SHANGHAI JUNSHI BIOSCIENCES CO., LTD.*

上海君實生物醫藥科技股份有限公司

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

(Stock code: 1877)

OVERSEAS REGULATORY ANNOUNCEMENT

This announcement is made pursuant to Rules 13.09(2)(a) and 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 (Chapter 571 of the Laws of Hong Kong).

Reference is made to the "Shanghai Junshi Biosciences Co., Ltd.* 2020 Third Quarterly Report" published by Shanghai Junshi Biosciences Co., Ltd.* (the "**Company**") on the website of the Shanghai Stock Exchange, for reference purpose only. The unaudited financial data contained in this announcement is prepared in accordance with the accounting principles of the People's Republic of China instead of the International Financial Reporting Standards. The following is a translation of the 2020 Third Quarterly Report of the Company published pursuant to the requirements of the STAR Market of the Shanghai Stock Exchange solely for the purpose of providing information. Should there be any discrepancies, the Chinese version will prevail.

By order of the Board
Shanghai Junshi Biosciences Co., Ltd.*
Mr. Xiong Jun
Chairman

Shanghai, the PRC, 30 October 2020

As at the date of this announcement, the board of directors of the Company comprises Mr. Xiong Jun, Dr. Li Ning, Dr. Feng Hui, Mr. Zhang Zhuobing and Dr. Yao Sheng as executive Directors; Dr. Wu Hai, Mr. Tang Yi, Mr. Li Cong, Mr. Yi Qingqing and Mr. Lin Lijun as non-executive Directors; and Dr. Chen Lieping, Mr. Chen Xinjun, Mr. Qian Zhi, Mr. Zhang Chun and Dr. Roy Steven Herbst as independent non-executive Directors.

* *For identification purposes only*

Company code: 688180 Abbreviation: Junshi Bio

Shanghai Junshi Biosciences Co., Ltd.*
2020 Third Quarterly Report

Contents

I. IMPORTANT NOTICE

1.1 The Board of Directors (the “Board”), the Board of Supervisors and the Directors, Supervisors and senior management of the Company undertake that the information in this quarterly report is true, accurate and complete and contains no false record, misleading statement or material omissions, and assume individual and joint liabilities to the information in this report.

1.2 All Directors of the Company attended the Board meeting to review and consider this quarterly report.

1.3 Xiong Jun, person in charge of the Company, Yuan Lu, person in charge of accounting affairs, and Tang Yan, person in charge of the accounting office (head of accounting department), hereby guarantee that the financial statements contained in this quarterly report are true, accurate and complete.

1.4 This third quarterly report of the Company is unaudited.

II. BASIC CORPORATE INFORMATION

2.1 Key financial data

Unit: Yuan Currency: RMB

	As at the end of the Reporting Period	As at the end of the previous year	Change of the Reporting Period compared with the end of the previous year (%)
Total assets	8,133,413,107.66	4,411,954,609.07	84.35
Net assets attributable to owners of the Company	6,355,913,957.86	2,978,032,783.26	113.43
	From beginning of the	From beginning of the	Change compared with

	year to the end of the Reporting Period (January to September)	previous year to the end of the Reporting Period in the previous year (January to September)	corresponding period of the previous year (%)
Net cash flows from operating activities	-1,094,684,402.74	-909,515,142.10	N/A
	From beginning of the year to the end of the Reporting Period (January to September)	From beginning of the previous year to the end of the Reporting Period in the previous year (January to September)	Change compared with corresponding period of the previous year (%)
Operating income	1,010,928,016.06	527,119,788.00	91.78
Net profit attributable to owners of the Company	-1,115,665,017.00	-445,508,268.13	N/A
Net profit attributable to owners of the Company deducting non-recurring profit and loss	-1,117,768,988.72	-470,902,507.43	N/A
Weighted average return on net assets (%)	-32.64	-12.92	Decreased by 19.72 percentage points
Basic earnings per share (yuan/share)	-1.39	-0.57	N/A
Diluted earnings per share (yuan/share)	-1.39	-0.57	N/A
Research and development investment as a percentage of operating income (%)	119.70	116.41	Increased by 3.29 percentage points

Non-recurring profit or loss items and amounts

√ Applicable □ Not applicable

Unit: Yuan Currency: RMB

Items	Amount for the Reporting Period (July to September)	Amount from the beginning of the year to the end of the Reporting Period (January to September)
Gains or losses from disposal of non-current assets	-6,814.02	-2,502,047.38
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)	12,256,844.62	16,300,114.88
Profit or loss on changes in fair value from holding of financial assets held for trading, derivative financial assets, financial liabilities held for trading and derivative financial liabilities, as well as investment income from 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 transactions that are closely related to the Company's normal business operations	104.89	26,623,824.50
Other non-operating income and expenses apart from the aforesaid items	-16,540,952.25	-37,701,720.46
Effect of income tax	-494,752.95	-616,199.82
Total	-4,785,569.71	2,103,971.72

2.2 Particulars of total number of Shareholders, shareholding of top ten Shareholders and top ten Shareholders not subject to trading moratorium as at the end of the Reporting Period

