上海復旦張江生物醫藥股份有限公司

Shanghai Fudan-Zhangjiang Bio-Pharmaceutical Co., Ltd.*

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

(Stock code:1349)

2020 THIRD QUARTERLY REPORT

The Board of Directors of Shanghai Fudan-Zhangjiang Bio-Pharmaceutical Co., Ltd.* (the "**Company**") is pleased to announce the unaudited financial information of the Company and its subsidiaries for the nine months ended 30 September 2020 (the "**Reporting Period**"), which is prepared in accordance with China Accounting Standards for Business Enterprises (the "**Third Quarterly Report**"). This announcement is made pursuant to the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and Rules 13.09(2) and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

BASIC CORPORATE INFORMATION

Key accounting data

Unit: RMB

	As at the end of the Reporting Period	As at the end of last year	Compared with the end of last year (%)
Total assets	2,416,168,482	1,564,824,553	54.41
Net assets attributable to shareholders of the listed company	1,926,004,564	931,525,379	106.76
	Reporting Period (January to September)	**Corresponding period of last year**	**Change as compared with the corresponding period of last year (%)**
Net cash flows from operating activities	19,286,594	137,108,930	-85.93
	Reporting Period (January to September)	**Corresponding period of last year**	**Change as compared with the corresponding period of last year (%)**
Revenue	496,213,149	624,850,313	-20.59
Net profit attributable to shareholders of the listed company	84,847,892	121,471,294	-30.15
Net profit deducting non-recurring profit or loss attributable to shareholders of the listed company	58,116,435	104,359,914	-44.31
Weighted average rate of return on net assets (%)	6.77	13.07	Decreased by 6.30 percentage point
Basic earnings per share(RMB per share)	0.09	0.13	-30.77
Diluted earnings per share(RMB per share)	0.09	0.13	-30.77
Proportion of R & D investment in operating revenue （%）	21.58	15.60	Increased by 5.98 percentage point

Non-recurring profit or loss items and amounts

Unit: RMB

Non-recurring profit or loss items	Current Period (July to September)	Reporting Period (January to September)
Gains or losses from disposal of non-current assets	452,025	4,104,246
Government grants recognized through profit or loss for the period (other than government grants which are closely related to the Company's normal business operations, which comply with national policies and can be enjoyed continuously based on a fixed amount or a fixed quantity according to a certain standard)	681,820	13,694,956
In addition to the effective hedging business related to the company's normal business operations, the profit and loss of fair value changes arising from the holding of trading financial assets, derivative financial assets, trading financial liabilities, derivative financial liabilities, and investment income obtained from the disposal of trading financial assets, derivative financial assets, trading financial liabilities, derivative financial liabilities and other creditor's rights investment	8,195,106	12,539,763
Other non-operating income and expenses other than the above items	188,105	481,379
Other profit/loss items falling within the definition of non-recurring profit and loss	-	-982
Effect on minority interests	-30,158	-580,081
Effect on income tax	-1,303,696	-3,507,824
Total	8,183,202	26,731,457

Top 10 shareholders and top 10 sharehoders for shares in circulation (or without trade restrictions) and their shareholdings at the end of the Reporting Period

Unit: Share

Total number of shareholders							25,461
Particulars of shareholdings of the top 10 shareholders							
Name of shareholder (full name)	**Number of shares held as at the end of the Reporting Period**	**Percentage (%)**	**Number of shares held subject to trading moratorium**	**Number of restricted shares including shares lent by refinancing**	**Shares pledged or frozen**		**Nature of shareholder**
					Status of shares	**Number of shares**	
HKSCC NOMINEES LIMITED [Note 1]	241,867,900	23.19	0	-	Unknown	-	Overseas legal person
Shanghai Pharmaceuticals Holding Co., Ltd. [Note 1]	210,142,560	20.15	139,578,560	139,578,560	Nil	0	Domestic non-state-owned legal person
China New Enterprise Investment Fund II	156,892,912	15.04	156,892,912	156,892,912	Nil	0	Other
Yang Zong Meng	80,000,000	7.67	80,000,000	80,000,000	Nil	0	Domestic natural person
Wang Hai Bo	57,886,430	5.55	57,886,430	57,886,430	Nil	0	Domestic natural person
Shanghai Fudan Asset Management Co., Ltd.	30,636,286	2.94	30,636,286	30,636,286	Nil	0	Domestic non-state-owned legal person
Investco Hong Kong Limited [Note 1]	27,313,000	2.62	0	-	Unknown	-	Overseas legal person
Shanghai Zhiyuan Investment Center LP	26,160,000	2.51	26,160,000	26,160,000	Nil	0	Other
Su Yong	22,312,860	2.14	22,312,860	22,312,860	Nil	0	Domestic natural person
Zhao Da Jun	19,260,710	1.85	19,260,710	19,260,710	Nil	0	Domestic natural person

