading	245,075,725.88	408,470,725.27
Derivative financial assets		
Bills receivables	9,359,690.80	12,186,739.00
Account receivables	155,697,881.07	199,436,768.64
Receivables financing		
Prepayments	142,061,568.19	37,166,472.70
Premium receivables		
Reinsurance account receivables		
Deposit receivables from reinsurance contracts		
Other receivables	8,678,701.05	7,591,156.46
Including: Interest receivables		
Dividend receivables		
Financial assets purchased under agreements to resell		
Inventories	2,123,135,226.83	2,194,605,964.65
Contract assets	110,636,056.21	128,477,163.81
Assets held-for-sale		
Non-current assets due within one year	1,519,865,286.18	
Other current assets	29,394,620.21	23,623,285.76
Total current assets	7,248,202,099.95	5,928,405,905.39

Item	30 September 2023	31 December 2022
<b>Non-current assets:</b>		
Loans and advances to customers		
Debt investment		
Other debt investment		
Long-term receivables		
Long-term equity investments	20,044,818.77	22,597,914.76
Investments in other equity instruments	158,720,000.00	158,720,000.00
Other non-current financial assets	531,942,200.38	485,922,536.52
Investment properties		
Fixed assets	579,783,813.05	590,213,602.80
Construction in progress	341,361,718.44	277,735,220.78
Biological assets for breeding	671,622,476.93	787,419,406.15
Oil and gas assets		
Right-of-use assets	82,186,282.06	77,344,541.45
Intangible assets	294,234,078.10	299,535,958.51
Development expenses		
Goodwill	137,871,662.28	133,739,237.73
Long-term deferred expenditures	42,493,152.56	44,911,705.66
Deferred tax assets	33,266,648.57	32,612,849.21
Other non-current assets	90,941,113.44	1,525,056,615.66
Total non-current assets	2,984,467,964.58	4,435,809,589.23
Total assets	10,232,670,064.53	10,364,215,494.62
<b>Current liabilities:</b>		
Short-term borrowings		
Borrowings from central bank		
Funds borrowed		
Financial liabilities held for trading		
Derivative financial liabilities		
Bills payables		
Account payables	67,945,520.71	127,308,911.23
Receipts in advance		
Contract liabilities	1,370,816,837.84	1,294,706,540.90

<b>Item</b>	<b>30 September 2023</b>	<b>31 December 2022</b>
Financial assets sold under agreements to repurchase		
Deposits from customers and banks		
Customer deposits for securities trading		
Customer deposits for securities underwriting		
Employee benefit payables	81,787,857.93	125,638,153.76
Tax payables	33,768,986.43	62,968,764.75
Other payables	99,767,156.87	199,531,750.44
Including: Interest payables		
Dividend payables	–	–
Handling charges and commission payable		
Reinsurance account payables		
Liabilities held-for-sale		
Non-current liabilities due within one year	32,003,414.94	27,539,669.79
Other current liabilities	4,262,846.44	6,568,316.54
Total current liabilities	1,690,352,621.16	1,844,262,107.41
<b>Non-current liabilities:</b>		
Deposits for insurance contracts		
Long-term borrowings		3,280,555.67
Debenture payables		
Including: Preference shares		
Perpetual bonds		
Lease liabilities	56,149,067.72	56,887,141.49
Long-term payables		
Long-term payroll payables		
Projected liabilities		
Deferred income	76,875,927.91	80,676,206.51
Deferred tax liabilities	169,145,031.89	188,243,430.39
Other non-current liabilities		
Total non-current liabilities	302,170,027.52	329,087,334.06
Total liabilities	1,992,522,648.68	2,173,349,441.47

Item	30 September 2023	31 December 2022
<b>Owners' equity (or shareholders' equity):</b>		
Paid up capital (or share capital)	749,888,699.00	535,678,676.00
Other equity instruments		
Including: Preference shares		
Perpetual bonds		
Capital reserves	5,265,406,735.18	5,480,136,376.69
Less: Treasury shares	125,489,428.18	53,153,633.12
Other comprehensive income	105,741,572.74	95,557,374.72
Special reserve		
Surplus reserve	119,510,687.07	119,510,687.07
General risks reserve		
Retained earnings	2,119,325,811.56	2,005,971,876.91
Total owners' equity (or shareholders' equity) attributable to the parent company	8,234,384,077.37	8,183,701,358.27
Non-controlling interests	5,763,338.48	7,164,694.88
Total owners' equity (or shareholders' equity)	8,240,147,415.85	8,190,866,053.15
Total liabilities and owners' equity (or shareholders' equity)	10,232,670,064.53	10,364,215,494.62

*Legal Representative:*  
**Feng Yuxia**

*Chief Financial Officer:*  
**Yu Aishui**

*Director of the  
Accounting Department:*  
**Yu Aishui**

**Consolidated Income Statement**  
January to September 2023

Prepared by: JOINN Laboratories (China) Co., Ltd.