Unit: Share

<table>
<tr><td colspan="2">Total number of Shareholders</td><td colspan="6">36,421</td></tr>
<tr><td colspan="8">Particulars of shareholdings of the top ten Shareholders</td></tr>
<tr><td rowspan="2">Name of Shareholder (full name)</td><td rowspan="2">Number of shares held as at the end of the period</td><td rowspan="2">Percentage (%)</td><td rowspan="2">Number of shares held subject to trading moratorium</td><td rowspan="2">Number of restricted shares including lending shares for securities financing</td><td colspan="2">Shares pledged or frozen</td><td rowspan="2">Nature of Shareholder</td></tr>
<tr><td>Status of shares</td><td>Number of shares</td></tr>
<tr><td>HKSCC NOMINEES LIMITED</td><td>182,743,390</td><td>20.97</td><td>0</td><td>0</td><td>Unknown</td><td>-</td><td>Unknown</td></tr>
<tr><td>Xiong Jun</td><td>87,252,968</td><td>10.01</td><td>87,252,968</td><td>87,252,968</td><td>Nil</td><td>0</td><td>Domestic natural person</td></tr>
<tr><td>Shanghai Tanying Investment Partnership (LP)</td><td>76,590,000</td><td>8.79</td><td>76,590,000</td><td>76,590,000</td><td>Nil</td><td>0</td><td>Other</td></tr>
<tr><td>Suzhou Ruiyuan Shengben Biological Medicine Management Partnership (LP)* (蘇州瑞源盛本生物醫藥管理合夥企業(有限合夥))</td><td>43,584,000</td><td>5.00</td><td>43,584,000</td><td>43,584,000</td><td>Nil</td><td>0</td><td>Other</td></tr>
<tr><td>Xiong Fengxiang</td><td>41,060,000</td><td>4.71</td><td>41,060,000</td><td>41,060,000</td><td>Nil</td><td>0</td><td>Domestic natural person</td></tr>
</table>

Zhuhai Gaoling Tiancheng Equity Investment Fund (LP)* (珠海高瓴天成股權投資基金(有限合夥))	25,200,000	2.89	25,200,000	25,200,000	Nil	0	Other
Huang Fei	22,590,036	2.59	22,590,036	22,590,036	Nil	0	Domestic natural person
Zhou Yuqing	21,680,800	2.49	21,680,800	21,680,800	Nil	0	Domestic natural person
Qiao Xiaohui	16,500,000	1.89	16,500,000	16,500,000	Nil	0	Domestic natural person
Wang Shujun	15,814,256	1.82	15,814,256	15,814,256	Nil	0	Domestic natural person

Particulars of shareholdings 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	182,743,390	Overseas listed foreign shares	182,743,390
Guo Yongtao	480,000	RMB ordinary shares	480,000
China Life Pension Researched and Selected Equity Pension Products - China Construction Bank Corporation	351,622	RMB ordinary shares	351,622
Chen Xianheng	270,000	RMB ordinary shares	270,000
China Construction Bank Corporation - Guotai Manufacturing hybrid securities investment fund with two-year holding period	270,000	RMB ordinary shares	270,000
Enterprise Annuity Plan of China Life Insurance (Group) Company - Agricultural Bank of China Limited	262,990	RMB ordinary shares	262,990
Shenzhen Qingya Commercial Factoring Co., Ltd.* (深圳青亞商業保理有限公司)	246,054	RMB ordinary shares	246,054

Zhang Yuexiao	243,785	RMB ordinary shares	243,785
Chen Chao	233,355	RMB ordinary shares	233,355
Liu Xiaoping	221,252	RMB ordinary shares	221,252
Explanation on the related party relationship or acting-in-concert arrangement among the above Shareholders	Among the above Shareholders, Xiong Fengxiang and Xiong Jun are father and son and are the controlling Shareholders and actual controllers of the Company. Xiong Jun and Xiong Fengxiang are acting in concert with Ruiyuan Shengben and Zhou Yuqing. Xiong Jun holds 40% of the equity interest in Ruiyuan Shengben's managing partner Qianhai Yuanben. Zhou Yuqing holds a 5.1% partnership share in Ruiyuan Shengben. Other than the above explanation, the Company is not aware whether the other Shareholders above have related party relationship or whether other Shareholders above are acting-in-concert parties under the regulations.		

