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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.* 2022 First 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 set out 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, and is prepared pursuant to the requirements of the STAR Market of the Shanghai Stock Exchange only. The following is a translation of the 2022 First Quarterly Report of the Company solely for the purpose of providing information. Should there be any discrepancies, the Chinese version will prevail.

Shareholders and potential investors are advised to exercise caution when dealing in securities of the Company.

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

Shanghai, the PRC, 29 April 2022

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, Dr. Yao Sheng and Mr. Li Cong as executive directors; Dr. Wu Hai, Mr. Tang Yi and Mr. Lin Lijun as non-executive directors; and Dr. Chen Lieping, Dr. Roy Steven Herbst, Mr. Qian Zhi, Mr. Zhang Chun and Dr. Feng Xiaoyuan as independent non-executive directors.

* *For identification purposes only*

Stock code: 688180

Abbreviation: Junshi Bio

Shanghai Junshi Biosciences Co., Ltd.*

2022 First Quarterly Report

The board of directors and all directors of the Company warrant that the contents of the announcement do not contain any false and misleading representation or material omission, and shall undertake legal liabilities in accordance with the law for the truthfulness, accuracy and completeness of the contents herein.

IMPORTANT NOTICE

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 several and joint liabilities in respect of the information in this report.

The person in charge of the Company, the person in charge of accounting affairs, and the 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.

Whether the financial statements contained in this first quarterly report have been audited

Yes No

I. Key financial data

(I) Key accounting data and financial indicators

Unit: Yuan Currency: RMB

Item	During the reporting period	Changes year-on-year (%)
Operating income	629,519,132.31	-61.02
Net loss attributable to shareholders of the Company	-396,395,486.59	-205.06

Net loss attributable to the shareholders of the Company after deducting non-recurring profit and loss		-429,583,325.21	-218.99
Net cash flows from operating activities		570,432,127.10	42.75
Basic earnings per share (yuan/share)		-0.44	-202.33
Diluted earnings per share (yuan/share)		-0.44	-202.33
Weighted average return on net assets (%)		-5.10	Decreased by 11.34 percentage points
Total research and development investment		510,912,040.65	13.37
Research and development investment as a percentage of operating income (%)		81.16	Increased by 53.26 percentage points
	As at the end of the reporting period	As at the end of the previous year	Increase/decrease at the end of the reporting period compared with the end of the previous year (%)
Total assets	10,953,222,268.79	11,034,911,100.95	-0.74
Owner's equity attributable to the shareholders of the Company	7,784,981,537.42	7,945,095,398.41	-2.02

Note: Operating income in the first quarter of 2022 represents the overseas licensing income of anti-TIGIT monoclonal antibody (project code: TAB006/JS006), overseas royalty income of etesevimab (JS016/LY-CoV016) and sales revenue of Toripalimab Injection (trade name: 拓益® (TUOYI®), product code: JS001). Among which, following the implementation of the new prices in the 2021 National Reimbursement Drug List, the sales revenue of TUOYI® in the first quarter of 2022 was RMB 110 million, showing a significant growth as compared with the same

period of last year and the last quarter. The sales activities of TUOYI® in the domestic market has gradually emerged from the trough and returned back to normal.

(II) Non-recurring gains and losses items and amounts

Unit: Yuan Currency: RMB

Items	Amount for the reporting period
Gains or losses from the disposal of non-current assets	28,843,553.76
Government grants that are recognized in 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 continuously enjoyed at fixed amount or quantity in accordance with certain standards	6,093,254.27
Other non-operating income and expenses apart from the aforesaid items	-1,869,481.84
Less: Effect of income tax	-56,790.32
Effect of minority interests (after tax)	-63,722.11
Total	33,187,838.62

Description on defining the non-recurring gains or losses items set out in the “Explanatory Announcement No. 1 for Information Disclosure for Companies Publicly Issuing Securities –Non-recurring Gains or Losses”*(《公開發行證券的公司信息披露解釋性公告第1號——非經常性損益》) as recurring gains or losses items

Applicable Not applicable

(III) Descriptions and reasons for changes in major accounting data and financial indicators

Applicable Not applicable

Items	Changes (%)	Major reasons
Operating income	-61.02	Mainly due to the inability of the increase in the sales revenue of drugs to offset the impact of the decrease in licensing income compared with the same period of the previous year.