Particulars of shareholding of the top ten shareholders not subject to trading moratorium			
Name of shareholder	**Number of circulating shares held not subject to trading moratorium**	**Type and number of shares**	
		Type	**Number**
HKSCC NOMINEES LIMITED Note 1	241,867,900	Overseas listed foreign shares	241,867,900
Shanghai Pharmaceuticals Holding Co., Ltd. Note 1	70,564,000	Overseas listed foreign shares	70,564,000
Investco Hong Kong Limited Note 1	27, 313,000	Overseas listed foreign shares	27, 313,000
Zhong Ren Mei	1,031,762	RMB ordinary shares	1,031,762
Kong Fan Xing	740,005	RMB ordinary shares	740,005
Wang Jin Quan	442,213	RMB ordinary shares	442,213
Hu Chun Ming	349,065	RMB ordinary shares	349,065
Xu Hong	338,347	RMB ordinary shares	338,347
Hangzhou Heqing Investment Co., Ltd	269,487	RMB ordinary shares	269,487
Yuan Hui Gang	264,895	RMB ordinary shares	264,895
Note on the connected relations or connected actions of the above shareholders	Shanghai Zhiyuan Investment Center LP, Shanghai Dayuan Investment Center LP, and Shanghai Chengyuan Investment Center LP are employee stock holding platforms of the Company. The Company is not aware whether other shareholders have related party relationship or acting-in-concert arrangements.		
Note on the preference shareholders with voting rights restored and number of shares held	Not applicable		

As at the end of the Reporting Period, the Company had 25,461 shareholders, including 25,310 A share shareholders and 151 H share shareholders.

Note 1: Shares held by HKSCC NOMINEES LIMITED are held on behalf of its clients and the number of Shares it holds as shown in the table above excludes the 70,564,000 H shares held by Shagnhai Pharmaceuticals and 27,313,000 H Shares held by Investco Hong Kong Limited. As the relevant rules of the Hong Kong Stock Exchange do not require clients to report whether the shares that they hold are pledged or frozen, HKSCC NOMINEES LIMITED is unable to provide statistics on the number of shares that have been pledged or frozen.

Total number of shareholders of preference shares, particulars of shareholdings of top ten shareholders of preference shares and top ten shareholders of preference shares not subject to trading moratorium as at the end of the Reporting Period

Not applicable.

SIGNIFICANT EVENTS

Descriptions and reasons for significant changes in major accounting statement items, financial indicators of the Company

Consolidated Balance Sheet	As at 30 September 2020	As at 31 December 2019	Change (%)	Reason for changes
Cash at bank and on hand	1,416,742,573	576,799,410	145.62	During the Reporting Period, the Group completed its initial public offering of A shares on the STAR Market, and the receipt of the proceeds led to the increase.
Advances to suppliers	7,498,416	16,411,027	-54.31	It mainly results from the settlement of prepayments during the Reporting Period.
Right-of-use assets	15,986,225	5,517,981	189.71	It is mainly due to the lease of new R&D facilities during the Reporting Period.
Other current assets	5,412,502	310,035	1645.77	The ending balance is the prepayment of enterprise income tax during the Reporting Period.
Long-term equity investments	60,745,118	28,078,902	116.34	The Group increased investment in Changzhou BVCF Investment Management Partnership (Limited Liability Partnership) during the Reporting Period.
Development costs	19,679,516	14,970,803	31.45	It is mainly due to the capitalization of R&D expenses during the Reporting Period.
Other non-current assets	6,064,657	2,272,672	166.85	It is mainly due to the increase of prepayment for equipments during the Reporting Period.
Short-term borrowings	100,000,000	148,942,573	-32.86	It is mainly due to the partly repayment of bank borrowings during the Reporting Period.
Contract liabilities	4,400,158	2,042,726	115.41	It is mainly due to the receipt of contract payment in advance during the Reporting Period.
Employee benefits payable	18,509,807	48,123,497	-61.54	It mainly results from the payment of year-end bonus during the Reporting Period.
Taxes payable	7,041,372	36,301,432	-80.60	It mainly due to the decrease of revenue and total profit with the impact of the epidemic during the Reporting Period.
Lease liabilities	11,756,065	2,121,534	454.13	It is mainly due to the lease of new R&D facilities during the Reporting Period.
Capital surplus	1,200,120,029	237,796,134	404.68	It is mainly due to the share premium of the Group's initial public offering of A shares on STAR Market was included in the capital reserve.