Explanation on the preference Shareholders with voting right restored and their shareholdings	Not applicable

2.3 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

□ Applicable √ Not applicable

III. SIGNIFICANT EVENTS

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

√ Applicable □ Not applicable

1) Assets and liabilities

Unit: Yuan Currency: RMB

Items	30 September 2020	31 December 2019	Changes (%)	Analysis on changes
Cash and bank balances	4,117,643,788.13	1,220,853,588.61	237.28	Mainly the proceeds raised from issue of shares that listed on the STAR Market
Accounts receivable	402,428,059.98	163,210,266.97	146.57	Mainly the significant growth in sales
Other receivables	78,389,615.72	9,696,696.56	708.42	Mainly the increase in receivables
Inventories	329,002,358.81	180,665,713.58	82.11	Mainly the increased inventories held for commercialized production
Other current assets	19,125,886.18	38,930,814.57	-50.87	Mainly attributable to the decrease in VAT input tax to be deducted within one year
Other non-current financial assets	93,416,000.00	69,345,791.00	34.71	Mainly the changes in fair value
Fixed assets	1,754,729,279.81	328,439,508.15	434.26	Mainly the transfer to fixed assets due to the gradual acceptance of Lingang Industrialization Project

Construction in progress	323,986,188.42	1,479,708,403.83	-78.10	Mainly the transfer to fixed assets due to the gradual acceptance of Lingang Industrialization Project
Right-of-use assets	71,960,052.27	42,889,418.14	67.78	New leases for office premises
Long-term prepaid expenses	18,421,020.94	9,233,800.43	99.50	Mainly the increase due to the renovation expenses incurred for new office premises
Deferred tax assets	33,106,428.47	20,589,695.03	60.79	Due to the impact of timing difference in income tax
Short-term borrowings	1,161,111.22	76,891,463.18	-98.49	Repayment of working capital borrowings from banks
Accounts payable	535,591,779.85	326,687,244.94	63.95	Increase in payables due to business development
Taxes payable	16,850,428.93	10,408,676.82	61.89	Increase in taxes payable
Other payables	97,396,272.71	37,080,689.59	162.66	The increase is mainly payables due to third parties/employee reimbursements, etc.
Non-current liabilities due within one year	103,614,758.09	13,845,551.04	648.36	Mainly due to the reclassifications of loans due within one year and payables
Lease liabilities	51,316,783.42	27,332,442.01	87.75	New leases for office premises
Capital reserve	8,595,515,788.14	4,180,418,778.52	105.61	Mainly due to the increase in share premium due to the issue of new shares that listed on the STAR Market

2) Items under the income statement

Unit: Yuan Currency: RMB

Items	First three quarters of 2020	First three quarters of 2019	Changes (%)	Analysis on changes
Operating income	1,010,928,016.06	527,119,788.00	91.78	Mainly due to the significant increase in sales revenue from the Company's product, and the income generated by the new patent and technology services during the Reporting Period
Operating costs	208,713,827.52	62,755,219.90	232.58	Mainly because the operating costs incurred by the Company's product increased with the operating income
Sales and distribution expenses	417,485,839.22	214,445,270.28	94.68	Mainly due to the expansion of sales team and the greater efforts in product promotion
Administrative expenses	276,805,181.35	146,682,080.50	88.71	Mainly the corresponding increase in administrative expenses as a result of business development and organization expansion of the Company
Research and development expenses	1,210,046,361.83	613,641,301.34	97.19	Mainly the expansion of research and development division and continuous investments in pipeline products
Finance expenses	16,341,892.15	-24,852,051.38	-165.76	Mainly the expensed borrowing interest
Other income	14,102,759.84	20,282,649.93	-30.47	Mainly the changes in government grants
Investment income	-7,339,887.61	-2,866,854.77	156.03	Mainly the changes in fair value of equity investment
Impairment loss of credit	-229,868.75	342,526.62	-167.11	Mainly the impairment loss of credit on accounts receivable

Non-operating income	2,242,064.65	156,713.89	1,330.67	Mainly the changes in government grants
Non-operating expenses	37,801,553.45	20,050,984.72	88.53	Mainly the expenditure in charity projects
Income tax expenses	-12,516,733.44	-23,648,334.88	-47.07	Due to the impact of timing difference in income tax

3) Items under cash flow statement

Unit: Yuan Currency: RMB

Items	First three quarters of 2020	First three quarters of 2019	Changes (%)	Analysis on changes
Net cash flows from operating activities	-1,094,684,402.74	-909,515,142.10	-20.36	Mainly the increased cash for daily operations attributable to the Company's project development, commencement of clinical trials and scale expansion of sales during the Reporting Period
Net cash flows from investing activities	-446,856,563.02	-705,455,843.73	36.66	Mainly due to the Company's slowdown in cash expenditure for investment attributable to the gradual completion of Lingang Industrialization Project during the Reporting Period
Net cash flows from financing activities	4,458,443,933.50	523,940,445.13	750.94	Mainly the proceeds raised from issue of shares that listed on the STAR Market during the Reporting Period

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

✓ Applicable □ Not applicable

1. The Company convened the twenty-sixth meeting of the second session of the Board of Directors and the twenty-first meeting of the second session of the Board of Supervisors on 28 August 2020, at which the Resolution on the Fulfillment of Exercise Conditions for the First Exercise Period under the 2018 Share Option Incentive Scheme was considered and approved, respectively. The independent non-executive directors of the Company had issued an independent opinion with express

consent to the matter. They were of the opinion that the Company had fulfilled the exercise conditions of share options granted for the first exercise period, and the participants had fulfilled the exercise conditions for the first exercise period, and, therefore, agreed to the handling of the relevant exercise procedures for the first exercise period for the participants.