Net loss attributable to shareholders of the Company	-205.06	Mainly due to the decrease in the licensing income compared with the same period of the previous year, which results in an increase in loss.
Net loss attributable to the shareholders of the Company after deducting non-recurring profit and loss	-218.99	Mainly due to the decrease in the licensing income compared with the same period of the previous year, which results in an increase in loss.
Net cash flows from operating activities	42.75	Mainly due to the large amount of licensing and royalty receivable received in the current period.
Basic earnings per share (yuan/share)	-202.33	Mainly due to the decrease in the licensing income compared with the same period of the previous year, which results in an increase in loss.
Diluted earnings per share (yuan/share)	-202.33	Mainly due to the decrease in the licensing income compared with the same period of the previous year, which results in an increase in loss.
Research and development investment as a percentage of operating income (%)	Increased by 53.26 percentage points	Mainly due to the decline in operating income compared with the same period of the previous year.

II. Shareholder Information

(I) Particulars of total number of ordinary shareholders and preference shareholders with voting rights restored and shareholding of top ten shareholders

Unit: Share

Total number of ordinary shareholders as at the end of the reporting period	33,735	Total number of preference shareholders with voting rights restored as at the end of the reporting period, if any	Not applicable
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Particulars of shareholding of the top ten shareholders							
Name of shareholder	Nature of shareholder	Number of shares held	Share holding percentage (%)	Number of shares held subject to trading restrictions	Number of restricted shares including lending shares for securities financing	Shares pledged, marked or frozen	
						Status of shares	Number of shares
HKSCC NOMINEES LIMITED	Unknown	219,291,230	24.08	0	0	Unknown	-
Xiong Jun	Domestic natural person	87,754,018	9.64	87,252,968	87,252,968	Nil	0
Shanghai Tanying Investment Partnership (LP)* (上海檀英投資合夥企業(有限合夥))	Other	76,590,000	8.41	0	0	Nil	0
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))	Other	43,584,000	4.79	43,584,000	43,584,000	Nil	0
Xiong Fengxiang	Domestic natural person	41,060,000	4.51	41,060,000	41,060,000	Nil	0

Zhou Yuqing	Domestic natural person	21,680,800	2.38	21,680,800	21,680,800	Nil	0
Wang Zhenhua	Domestic natural person	16,500,000	1.81	0	0	Pledged	4,200,000
Feng Hui	Domestic natural person	13,140,000	1.44	13,140,000	13,140,000	Nil	0
Zhang Jun	Domestic natural person	12,300,000	1.35	0	0	Nil	0
China Merchants Bank Co., Ltd. - Huaxia SSE STAR Market 50 Constituent Trading Open-end Index Securities Investment Fund* (招商銀行股份有限公司—華夏上證科創板 50 成份交易型開放式指數證券投資基金)	Other	10,136,033	1.11	0	0	Nil	0

Particulars of shareholdings of the top ten Shareholders not subject to trading restrictions

Name of Shareholder	Number of tradable shares held not subject to trading restrictions	Type and number of shares	
		Type of shares	Number of shares
HKSCC NOMINEES LIMITED	219,291,230	Overseas listed foreign shares	219,291,230
Shanghai Tanying Investment Partnership (LP)* (上海檀英投資合夥企業(有限合夥))	76,590,000	RMB ordinary shares	76,590,000