Unit: RMB    Currency: RMB    Type of audit: Unaudited

Item	First three quarters of 2023 (January to September)	First three quarters of 2022 (January to September)
<b>I. Total revenue</b>	1,587,079,779.38	1,276,392,981.45
Including: Operating Revenue	1,587,079,779.38	1,276,392,981.45
Interest income		
Premiums earned		
Handling charges and commission income		
<b>II. Total cost</b>	1,104,837,171.01	810,012,663.71
Including: Operating Cost	892,455,550.25	641,981,089.00
Interest expenses		
Handling charges and commission expenses		
Payments on surrender		
Net claim expenses		
Net provision for insurance contract reserves		
Policyholder dividend expenses		
Reinsurance costs		
Taxes and surcharges	5,740,849.91	7,297,222.05
Selling expenses	18,332,633.83	12,389,866.31
Administration expenses	229,236,753.25	233,217,077.96
Research and development expenses	77,639,680.27	50,053,890.87
Finance expenses	-118,568,296.50	-134,926,482.48
Including: Interest expense	2,425,988.17	2,671,743.04
Interest income	108,316,598.07	104,458,461.03

<b>Item</b>	<b>First three quarters of 2023 (January to September)</b>	<b>First three quarters of 2022 (January to September)</b>
Add: Other income	19,887,566.02	14,942,210.85
Investment gains (“-” indicating loss)	7,141,662.72	8,427,903.30
Including: Gains from investment in associates and joint ventures	-2,553,095.99	-1,632,476.09
Derecognition of income from financial assets measured at amortised cost		
Exchange gains (“-” indicating loss)		
Gains from net exposure to hedging (“-” indicating loss)		
Gains from changes in fair value (“-” indicating loss)	-108,513,934.09	235,768,268.74
Credit impairment losses (“-” indicating loss)	-3,187,147.18	-4,597,870.22
Assets impairment losses (“-” indicating loss)	-5,418,844.22	-3,084,989.89
Gains from disposal of assets (“-” indicating loss)	-66,971.62	-60,198.61
<b>III. Operating profit (“-” indicating loss)</b>	<b>392,084,940.00</b>	<b>717,775,641.91</b>
Add: Non-operating income	235,928.52	14,635,576.11
Less: Non-operating expenses	335,688.11	206,886.58
<b>IV. Profits before income tax (“-” indicating total losses)</b>	<b>391,985,180.41</b>	<b>732,204,331.44</b>
Less: Income tax expenses	65,788,177.76	101,231,735.15
<b>V. Net profits (“-” indicating net loss)</b>	<b>326,197,002.65</b>	<b>630,972,596.29</b>
(I) Classified by the continuity of operation		
1. Net profit from continuing operations (“-” indicating net loss)	326,197,002.65	630,972,596.29
2. Net profit from discontinued operations (“-” indicating net loss)		
(II) Classified by the ownership		
1. Net profit attributable to equity shareholders of the parent (“-” indicating net loss)	327,598,359.05	632,033,151.04
2. Profit and loss of non-controlling interests (“-” indicating net loss)	-1,401,356.40	-1,060,554.75

Item	First three quarters of 2023 (January to September)	First three quarters of 2022 (January to September)
<b>VI. Other comprehensive income, net of tax</b>	10,184,198.02	35,188,864.58
(I) Other comprehensive income attributable to owners of the parent company, net of tax	10,184,198.02	35,188,864.58
1. Other comprehensive income that will not be reclassified to profit or loss		5,235,360.78
(1) Changes in re-measurement of defined benefit plans		
(2) Other comprehensive income that will not be transferred to profit or loss accounted for using equity method		
(3) Changes in fair value of investments in other equity instruments		5,235,360.78
(4) Changes in fair value of the company's own credit risk		
2. Other comprehensive income that will be reclassified to profit or loss	10,184,198.02	29,953,503.80
(1) Other comprehensive income that will be transferred to profit or loss accounted for using equity method		
(2) Changes in fair value of other debt investments		
(3) Financial assets reclassified to other comprehensive income		
(4) Credit impairment allowance of other debt investments		
(5) Cash flow hedging reserve		
(6) Exchange difference on translation of foreign financial statements	10,184,198.02	29,953,503.80
(7) Others		
(II) Other comprehensive income attributable to minority shareholders, net of tax		



<b>Item</b>	<b>First three quarters of 2023 (January to September)</b>	<b>First three quarters of 2022 (January to September)</b>
<b>VII. Total comprehensive income</b>	336,381,200.67	666,161,460.87
(I) Total comprehensive income attributable to equity shareholders of the parent company	337,782,557.07	667,222,015.62
(II) Total comprehensive income attributable to non-controlling interests	-1,401,356.40	-1,060,554.75
<b>VIII. Earnings per share:</b>		
(I) Basic earnings per share (RMB per share)	0.44	0.84
(II) Diluted earnings per share (RMB per share)	0.44	0.84

For the business combination involving enterprises under common control during the Reporting Period, realised net profit of the merged parties before the merger was RMB0 (corresponding period of the previous year: RMB0).