For the details of the above contents, please refer to the relevant announcements including the Announcement on the Resolutions of the Twenty-sixth Meeting of the Second Session of the Board of Directors (announcement no.: Lin 2020-008), the Announcement on the Resolutions of the Twenty-first Meeting of the Second Session of the Board of Supervisors (announcement no.: Lin 2020-009), the Independent Opinions from the Independent Non-executive Directors on the Relevant Matters of the Twenty-sixth Meeting of the Second Session of the Board of Directors, the Announcement on the Fulfillment of Exercise Conditions for the First Exercise Period under the 2018 Share Option Incentive Scheme (announcement no.: Lin 2020-013), the Legal Opinion on the Relevant Matters of the Exercisable Share Options in the First Exercise Period under the 2018 Share Option Incentive Scheme of Shanghai Junshi Biosciences Co., Ltd.* issued by Beijing Jia Yuan Law Offices disclosed on the website of the Shanghai Stock Exchange (www.sse.com.cn) by the Company on 29 August 2020.

2. The Company convened the twenty-seventh meeting of the second session of the Board of Directors and the twenty-second meeting of the second session of the Board of Supervisors on 29 September 2020, at which, the Resolution on the 2020 Restricted Share Incentive Scheme of the Company (Draft) and its Summary, the Resolution on Administrative Measures of the Implementation of the Assessment for the 2020 Restricted Share Incentive Scheme of the Company and relevant resolutions were considered and approved, respectively. The aforementioned resolutions were submitted to the 2020 third extraordinary general meeting, the 2020 second class meeting of A shareholders and the 2020 second class meeting of H shareholders for consideration and approval. The independent non-executive directors of the Company have expressed their independent opinion on agreeing relevant matters. The Board of Supervisors of the Company has verified the matters in relation to the incentive scheme and issued relevant verification opinions.

For details on the abovementioned matters, please refer to relevant announcements of the Company published on the website of Shanghai Stock Exchange (www.sse.com.cn) on 30 September 2020, including the Announcement on Resolutions of the Twenty-seventh Meeting of the Second Session of the Board of Directors (announcement no.: Lin 2020-019), the Announcement on Resolutions of the Twenty-second Meeting of the Second Session of the Board of Supervisors (announcement no.: Lin 2020-020), the Independent Opinion of the Non-executive Directors on Matters to be Considered at the Twenty-seventh Meeting of the Second Session of the Board of Directors, the Independent Financial Adviser's Report on the 2020 Restricted Share Incentive Scheme (Draft) of Shanghai Junshi Biosciences Co., Ltd.* issued by Shanghai Xingong Yihe Enterprise Management Consulting Co., Ltd., the Legal Opinion on the 2020 Restricted Share Incentive Scheme (Draft) of Shanghai Junshi Biosciences Co., Ltd.* issued by Beijing King & Wood Mallesons Shanghai Branch, the Verification Opinion of the Board of Supervisors on the Company's 2020 Restricted Share Incentive Scheme (Draft), the Announcement on the Summary of the 2020 Restricted Share Incentive Scheme of the Company (Draft) (announcement no.: Lin 2020-027), the 2020 Restricted Share Incentive Scheme of the Company (Draft), the Administrative Measures of the Implementation of the Assessment for the 2020 Restricted Share Incentive Scheme and the List of Participants under the First Grant of the 2020 Restricted Share Incentive Scheme.

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

□ Applicable √ Not applicable

3.4 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 the previous year

√ Applicable □ Not applicable

The Company has been focusing on the discovery, development, production and commercialization of innovative therapies since its establishment. As of the end of the Reporting Period, through self-development and co-development, the Company has established a diversified product pipeline comprising 26 innovative drugs and two biosimilars, covering five major therapeutic areas. The Company's first product, Toripalimab injection, has officially achieved commercial sales since February 2019. With the continuous expansion and advancement of the Company's various businesses, research and development expenses and other expenses have not yet been covered by the sales revenue of a single product in the short term. It is expected that the Company will still lose money from the beginning of the year to the end of the next reporting period.

Company name	Shanghai Junshi Biosciences Co., Ltd.*
Legal representative	Xiong Jun
Date	30 October 2020