Wang Zhenhua	16,500,000	RMB ordinary shares	16,500,000
Zhang Jun	12,300,000	RMB ordinary shares	12,300,000
China Merchants Bank Co., Ltd. - Huaxia SSE STAR Market 50 Constituent Trading Open-end Index Securities Investment Fund* (招商銀行股份有限公司—華夏上證科創板 50 成份交易型開放式指數證券投資基金)	10,136,033	RMB ordinary shares	10,136,033
Huang Fei	9,450,036	RMB ordinary shares	9,450,036
Shi Wen	9,354,118	RMB ordinary shares	9,354,118
Hong Kong Securities Clearing Company Ltd.*(香港中央結算有限公司)	7,880,924	RMB ordinary shares	7,880,924
Wang Shujun	7,088,196	RMB ordinary shares	7,088,196
Du Yali	5,882,000	RMB ordinary shares	5,882,000
Description of the related party relationship or acting-in-concert arrangement among the above shareholders	<p>Among the above shareholders, Xiong Fengxiang and Xiong Jun have a father-son relationship and are the controlling shareholders and actual controllers of the Company. Xiong Jun, Xiong Fengxiang are acting in concert with 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)) (“Ruiyuan Shengben”) and Zhou Yuqing. Xiong Jun holds 40% of the equity interest in Shenzhen Qianhai Yuanben Equity Investment Fund Management Co., Ltd.* (深圳前海源本股權投資基金管理有限公司), being Ruiyuan Shengben’s managing partner. Ruiyuan Shengben is held as to 5.1% and 1.39% by Zhou Yuqing and Huang Fei, respectively. Zhang Jun and Huang Fei have a spousal relationship.</p> <p>Other than the above description, the Company is not aware whether the other shareholders have related party relationship or whether the other shareholders are acting-in-concert parties under relevant regulations.</p>		

Description on the top ten shareholders and the top ten shareholders not subject to trading restrictions engaging in margin trading and securities financing, if any	Among the above shareholders, Zhang Jun holds 8,300,000 shares of the Company through ordinary securities account and 4,000,000 shares through margin account, with a total of 12,300,000 shares of the Company. Huang Fei holds 4,200,036 shares of the Company through ordinary securities account and 5,250,000 shares through margin account, with a total of 9,450,036 shares of the Company. Shi Wen holds 1,889,106 shares of the Company through ordinary securities account and 7,465,012 shares through margin account, with a total of 9,354,118 shares of the Company.
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Note 1: As at the end of the reporting period, among all the ordinary shareholders, there are 33,727 holders of A shares and 8 holders of H shares, totaling 33,735 shareholders;

Note 2: HKSCC NOMINEES LIMITED holds shares on behalf of various customers.

III. Other Significant Information

Other significant information about the operational results of the Company during the reporting period that requires investors' attention

Applicable Not applicable

IV. QUARTERLY FINANCIAL STATEMENTS

(I) Types of audit opinion

Applicable Not applicable

(II) Financial statement

CONSOLIDATED BALANCE SHEET

31 March 2022

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

Unit: Yuan Currency: RMB Audit type: Unaudited

Items	31 March 2022	31 December 2021
Current assets:		
Cash and bank balances	4,259,927,063.42	3,506,637,890.39
Notes receivable	-	7,690,139.10
Accounts receivable	352,440,767.40	1,293,122,136.21

Prepayments	411,156,459.36	389,753,382.63
Other receivables	52,084,460.88	28,053,132.85
Including: Interests receivable	-	-
Dividends receivable	-	-
Inventories	509,224,927.05	484,601,367.48
Non-current assets due within one year	2,321,391.02	1,532,929.35
Other current assets	143,918,265.83	133,500,475.11
Total current assets	5,731,073,334.96	5,844,891,453.12
Non-current assets:		
Long-term equity investments	502,348,197.82	457,791,434.27
Other equity instruments investments	204,231,529.44	253,575,159.55
Other non-current financial assets	782,016,568.25	773,532,521.25
Fixed assets	1,839,088,568.36	1,882,275,784.87
Construction in progress	888,106,661.80	801,933,713.18
Right-of-use-assets	123,804,168.15	117,253,858.99
Intangible assets	323,188,216.94	264,979,896.47
Long-term prepaid expenses	26,647,468.19	27,792,436.42
Deferred tax assets	88,549,730.70	88,549,730.70
Other non-current assets	444,167,824.18	522,335,112.13
Total non-current assets	5,222,148,933.83	5,190,019,647.83
Total assets	10,953,222,268.79	11,034,911,100.95
Current liabilities:		
Notes payable	466,042.42	466,042.42
Accounts payable	1,634,650,296.37	1,584,702,519.58
Contract liabilities	29,485,541.70	45,796,586.82
Employee benefits payable	141,652,201.04	213,776,616.22
Taxes payable	50,974,707.54	76,076,252.32
Other payables	33,609,783.67	30,704,212.73
Including: Interests payable	-	-
Dividends payable	-	-
Non-current liabilities due within one year	61,511,533.17	45,067,562.07
Other current liabilities	869,191.06	4,863,465.79
Total current liabilities	1,953,219,296.97	2,001,453,257.95
Non-current liabilities:		