Consolidated Income Statement	Reporting Period (January to September)	Amount for the corresponding period of last year	Change (%)	Reason for changes
Revenue	496,213,149	624,850,313	-20.59	It is mainly due to the COVID-19 epidemic situation during the Reporting Period, as the Group's main products have to be used for treatment in hospitals, the sales volume and terminal consumption of the products were significantly affected by the restrictions of products transportation and the treatment of patients, and the sales volume of the major products ALA and FuMeiDa decreased compared with the corresponding period.
Financial income/(expenses)	391,120	4,634,547	-91.56	It is mainly due to the increase of interest income during the Reporting Period.
Research and development expenses	102,365,503	95,306,719	7.41	The Group adopts a conservative and prudent capitalization policy for R&D projects. Only the expenses incurred on those projects which were evaluated to be feasible in technology with clear objective, controllable risks and probable future economic benefits can be capitalized. Therefore, most of R&D costs of the Group were recognized as expenses as incurred. During the Reporting Period, the Group is actively promoting the progress of R&D projects, and the clinical, material and outsourcing R&D expenses have increased in the Reporting Period, which is due to the increase in investment for the progress of R&D projects.
Other income	13,694,956	2,755,671	396.97	It is mainly due to the government subsidies received during the Reporting Period
Credit impairment losses	-7,275,088	-2,113,580	244.21	Due to the outbreak of the COVID-19 epidemic, the payment period of accounts receivable slows down during the Reporting Period.
Gains on disposals of assets	4,104,246	326,583	1156.72	It is mainly due to the sales of real estate asset of one subsidiary during the Reporting Period.

Consolidated Cash Flow Statement	Reporting Period (January to September)	Amount for the corresponding period of last year	Change (%)	Reason for changes
Net cash flows from operating activities	19,286,594	137,108,930	-85.93	It is mainly due to the decrease of sales revenue caused by the COVID-19 epidemic situation.
Net cash flows from investing activities	-35,213,695	-19,299,152	82.46	The Group increased investment in Changzhou BVCF Investment Management Partnership (Limited Liability Partnership) during the Reporting Period.
Net cash flows from financing activities	855,952,866	-259,196,133	Not applicable	It is mainly due to the Group's receipt of RMB996 million from initial public offering of A shares and over allotment during the Reporting Period.

Analysis and illustration of progress of important events and their impacts and solutions

Not applicable.

Commitments that have been overdue and not been fulfilled in the Reporting Period

Not applicable.

Warning and reason for the forecast that the accumulated net profit from the beginning of the year to the end of the next reporting period may be a loss or a significant change from the same period of last year

Not applicable.

CONSOLIDATED BALANCE SHEET

As at 30 September 2020

(All amounts in RMB Yuan unless otherwise stated)

ASSETS	**30 September 2020 Consolidated**	31 December 2019 Consolidated
Current assets		
Cash at bank and on hand	**1,416,742,573**	576,799,410
Notes receivables	**105,886,549**	127,592,684
Accounts receivables	**384,390,324**	377,006,911
Advances to suppliers	**7,498,416**	16,411,027
Other receivables	**9,634,758**	8,250,226
Inventories	**38,753,684**	31,869,051
Other current assets	**5,412,502**	310,035
Total current assets	**1,968,318,806**	1,138,239,344
Non-current assets		
Long-term equity investments	**60,745,118**	28,078,902
Fixed assets	**232,694,952**	254,359,522
Construction in progress	**-**	329,602
Right-of-use assets	**15,986,225**	5,517,981
Intangible assets	**56,591,648**	60,460,278
Development costs	**19,679,516**	14,970,803
Long-term prepaid expenses	**1,723,727**	2,414,319
Deferred tax assets	**54,363,833**	58,181,130
Other non-current assets	**6,064,657**	2,272,672
Total non-current assets	**447,849,676**	426,585,209
TOTAL ASSETS	**2,416,168,482**	1,564,824,553