IV. APPENDIX

4.1 Financial statement

CONSOLIDATED BALANCE SHEET

30 September 2020

Prepared by: Shanghai Junshi Biosciences Co., Ltd.*

Unit: Yuan Currency: RMB Audit type: Unaudited

Items	30 September 2020	31 December 2019
Current assets:		
Cash and bank balances	4,117,643,788.13	1,220,853,588.61
Held-for-trading financial assets	16,999.66	16,696.16
Notes receivable	36,435,408.47	-
Accounts receivable	402,428,059.98	163,210,266.97
Prepayments	269,644,206.29	297,742,486.41
Other receivables	78,389,615.72	9,696,696.56
Inventories	329,002,358.81	180,665,713.58
Other current assets	19,125,886.18	38,930,814.57
Total current assets	5,252,686,323.24	1,911,116,262.86
Non-current assets:		
Long-term equity investments	67,352,813.46	72,245,777.05
Other equity instruments investments	10,000,000.00	
Other non-current financial assets	93,416,000.00	69,345,791.00
Fixed assets	1,754,729,279.81	328,439,508.15
Construction in progress	323,986,188.42	1,479,708,403.83
Right-of-use-assets	71,960,052.27	42,889,418.14
Intangible assets	139,184,586.60	142,919,408.69
Long-term prepaid expenses	18,421,020.94	9,233,800.43
Deferred tax assets	33,106,428.47	20,589,695.03
Other non-current assets	368,570,414.45	335,466,543.89
Total non-current assets	2,880,726,784.42	2,500,838,346.21
Total assets	8,133,413,107.66	4,411,954,609.07
Current liabilities:		
Short-term borrowings	1,161,111.22	76,891,463.18
Notes payable	20,000,000.00	
Accounts payable	535,591,779.85	326,687,244.94
Contract liabilities	4,068,000.00	
Employee benefits payable	138,064,633.29	113,311,444.82
Taxes payable	16,850,428.93	10,408,676.82
Other payables	97,396,272.71	37,080,689.59
Non-current liabilities due within one year	103,614,758.09	13,845,551.04

Total current liabilities	916,746,984.09	578,225,070.39
Non-current liabilities:		
Long-term borrowings	720,000,000.00	744,896,108.25
Lease liabilities	51,316,783.42	27,332,442.01
Deferred income	66,625,767.33	56,319,908.27
Other non-current liabilities	22,813,036.01	27,151,229.26
Total non-current liabilities	860,755,586.76	855,699,687.79
Total liabilities	1,777,502,570.85	1,433,924,758.18
Owners' equity:		
Share capital	871,276,500.00	784,146,500.00
Capital reserve	8,595,515,788.14	4,180,418,778.52
Other comprehensive income	3,855,128.15	12,535,946.17
Retained earnings	-3,114,733,458.43	-1,999,068,441.43
Total owners' equity attributable to equity holders of the Company	6,355,913,957.86	2,978,032,783.26
Minority interests	-3,421.05	-2,932.37
Total owners' equity	6,355,910,536.81	2,978,029,850.89
Total liabilities and owners' equity	8,133,413,107.66	4,411,954,609.07

Legal Representative: Xiong Jun Chief Financial Officer: Yuan Lu Head of Accounting Department: Tang Yan

PARENT COMPANY'S BALANCE SHEET

30 September 2020

Prepared by: Shanghai Junshi Biosciences Co., Ltd.*

Unit: Yuan Currency: RMB Audit type: Unaudited

Items	30 September 2020	31 December 2019
Current assets:		
Cash and bank balances	3,961,576,724.70	944,648,339.21
Notes receivable	20,020,900.00	
Accounts receivable	369,016,746.86	126,294,761.49
Prepayments	201,725,703.69	187,438,541.76
Other receivables	677,382,982.62	147,604,973.74
Inventories	44,174,064.49	26,513,886.92
Other current assets	14,877,026.66	36,675,081.64
Total current assets	5,288,774,149.02	1,469,175,584.76
Non-current assets:		

Long-term equity investments	1,858,072,523.28	1,861,731,189.42
Other non-current financial assets	93,416,000.00	69,345,791.00
Fixed assets	65,988,762.18	30,500,743.10
Construction in progress	7,492,548.37	
Right-of-use-assets	48,713,651.40	36,558,357.17
Intangible assets	4,757,419.70	4,426,574.70
Long-term prepaid expenses	11,296,452.38	7,144,657.94
Other non-current assets	141,935,906.89	134,002,577.67
Total non-current assets	2,231,673,264.20	2,143,709,891.00
Total assets	7,520,447,413.22	3,612,885,475.76
Current liabilities:		
Short-term borrowings		75,702,215.81
Notes payable	20,000,000.00	
Accounts payable	821,413,714.60	475,410,038.03
Employee benefits payable	96,405,571.81	76,620,608.88
Taxes payable	11,789,466.24	5,436,641.87
Other payables	85,446,136.08	116,832,812.60
Non-current liabilities due within one year	18,865,034.84	10,477,673.35
Total current liabilities	1,053,919,923.57	760,479,990.54
Non-current liabilities:		
Lease liabilities	34,002,093.12	25,986,964.09
Deferred income	30,560,586.75	21,218,086.75
Other non-current liabilities	22,813,036.01	27,151,229.26
Total non-current liabilities	87,375,715.88	74,356,280.10
Total liabilities	1,141,295,639.45	834,836,270.64
Owners' equity:		
Share capital	871,276,500.00	784,146,500.00
Capital reserve	8,583,010,022.19	4,167,913,012.57
Retained earnings	-3,075,134,748.42	-2,174,010,307.45
Total owners' equity	6,379,151,773.77	2,778,049,205.12
Total liabilities and owners' equity	7,520,447,413.22	3,612,885,475.76

Legal Representative: Xiong Jun Chief Financial Officer: Yuan Lu Head of Accounting Department: Tang Yan