Long-term borrowings	475,000,000.00	490,000,000.00
Lease liabilities	93,852,314.08	93,126,619.21
Deferred income	119,492,725.71	122,458,529.87
Other non-current liabilities	10,064,935.05	11,498,407.24
Total non-current liabilities	698,409,974.84	717,083,556.32
Total liabilities	2,651,629,271.81	2,718,536,814.27
Owners' equity (or shareholders' equity):		
Paid-in capital (or share capital)	910,756,700.00	910,756,700.00
Capital reserve	11,709,577,703.62	11,422,714,543.28
Other comprehensive income	-50,372,359.45	209,175.29
Retained earnings	-4,784,980,506.75	-4,388,585,020.16
Total owners' equity (or shareholders' equity) attributable to equity holders of the Company	7,784,981,537.42	7,945,095,398.41
Minority interests	516,611,459.56	371,278,888.27
Total owners' equity (or shareholders' equity)	8,301,592,996.98	8,316,374,286.68
Total liabilities and owners' equity (or shareholders' equity)	10,953,222,268.79	11,034,911,100.95

Legal Representative: Xiong Jun Chief Financial Officer: Xu Baohong Head of Accounting Department: Cai Jingwu

CONSOLIDATED INCOME STATEMENT

January to March 2022

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

Unit: Yuan Currency: RMB Audit type: Unaudited

Items	First quarter of 2022	First quarter of 2021
I. Total operating income	629,519,132.31	1,615,115,584.67
Including: Operating income	629,519,132.31	1,615,115,584.67
II. Total operating costs	1,012,253,166.19	1,154,773,625.99
Including: Operating costs	164,675,103.97	280,491,327.58
Taxes and surcharges	3,672,278.23	763,687.99
Selling and distribution expenses	160,631,577.16	268,419,849.01
Administrative expenses	178,838,983.91	164,844,271.34
Research and development expenses	510,912,040.65	450,649,443.76

Financial expenses	-6,476,817.73	-10,394,953.69
Including: Interest expenses	4,836,541.67	10,101,666.57
Interest income	8,014,475.71	10,265,630.74
Add: Other income	6,093,254.27	22,477,472.48
Investment income (Loss is indicated by “-”)	1,556,763.55	-12,177,733.64
Including: Income from investments in associates and joint ventures	-27,290,151.95	-12,177,733.64
Income from changes in fair value (Loss is indicated by “-”)	-	97.26
Impairment loss of credit (Loss is indicated by “-”)	-25,140.97	716,971.85
Impairment loss of assets (Loss is indicated by “-”)	-2,804,902.88	-4,100,212.87
Income from disposal of assets (Loss is indicated by “-”)	-	126,721.53
III. Operating profit (Loss is indicated by “-”)	-377,914,059.91	467,385,275.29
Add: Non-operating income	7,282.60	718,015.31
Less: Non-operating expenses	1,880,126.18	6,787,114.21
IV. Total profit (Total loss is indicated by “-”)	-379,786,903.49	461,316,176.39
Less: Income tax expenses	41,401,697.10	83,995,189.81
V. Net profit (Net loss is indicated by “-”)	-421,188,600.59	377,320,986.58
(I) Categorized by the nature of continuing operation		
1. Net profit from continuing operations (Net loss is indicated by “-”)	-421,188,600.59	377,320,986.58
2. Net profit from discontinued operations (Net loss is indicated by “-”)	-	-
(II) Categorized by ownership		
1. Net profit attributable to the owners of the Company (Net loss is indicated by “-”)	-396,395,486.59	377,321,280.11
2. Profit or loss attributable to minority interests (Net loss is indicated by “-”)	-24,793,114.00	-293.53
VI. Other comprehensive income, net of tax	-50,581,534.74	2,101,658.95
(I) Other comprehensive income attributable to the owners of the Company, net of tax	-50,581,534.74	2,101,658.95
1. Other comprehensive income that cannot be subsequently reclassified to profit or loss	-49,343,630.11	-