*Legal Representative:*  
**Feng Yuxia**

*Chief Financial Officer:*  
**Yu Aishui**

*Director of the  
Accounting Department:*  
**Yu Aishui**

**Consolidated Cash Flow Statement**  
January to September 2023

Prepared by: JOINN Laboratories (China) Co., Ltd.

Unit: RMB    Currency: RMB    Type of audit: Unaudited

Item	First three quarters of 2023 (January to September)	First three quarters of 2022 (January to September)
<b>I. Cash flows from operating activities:</b>		
Cash received from the sale of goods and rendering of services	1,797,650,008.92	1,978,427,215.47
Net increase in deposits from customers and placements from bank and other financial institutions		
Net increase in borrowings from central bank		
Net increase in borrowings from other financial institutions		
Cash received from premiums of original insurance contracts		
Net cash received from reinsurance operations		
Net increase in policyholders' deposits and investments		
Cash received from interest, handling charges and commission		
Net increase in loans from banks and other financial institutions		
Net increase in capital for repurchase		
Net cash received from securities trading agency services		
Refund of taxes and surcharges	2,002,668.82	3,090,793.39
Cash received from other operating activities	74,478,323.27	103,763,675.22
Sub-total of cash inflow from operating activities	1,874,131,001.01	2,085,281,684.08
Cash paid for goods purchased and service rendered	660,363,395.23	688,338,255.11
Net increase in loans and advances to customers		
Net increase in placements with central bank and other financial institutions		
Cash paid for claims on original insurance contracts		
Net increase in loans to banks and other financial institutions		

<b>Item</b>	<b>First three quarters of 2023 (January to September)</b>	<b>First three quarters of 2022 (January to September)</b>
Cash paid for interest, handling charges and commission		
Cash paid for policyholders' dividend		
Cash paid to and on behalf employees	540,974,402.03	421,071,813.98
Taxes paid	143,674,414.28	101,122,692.94
Cash paid for other operating activities	80,678,571.05	96,460,541.59
Subtotal of cash outflow from operating activities	1,425,690,782.59	1,306,993,303.62
Net cash flow from operating activities	448,440,218.42	778,288,380.46
<b>II. Cash flow from investing activities:</b>		
Cash received from disposal of investments	501,496,756.80	770,004,409.73
Cash received from returns on investment	22,623,640.61	18,034,644.88
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	101,405.63	27,384.29
Net cash received from disposal of subsidiaries and other business entities		
Cash received from other investing activities	4,417,661.10	
Sub-total of cash inflow from investing activities	528,639,464.14	788,066,438.90
Cash paid to acquire fixed assets, intangible assets and other long-term assets	149,651,195.84	218,245,212.10
Cash paid to acquire investments	426,076,500.00	898,425,000.00
Net increase in pledged loans		
Net cash paid for acquisition of subsidiaries and other business entities	90,059,524.17	1,689,054,770.83
Cash paid for other investing activities		13,550,000.00
Subtotal of cash outflow from investing activities	665,787,220.01	2,819,274,982.93
Net cash flow from investing activities	-137,147,755.87	-2,031,208,544.03

Item	First three quarters of 2023 (January to September)	First three quarters of 2022 (January to September)
<b>III. Cash flow from financing activities:</b>		
Cash received from capital contributions		80,068,361.40
Including: Cash received from capital contribution by minority shareholders of subsidiaries		
Cash received from borrowings		19,173,126.18
Cash received relating to other financing activities		
Sub-total of cash inflow from financing activities		99,241,487.58
Cash repayments of borrowings	6,873,351.14	20,544,929.76
Cash payments for distribution of dividends, profits or interest expenses	214,330,468.72	137,634,890.23
Including: Dividends and profits paid by subsidiaries to non-controlling interests		
Cash payments relating to other financing activities	112,085,377.89	27,449,193.38
Sub-total of cash outflow from financing activities	333,289,197.75	185,629,013.37
Net cash flow from financing activities	-333,289,197.75	-86,387,525.79
<b>IV. Effect of foreign exchange rate changes on cash and cash equivalents</b>	13,801,951.60	43,285,143.84
<b>V. Net increase in cash and cash equivalents</b>	-8,194,783.60	-1,296,022,545.52
Add: Cash and cash equivalents at the beginning of the period	2,899,469,580.53	4,150,396,311.94
<b>VI. Cash and cash equivalents at the end of the period</b>	2,891,274,796.93	2,854,373,766.42

*Director of*

*Legal Representative:*      *Chief Financial Officer:*      *the Accounting Department:*

**Feng Yuxia**                      **Yu Aishui**                      **Yu Aishui**

Adjustments to financial statements at the beginning of the year upon initial adoption of new accounting standards or interpretation of standards since 2023

Applicable     Not applicable

This announcement is hereby made.

Board of Directors of JOINN Laboratories (China) Co., Ltd.  
30 October 2023