CONSOLIDATED INCOME STATEMENT

January to September 2020

Prepared by: Shanghai Junshi Biosciences Co., Ltd.*

Unit: Yuan Currency: RMB Audit type: Unaudited

Items	Third quarter of 2020 (July to September)	Third quarter of 2019 (July to September)	First three quarters of 2020 (January to September)	First three quarters of 2019 (January to September)
1. Total operating income	435,995,753.77	217,813,796.92	1,010,928,016.06	527,119,788.00
Including: Operating income	435,995,753.77	217,813,796.92	1,010,928,016.06	527,119,788.00
2. Total operating costs	955,807,682.27	371,501,477.46	2,134,265,536.78	1,017,866,511.96
Including: Operating costs	118,218,073.33	22,176,323.80	208,713,827.52	62,755,219.90
Taxes and surcharges	2,391,486.38	1,826,125.38	4,872,434.71	5,194,691.32
Selling and distribution expenses	189,315,386.27	103,758,216.89	417,485,839.22	214,445,270.28
Administrative expenses	133,017,325.24	55,276,743.22	276,805,181.35	146,682,080.50
Research and development expenses	501,133,906.46	244,904,217.11	1,210,046,361.83	613,641,301.34
Financial expenses	11,731,504.59	-56,440,148.94	16,341,892.15	-24,852,051.38
Including: Interest expenses	9,794,628.74	1,725,410.37	18,758,681.30	5,795,017.61
Interest income	3,667,484.74	14,321,922.08	9,823,050.18	25,561,541.84
Add: Other income	10,426,320.40	19,726,535.64	14,102,759.84	20,282,649.93
Investment income (Loss is indicated by “-”)	-1,872,889.68	-3,344,343.77	-7,339,887.61	-2,866,854.77
Including: Income from investments in associates and joint ventures	-1,872,889.68	-3,405,992.32	-4,892,963.61	-3,566,212.55
Income from changes in fair value (Loss is indicated by “-”)	104.89	-992,686.23	26,623,824.50	23,426,906.76
Impairment loss of credit (Loss is indicated by “-”)	-185,311.00	-407,273.55	-229,868.75	342,526.62
Impairment loss of assets (Loss is indicated by “-”)	-872,360.13		-2,442,057.58	
Income from disposal of assets (Loss is indicated by “-”)				
3. Operating profit (Loss is	-512,316,064.02	-138,705,448.45	-1,092,622,750.32	-449,561,495.42

indicated by "-")				
Add: Non-operating income	1,839,630.57	5,213.82	2,242,064.65	156,713.89
Less: Non-operating expenses	16,556,872.62	10,620,290.67	37,801,553.45	20,050,984.72
4. Total profit (Total loss is indicated by "-")	-527,033,306.07	-149,320,525.30	-1,128,182,239.12	-469,455,766.25
Less: Income tax expenses	-10,901,023.23	5,240,655.08	-12,516,733.44	-23,648,334.88
5. Net profit (Net loss is indicated by "-")	-516,132,282.84	-154,561,180.38	-1,115,665,505.68	-445,807,431.37
(I) Categorized by the nature of continuing operation				
1. Net profit from continuing operations (Net loss is indicated by "-")	-516,132,282.84	-154,561,180.38	-1,115,665,505.68	-445,807,431.37
(II) Categorized by ownership				
1. Net profit attributable to the owners of the Company (Net loss is indicated by "-")	-516,132,283.45	-154,572,515.42	-1,115,665,017.00	-445,508,268.13
2. Profit or loss attributable to minority interests (Net loss is indicated by "-")	0.61	11,335.04	-488.68	-299,163.24
6. Other comprehensive income, net of tax	-13,307,160.03	4,709,269.67	-8,680,818.02	4,861,268.22
(I) Other comprehensive income attributable to the owners of the Company, net of tax	-13,307,160.03	4,709,269.67	-8,680,818.02	4,861,268.22
1. Other comprehensive income that cannot be subsequently reclassified to profit or loss				
2. Other comprehensive income that will be reclassified to profit or loss	-13,307,160.03	4,709,269.67	-8,680,818.02	4,861,268.22

(1) Other comprehensive income that will be transferred to profit or loss under the equity method				
(2) Changes in fair value of other debt investments				
(3) Amount of financial assets that are reclassified to other comprehensive income				
(4) Impairment provision for credit of other debt investments				
(5) Cash flow hedge reserves				
(6) Translation differences of financial statements denominated in foreign currencies	-13,307,160.03	4,709,269.67	-8,680,818.02	4,861,268.22
(7) Others				
(II) Other comprehensive income attributable to minority interests, net of tax				
7. Total comprehensive income	-529,439,442.87	-149,851,910.71	-1,124,346,323.70	-440,946,163.15
(I) Total comprehensive income attributable to owners of the Company	-529,439,443.48	-149,863,245.75	-1,124,345,835.02	-440,646,999.91
(II) Total comprehensive income attributable to minority interests	0.61	11,335.04	-488.68	-299,163.24
8. Earnings per share:				
(I) Basic earnings per share (yuan/share)	-0.63	-0.20	-1.39	-0.57
(II) Diluted earnings per share (yuan/share)	-0.63	-0.20	-1.39	-0.57

For the business combination under common control occurs during the current period, net profit of the acquire realized before business combination was nil. Net profit of the acquiree realized during the last period was nil.