CONSOLIDATED BALANCE SHEET

As at 30 September 2020

(All amounts in RMB Yuan unless otherwise stated)

LIABILITIES AND OWNERS' EQUITY	**30 September 2020 Consolidated**	31 December 2019 Consolidated
Current liabilities		
Short-term borrowings	**100,000,000**	148,942,573
Accounts payables	**4,850,071**	6,827,902
Contract liabilities	**4,400,158**	2,042,726
Employee benefits payable	**18,509,807**	48,123,497
Taxes payable	**7,041,372**	36,301,432
Other payables	**288,584,908**	325,079,482
Current portion of non-current liabilities	**4,480,114**	4,031,927
Total current liabilities	**427,866,430**	571,349,539
Non-current liabilities		
Lease liabilities	**11,756,065**	2,121,534
Deferred income	**52,567,331**	58,205,366
Total Non-current liabilities	**64,323,396**	60,326,900
Total liabilities	**492,189,826**	631,676,439
Owners' equity		
Share capital	**104,300,000**	92,300,000
Capital surplus	**1,200,120,029**	237,796,134
Other comprehensive income	**-14,032,837**	-13,950,235
Surplus reserve	**46,150,000**	46,150,000
Undistributed profits	**589,467,372**	569,229,480
Total equity attributable to equity owners of the Company	**1,926,004,564**	931,525,379
Minority interests	**-2,025,908**	1,622,735
Total owners' equity	**1,923,978,656**	933,148,114
TOTAL LIABILITIES AND OWNERS' EQUITY	**2,416,168,482**	1,564,824,553

Legal representative: Wang Haibo   Principal in charge of accounting: Xue Yan   Head of accounting department: Zhang Wen

COMPANY BALANCE SHEET

As at 30 September 2020

(All amounts in RMB Yuan unless otherwise stated)

ASSETS	**30 September 2020 Company**	31 December 2019 Company
Current assets		
Cash at bank and on hand	**1,359,020,744**	524,036,350
Notes receivables	**105,886,549**	127,592,684
Accounts receivables	**369,093,205**	348,545,015
Advances to suppliers	**6,458,312**	16,297,676
Other receivables	**156,030,125**	157,685,608
Inventories	**23,431,554**	21,272,140
Other current assets	**5,192,513**	-
Total current assets	**2,025,113,002**	1,195,429,473
Non-current assets		
Long-term equity investments	**312,907,949**	285,677,396
Fixed assets	**116,589,056**	120,166,184
Construction in progress	**-**	329,602
Right-of-use assets	**14,953,742**	5,517,981
Intangible assets	**8,941,503**	9,752,170
Long-term prepaid expenses	**715,670**	1,390,576
Deferred tax assets	**62,990,603**	67,197,900
Other non-current assets	**4,772,927**	2,120,672
Total non-current assets	**521,871,450**	492,152,481
TOTAL ASSETS	**2,546,984,452**	1,687,581,954

COMPANY BALANCE SHEET

As at 30 September 2020

(All amounts in RMB Yuan unless otherwise stated)

LIABILITIES AND OWNERS' EQUITY	**30 September 2020 Company**	31 December 2019 Company
Current liabilities		
Short-term borrowings	**100,000,000**	148,942,573
Accounts payables	**3,627,575**	5,494,686
Contract liabilities	**4,206,963**	1,622,099
Employee benefits payable	**16,774,895**	44,442,590
Taxes payable	**5,467,425**	33,190,001
Other payables	**279,212,955**	313,542,721
Current portion of non-current liabilities	**4,074,296**	4,031,927
Total current liabilities	**413,364,109**	551,266,597
Non-current liabilities		
Lease liabilities	**11,156,560**	2,121,534
Deferred income	**43,158,151**	46,846,675
Total Non-current liabilities	**54,314,711**	48,968,209
Total liabilities	**467,678,820**	600,234,806
Owners' equity		
Share capital	**104,300,000**	92,300,000
Capital surplus	**1,278,310,385**	315,986,490
Surplus reserve	**46,150,000**	46,150,000
Undistributed profits	**650,545,247**	632,910,658
Total owners' equity	**2,079,305,632**	1,087,347,148
TOTAL LIABILITIES AND OWNERS' EQUITY	**2,546,984,452**	1,687,581,954