(1) Changes of the re-measurement in defined benefit plans	-	-
(2) Other comprehensive income that cannot be subsequently reclassified to profit or loss under the equity method	-	-
(3) Changes in fair value of other equity instruments investments	-49,343,630.11	-
(4) Changes in fair value of the enterprise's own credit risk	-	-
2. Other comprehensive income that will be reclassified to profit or loss	-1,237,904.63	2,101,658.95
(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	-1,237,904.63	2,101,658.95
(II) Other comprehensive income attributable to minority interests, net of tax	-	-
VII. Total comprehensive income	-471,770,135.33	379,422,645.53
(I) Total comprehensive income attributable to owners of the Company	-446,977,021.33	379,422,939.06
(II) Total comprehensive income attributable to minority interests	-24,793,114.00	-293.53
VIII. Earnings per share:		
(I) Basic earnings per share (yuan/share)	-0.44	0.43
(II) Diluted earnings per share (yuan/share)	-0.44	0.43

In respect of the merger of entities under common control that occurred during the current period, net profit of the entity being merged realized before the merger was nil. Net profit of the entity being merged realized during the previous period was nil.

Legal Representative: Xiong Jun Chief Financial Officer: Xu Baohong Head of Accounting Department: Cai Jingwu

CONSOLIDATED STATEMENT OF CASH FLOWS

January to March 2022

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

Unit: Yuan Currency: RMB Audit type: Unaudited

Items	First quarter of 2022	First quarter of 2021
I. Cash flows from operating activities:		
Cash received from the sale of goods and the rendering of services	1,469,497,554.55	1,470,641,874.82
Tax refunds received	71,413,668.93	59,950,526.63
Other cash received from operating activities	3,134,732.71	42,205,846.20
Sub-total of cash inflows from operating activities	1,544,045,956.19	1,572,798,247.65
Cash payments for goods purchased and services received	512,867,782.27	741,167,953.59
Cash payments to and on behalf of employees	398,214,155.95	355,620,260.27
Payments of various types of taxes	5,265,209.50	5,610,153.42
Other cash payments relating to operating activities	57,266,681.37	70,786,238.86
Sub-total of cash outflows from operating activities	973,613,829.09	1,173,184,606.14
Net cash flows from operating activities	570,432,127.10	399,613,641.51
II. Cash flows from investing activities:		
Other cash received from investing activities	10,234,381.32	10,265,630.74
Sub-total of cash inflows from investing activities	10,234,381.32	10,265,630.74
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets	97,071,011.61	225,932,614.93
Cash payments to acquire investments	88,484,047.01	272,714,795.02
Other cash payments relating to investing activities	-	1,162,386.52
Sub-total of cash outflows from investing activities	185,555,058.62	499,809,796.47
Net cash flows from investing activities	-175,320,677.30	-489,544,165.73
III. Cash flows from financing activities:		
Cash received from investors	380,000,000.00	-
Including: Cash received by subsidiaries from capital contributions by minority shareholders	380,000,000.00	-
Sub-total of cash inflows from financing activities	380,000,000.00	-
Cash paid for debt repayment	5,000,000.00	-

Cash payments for distribution of dividends, or profits or settlement of interest expenses	4,842,500.00	10,101,666.67
Including: Cash payments by subsidiaries for distribution of dividends or profits to minority shareholders	-	-
Other cash payments relating to financing activities	12,968,185.13	8,737,437.82
Sub-total of cash outflows from financing activities	22,810,685.13	18,839,104.49
Net cash flows from financing activities	357,189,314.87	-18,839,104.49
IV. Effect of foreign exchange rate changes on cash and cash equivalents	1,447,886.36	6,058,115.03
V. Net increase in cash and cash equivalents	753,748,651.03	-102,711,513.68
Add: Balance of cash and cash equivalents at the beginning of the period	3,504,604,838.72	3,384,997,561.89
VI. Balance of cash and cash equivalents at the end of the period	4,258,353,489.75	3,282,286,048.21

Legal Representative: Xiong Jun Chief Financial Officer: Xu Baohong Head of Accounting Department: Cai Jingwu

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 accounting standard in 2022

Applicable Not applicable

Announcement is hereby given.

Shanghai Junshi Biosciences Co., Ltd.*

Board of Directors

29 April 2022

* For identification purpose only