Legal Representative: Xiong Jun Chief Financial Officer: Yuan Lu Head of Accounting Department: Tang Yan

PARENT COMPANY'S INCOME STATEMENT

January to September 2020

Prepared by: Shanghai Junshi Biosciences Co., Ltd.*

Unit: Yuan Currency: RMB Audit type: Unaudited

Items	Third quarter of 2020 (July to September)	Third quarter of 2019 (July to September)	First three quarters of 2020 (January to September)	First three quarters of 2019 (January to September)
1. Operating income	411,357,023.41	206,909,790.38	977,926,322.91	396,294,043.18
Less: Operating costs	141,294,359.18	91,451,724.87	296,197,344.83	185,610,663.04
Taxes and surcharges	1,304,127.99	2,280.00	1,580,038.43	149,007.40
Selling and distribution expenses	164,156,358.45	56,967,236.00	347,749,256.25	77,014,362.31
Administrative expenses	60,468,226.81	28,619,148.61	150,715,168.43	90,226,047.02
Research and development expenses	384,640,270.47	346,822,242.81	980,981,723.91	606,316,261.42
Finance expenses	1,249,169.55	-56,446,558.36	-91,837.92	-24,217,530.75
Including: Interest expenses	583,560.40	1,725,410.36	3,209,732.78	5,795,017.60
Interest income	3,520,021.33	14,106,073.93	9,037,551.54	24,595,073.70
Add: Other income	10,000,000.00	17,272,699.21	12,989,963.72	17,290,020.58
Investment income (Loss is indicated by "-")	-1,902,848.87	-457,749.72	-7,256,024.63	117,193.04
Including: Income from investments in associates and joint ventures	-1,902,848.87	-457,749.72	-4,809,100.63	-458,101.48
Income from changes in fair value (Loss is indicated by "-")		-992,800.00	26,623,521.00	23,426,696.43
Impairment loss of credit (Loss is indicated by "-")	-207,718.02	549,196.28	-611,218.46	458,859.14
Impairment loss of assets (Loss is indicated by	-70,147,142.59	-36,280,858.45	-88,094,082.33	-138,315,556.15

“-”)				
Income from disposal of assets (Loss is indicated by “-”)				
2. Operating profit (Loss is indicated by “-”)	-404,013,198.52	-280,415,796.23	-855,553,211.72	-635,827,554.22
Add: Non-operating income		4,171.25	7,596.13	9,671.25
Less: Non-operating expenses	18,067,220.10	10,952,275.20	45,578,825.38	16,310,395.18
3. Total profit (Total loss is indicated by “-”)	-422,080,418.62	-291,363,900.18	-901,124,440.97	-652,128,278.15
Less: Income tax expenses				
4. Net profit (Net loss is indicated by “-”)	-422,080,418.62	-291,363,900.18	-901,124,440.97	-652,128,278.15
(1) Net profit from continuing operations (Net loss is indicated by “-”)	-422,080,418.62	-291,363,900.18	-901,124,440.97	-652,128,278.15
5. Other comprehensive income, net of tax				
6. Total comprehensive income	-422,080,418.62	-291,363,900.18	-901,124,440.97	-652,128,278.15
7. Earnings per share:				
(I) Basic earnings per share (yuan/share)				
(II) Diluted earnings per share (yuan/share)				

Legal Representative: Xiong Jun Chief Financial Officer: Yuan Lu Head of Accounting Department: Tang Yan

CONSOLIDATED STATEMENT OF CASH FLOWS

January to September 2020

Prepared by: Shanghai Junshi Biosciences Co., Ltd.*

Unit: Yuan Currency: RMB Audit type: Unaudited

Items	First three quarters of 2020 (January to September)	First three quarters of 2019 (January to September)
1. Cash flows from operating activities:		
Cash receipts from the sale of goods and the rendering of services	825,237,852.23	467,528,524.23
Receipts of tax refunds	60,186,286.64	
Other cash receipts relating to operating activities	29,171,227.89	63,208,432.51
Sub-total of cash inflows from operating activities	914,595,366.76	530,736,956.74
Cash payments for goods purchased and services received	1,366,017,982.22	1,088,066,851.47
Cash payments to and on behalf of employees	496,233,638.54	247,533,790.96
Payments of various types of taxes	17,553,625.86	29,523,031.39
Other cash payments relating to operating activities	129,474,522.88	75,128,425.02
Sub-total of cash outflows from operating activities	2,009,279,769.50	1,440,252,098.84
Net cash flows from operating activities	-1,094,684,402.74	-909,515,142.10
II. Cash flow from investing activities:		
Cash receipts from disposals and recovery of investments	106,388.00	71,500,000.00
Cash receipts from investment income		699,357.78
Other cash receipts relating to investing activities	9,823,050.18	25,561,541.84
Sub-total of cash inflows from investing activities	9,929,438.18	97,760,899.62
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets	374,155,040.64	656,122,930.70
Cash payments to acquire investments	10,000,000.00	139,746,000.00
Other cash payments relating to investing activities	72,630,960.56	7,347,812.65
Sub-total of cash outflows from investing activities	456,786,001.20	803,216,743.35
Net cash flows from investing	-446,856,563.02	-705,455,843.73