Legal representative: Wang Haibo Principal in charge of accounting: Xue Yan Head of accounting department: Zhang Wen

CONSOLIDATED INCOME STATEMENTS

For the nine months ended 30 September 2020

(All amounts in RMB Yuan unless otherwise stated)

Items	July to September 2020	July to September 2019	For the nine months ended 30 September 2020	For the nine months ended 30 September 2019
Revenue	**260,598,253**	234,156,828	**496,213,149**	624,850,313
Total Cost	**219,208,167**	200,824,705	**427,844,076**	510,416,794
Cost of sales	**19,943,854**	15,883,145	**37,914,317**	52,961,340
Taxes and surcharges	**808,321**	1,673,731	**2,887,799**	4,022,813
Selling expenses	**140,207,819**	127,673,836	**257,724,780**	319,800,095
General and dministrative expenses	**9,752,140**	9,195,941	**26,560,557**	33,691,280
Research and development expenses	**47,992,497**	44,109,468	**102,365,503**	95,306,719
Financial income/(expenses)	**503,536**	2,288,584	**391,120**	4,634,547
Including: Interest expenses	**1,362,900**	1,370,799	**4,692,137**	4,870,725
Interest income	**878,891**	364,500	**4,941,381**	1,627,833
Add: Other income	**681,820**	655,568	**13,694,956**	2,755,671
Investment income	**7,501,792**	-1,537,633	**9,204,997**	12,894,166
Including: Share of loss of associates and joint ventures	**-693,314**	-2,909,743	**-3,333,784**	-3,454,561
Credit impairment losses	**10,369,013**	-317,762	**-7,275,088**	-2,113,580
Asset impairment losses	**-**	-80,241	**-**	-2,160,721
Gains on disposals of assets	**452,025**	-150,816	**4,104,246**	326,583
Operating profit	**60,394,736**	31,901,239	**88,098,184**	126,135,638
Add:Non-operating income	**223,262**	123,569	**871,393**	154,220
Less:Non-operating expenses	**35,157**	316,933	**390,014**	1,170,138
Total profit	**60,582,841**	31,707,875	**88,579,563**	125,119,720
Less: Income tax expenses	**5,088,294**	790,115	**3,720,168**	9,130,031
Net profit	**55,494,547**	30,917,760	**84,859,395**	115,989,689
Classified by continuity of operations				
Net profit from continuing operations	**55,494,547**	30,917,760	**84,859,395**	115,989,689
Net profit from discontinued operations	**-**	-	**-**	-
Classified by ownership of the equity				
Attributable to equity owners of the Company	**55,769,018**	29,751,704	**84,847,892**	121,471,294
Minority interests	**-274,471**	1,166,056	**11,503**	-5,481,605

Items	July to September 2020	July to September 2019	For the nine months ended 30 September 2020	For the nine months ended 30 September 2019
Other comprehensive income, net of tax	**-133,973**	98,540	**-82,602**	104,258
Other comprehensive income that will not be reclassified to profit or loss Changes in the fair value of other equity investments	**-**	-	**-**	-
Other comprehensive income that will be reclassified to profit or loss Translation differences on translation of foreign currency financial statements	**-133,973**	98,540	**-82,602**	104,258
Total comprehensive income	**55,360,574**	31,016,300	**84,776,793**	116,093,947
Attributable to equity owners of the Company	**55,635,045**	29,850,244	**84,765,290**	121,575,552
Attributable to minority interests	**-274,471**	1,166,056	**11,503**	-5,481,605
Earnings per share				
Basic and diluted earnings per share	**0.05**	0.03	**0.09**	0.13

Legal representative: Wang Haibo   Principal in charge of accounting: Xue Yan   Head of accounting department: Zhang Wen

COMPANY INCOME STATEMENTS

For the nine months ended 30 September 2020

(All amounts in RMB Yuan unless otherwise stated)