activities		
III. Cash flows from financing activities:		
Cash receipts from investors	4,526,365,587.50	391,691,655.50
Cash receipts from borrowings	354,238,589.36	1,511,061,740.95
Other cash receipts relating to financing activities	19,245,833.33	
Sub-total of cash inflows from financing activities	4,899,850,010.19	1,902,753,396.45
Cash repayments of borrowings	374,749,734.75	1,303,345,869.62
Cash payments for distribution of dividends, or profits or settlement of interest expenses	34,067,181.79	48,669,383.69
Other cash payments relating to financing activities	32,589,160.15	26,797,698.01
Sub-total of cash outflows from financing activities	441,406,076.69	1,378,812,951.32
Net cash flows from financing activities	4,458,443,933.50	523,940,445.13
IV. Effect of foreign exchange rate changes on cash and cash equivalents	-13,285,059.54	1,809,917.72
V. Net increase in cash and cash equivalents	2,903,617,908.20	-1,089,220,622.98
Add: Balance of cash and cash equivalents at the beginning of the period	1,214,025,879.93	2,763,570,176.83
VI. Balance of cash and cash equivalents at the end of the period	4,117,643,788.13	1,674,349,553.85

Legal Representative: Xiong Jun Chief Financial Officer: Yuan Lu Head of Accounting Department: Tang Yan

STATEMENT OF CASH FLOWS OF THE PARENT COMPANY

January to September 2020

Prepared by: Shanghai Junshi Biosciences Co., Ltd.*

Unit: Yuan Currency: RMB Audit type: Unaudited

Items	First three quarters of 2020 (January to September)	First three quarters of 2019 (January to September)
I. Cash flows from operating activities:		
Cash receipts from the sale of goods and the rendering of services	737,327,683.32	151,855,692.74
Receipts of tax refunds		
Other cash receipts relating to operating activities	22,814,943.32	338,107,935.20
Sub-total of cash inflows from	760,142,626.64	489,963,627.94

operating activities		
Cash payments for goods purchased and services received	1,127,672,278.82	880,221,124.98
Cash payments to and on behalf of employees	351,793,691.96	165,662,993.59
Payments of various types of taxes	824,028.37	1,033,677.60
Other cash payments relating to operating activities	447,709,605.89	78,259,086.16
Sub-total of cash outflows from operating activities	1,927,999,605.04	1,125,176,882.33
Net cash flows from operating activities	-1,167,856,978.40	-635,213,254.39
II. Cash flow from investing activities:		
Cash receipts from disposals and recovery of investments	106,388.00	65,000,000.00
Cash receipts from investment income		575,294.52
Other cash receipts relating to investing activities	9,037,551.54	34,543,456.50
Sub-total of cash inflows from investing activities	9,143,939.54	100,118,751.02
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets	67,879,829.34	50,515,672.12
Cash payments to acquire investments	94,095,960.00	712,246,000.00
Other cash payments relating to investing activities	72,425,383.46	
Sub-total of cash outflows from investing activities	234,401,172.80	762,761,672.12
Net cash flows from investing activities	-225,257,233.26	-662,642,921.10
III. Cash flows from financing activities:		
Cash receipts from investors	4,526,365,587.50	391,691,655.50
Cash receipts from borrowings	299,134,697.61	400,028,667.44
Other cash receipts relating to financing activities	-	-
Sub-total of cash inflows from financing activities	4,825,500,285.11	791,720,322.94
Cash repayments of borrowings	374,749,734.75	654,005,500.47
Cash payments for distribution of dividends, or profits or settlement of interest expenses	3,296,911.45	38,038,488.85
Other cash payments relating to financing activities	27,238,101.74	23,990,257.43
Sub-total of cash outflows from	405,284,747.94	716,034,246.75

financing activities		
Net cash flows from financing activities	4,420,215,537.17	75,686,076.19
IV. Effect of foreign exchange rate changes on cash and cash equivalents	-10,172,940.02	-
V. Net increase in cash and cash equivalents	3,016,928,385.49	-1,222,170,099.30
Add: Balance of cash and cash equivalents at the beginning of the period	944,648,339.21	2,630,582,406.18
VI. Balance of cash and cash equivalents at the end of the period	3,961,576,724.70	1,408,412,306.88

Legal Representative: Xiong Jun Chief Financial Officer: Yuan Lu Head of Accounting Department: Tang Yan

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

□ Applicable ✓ Not applicable

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

□ Applicable ✓ Not applicable

4.4 Audit report

□ Applicable ✓ Not applicable