Items	July to September 2020	July to September 2019	For the nine months ended 30 September 2020	For the nine months ended 30 September 2019
Revenue	**242,484,550**	226,030,063	**457,558,809**	581,755,540
Less: Cost of sales	**15,078,211**	15,140,680	**31,041,087**	38,767,578
Taxes and surcharges	**235,019**	917,632	**1,131,485**	1,998,517
Selling expenses	**132,893,606**	126,690,366	**243,836,211**	309,966,281
General and dministrative expenses	**6,388,460**	5,738,452	**18,582,172**	16,161,487
Research and development expenses	**45,888,924**	44,222,357	**97,514,804**	95,227,313
Financial income/(expenses)	**521,694**	2,313,352	**513,328**	4,323,966
Including: Interest expenses	**1,346,211**	1,370,799	**4,675,448**	4,498,898
Interest income	**840,796**	328,290	**4,782,077**	1,515,561
Add: Other income	**-**	-	**9,925,384**	378,240
Investment income	**10,156,657**	2,587,038	**17,666,059**	13,693,518
Including: Share of loss of associates and joint ventures	**134,813**	-749,628	**-369,448**	-749,628
Credit impairment losses	**10,414,541**	-91,520	**-7,106,767**	-3,130,632
Asset impairment losses	**-**	-2,600,000	**-**	-12,200,000
Gains on disposals of assets	**318,495**	176,770	**634,230**	654,169
Operating profit	**62,368,329**	31,079,512	**86,058,628**	114,705,693
Add:Non-operating income	**203,293**	-	**613,377**	25,450
Less:Non-operating expenses	**25,587**	642,289	**317,248**	1,483,392
Total profit	**62,546,035**	30,437,223	**86,354,757**	113,247,751
Less: Income tax expenses	**5,088,294**	-1,039,885	**4,110,168**	7,300,031
Net profit	**57,457,741**	31,477,108	**82,244,589**	105,947,720
Net profit from continuing operations	**57,457,741**	31,477,108	**82,244,589**	105,947,720
Total comprehensive income	**57,457,741**	31,477,108	**82,244,589**	105,947,720

Legal representative: Wang Haibo   Principal in charge of accounting: Xue Yan   Head of accounting department: Zhang Wen

CONSOLIDATED CASH FLOW STATEMENTS

For the nine months ended 30 September 2020

(All amounts in RMB Yuan unless otherwise stated)

Items	For the nine months ended 30 September 2020	For the nine months ended 30 September 2019
Cash flows from operating activities		
Cash received from sales of goods or rendering of services	**536,405,190**	678,152,603
Cash received relating to other operating activities	**17,203,306**	17,674,038
Sub-total of cash inflows	**553,608,496**	695,826,641
Cash paid for goods and services	**330,080,892**	297,740,611
Cash paid to and on behalf of employees	**119,862,895**	117,437,656
Payments of taxes and surcharges	**47,528,671**	90,408,433
Cash paid relating to other operating activities	**36,849,444**	53,131,011
Sub-total of cash outflows	**534,321,902**	558,717,711
Net cash flows from operating activities	**19,286,594**	137,108,930
Cash flows from investing activities		
Net cash received from disposal of fixed assets	**11,449,501**	2,157,030
Net cash received from disposal of subsidiaries	**-**	2,469,840
Cash received relating to other investing activities	**1,886,430,695**	1,368,198,293
Sub-total of cash inflows	**1,897,880,196**	1,372,825,163
Cash paid to acquire fixed assets, intangible assets and other long-term assets	**23,202,959**	32,124,315
Net cash paid to acquire joint venture	**36,000,000**	-
Cash paid relating to other investing activities	**1,873,890,932**	1,360,000,000
Sub-total of cash outflows	**1,933,093,891**	1,392,124,315
Net cash flows from investing activities	**-35,213,695**	-19,299,152
Cash flows from financing activities		
Cash received from capital contributions	**996,190,000**	-
Cash received from borrowings	**51,057,427**	102,625,000
Sub-total of cash inflows	**1,047,247,427**	102,625,000
Cash repayments of borrowings	**100,000,000**	110,000,000
Cash payments for distribution of dividends, profits or interest expenses	**69,055,522**	68,838,730
Cash payments relating to other financing activities	**22,239,039**	182,982,403
Sub-total of cash outflows	**191,294,561**	361,821,133
Net cash flows from financing activities	**855,952,866**	-259,196,133
Effect of foreign exchange rate changes on cash and cash equivalents	**-82,602**	104,258
Net increase/(decrease) in cash and cash equivalents	**839,943,163**	-141,282,097
Add: Cash and cash equivalents at beginning of the reporting period	**576,799,410**	588,221,416
Cash and cash equivalents at end of the reporting period	**1,416,742,573**	446,939,319

Legal representative: Wang Haibo Principal in charge of accounting: Xue Yan Head of accounting department: Zhang Wen

CONSOLIDATED CASH FLOW STATEMENTS

For the nine months ended 30 September 2020

(All amounts in RMB Yuan unless otherwise stated)

Items	For the nine months ended 30 September 2020	For the nine months ended 30 September 2019
Cash flows from operating activities		
Cash received from sales of goods or rendering of services	**478,689,140**	614,060,872
Cash received relating to other operating activities	**60,032,146**	12,130,642
Sub-total of cash inflows	**538,721,286**	626,191,514
Cash paid for goods and services	**323,957,045**	299,674,745
Cash paid to and on behalf of employees	**100,027,914**	100,121,469
Payments of taxes and surcharges	**39,760,809**	80,668,278
Cash paid relating to other operating activities	**73,929,684**	43,216,961
Sub-total of cash outflows	**537,675,452**	523,681,453
Net cash flows from operating activities	**1,045,834**	102,510,061
Cash flows from investing activities		
Net cash received from disposal of fixed assets	**836,676**	1,310,430
Net cash received from disposal of subsidiaries	**8,389,985**	3,156,600
Cash received relating to other investing activities	**1,880,736,453**	1,373,837,803
Sub-total of cash inflows	**1,889,963,114**	1,378,304,833
Cash paid to acquire fixed assets, intangible assets and other long-term assets	**17,157,994**	22,501,455
Net cash paid to acquire joint venture	**36,000,000**	-
Cash paid relating to other investing activities	**1,862,690,932**	1,538,000,000
Sub-total of cash outflows	**1,915,848,926**	1,560,501,455
Net cash flows from investing activities	**-25,885,812**	-182,196,622
Cash flows from financing activities		
Cash received from capital contributions	**996,190,000**	-
Cash received from borrowings	**51,057,427**	100,000,000
Sub-total of cash inflows	**1,047,247,427**	100,000,000
Cash repayments of borrowings	**100,000,000**	110,000,000
Cash payments for distribution of dividends, profits or interest expenses	**69,055,522**	68,466,903
Cash payments relating to other financing activities	**18,367,533**	3,671,200
Sub-total of cash outflows	**187,423,055**	182,138,103
Net cash flows from financing activities	**859,824,372**	-82,138,103
Effect of foreign exchange rate changes on cash and cash equivalents	**-**	-
Net increase/(decrease) in cash and cash equivalents	**834,984,394**	-161,824,664
Add: Cash and cash equivalents at beginning of the reporting period	**524,036,350**	554,560,168
Cash and cash equivalents at end of the reporting period	**1,359,020,744**	392,735,504

Legal representative: Wang Haibo   Principal in charge of accounting: Xue Yan   Head of accounting department: Zhang Wen

Particulars in relation to adjustments made to the financial statements as at the beginning of the year of the initial adoption of new revenue standard and new lease standard since 2020

Not applicable.

Retrospective adjustment of the previous comparative data by initial adoption of new revenue standard and new lease standard since 2020

Not applicable.

The financial information of the Company and its subsidiaries for the nine months ended 30 September 2020 is unaudited

The financial information is authorised for issue by the Board of Directors of the Company on 29 October 2020

The Third Quarterly Report is published on the websites of the Stock Exchange (http://www.hkexnews.hk), Shanghai Stock Exchange (http://www.sse.com.cn) and the Company (http://www.fd-zj.com)

By order of the Board
Wang Hai Bo
Chairman

As at the date on the publication of this announcement, the Board comprises:

Mr. Wang Hai Bo (Executive Director)
Mr. Su Yong (Executive Director)
Mr. Zhao Da Jun (Executive Director)
Mr. Shen Bo (Non-executive Director)
Ms. Yu Xiao Yang (Non-executive Director)
Mr. Zhou Zhong Hui (Independent Non-executive Director)
Mr. Lam Yiu Kin (Independent Non-executive Director)
Mr. Xu Qing (Independent Non-executive Director)
Mr. Yang Chun Bao (Independent Non-executive Director)

Shanghai, the PRC
29 October 2020

** For identification purpose only*