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)

2022 THIRD QUARTERLY REPORT

The board of directors (the "**Board**") of Shanghai Fudan-Zhangjiang Bio-Pharmaceutical Co., Ltd.* (the "**Company**", together with its subsidiaries, the "**Group**") is pleased to announce the unaudited financial information of the Group for the third quarter of 2022 (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.

KEY ACCOUNTING DATA

Major accounting data and financial indicators

Unit: RMB

Items	Amount for the Reporting Period (July - September 2022)	Percentage change in amount for the Reporting Period compared with the same period last year (%)	Amount from the beginning of this year to the end of the Reporting Period (January - September 2022)	Percentage change in amount from the beginning of this year to the end of the Reporting Period compared with the same period last year (%)
Revenue	445,006,305	48.79	716,265,980	2.60
Net profit attributable to shareholders of the listed company	72,798,391	37.02	36,823,845	-68.95
Net profit deducting non-recurring profit or loss attributable to shareholders of the listed company	67,906,975	43.50	22,288,451	-78.12
Net cash flows from operating activities	Not applicable	Not applicable	196,182,795	33.40
Basic earnings per share (RMB per share)	0.07	40.00	0.04	-63.64
Diluted earnings per share (RMB per share)	0.07	40.00	0.04	-63.64
Weighted average rate of return on net assets (%)	3.35	Increased by 0.76 percentage points	1.67	Decreased by 4.16 percentage points
Total R&D investment	71,029,256	0.37	177,874,093	-0.22
Proportion of R&D investment in operating revenue (%)	15.96	Decreased by 7.70 percentage points	24.83	Decreased by 0.71 percentage points

	As at the end of the Reporting Period	As at the end of last year	Change as at the end of the Reporting Period compared with the end of last year (%)
Total assets	2,908,473,496	2,781,172,268	4.58
Net assets attributable to shareholders of the listed company	2,216,277,478	2,192,945,932	1.06

Non-recurring profit or loss items and amounts

Unit: RMB

Items	Amount for the Reporting Period (July - September 2022)	Amount from the beginning of this year to the end of the Reporting Period (January - September 2022)	Description
Gains or losses from disposal of non-current assets	765,379	1,381,059	/
Government grants recognised in the statement of profit or loss for the current period (except for government grants which are closely related to the Company's normal business operations, and in line with the country's policies, calculated according to certain standards or continuously granted in fixed amount)	937,450	2,481,052	/
Gain or loss arising from changes in fair value of holding held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities and derivative financial liabilities, and investment income from disposal of held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities and derivative financial liabilities and other equity investments, except effective hedging business related to the Company's normal operations.	4,421,766	14,026,034	It's mainly the interest accrued from the structured deposits of the Group.
Non-operating income and expenses other than the above items	-369,927	-787,646	/
Less: Impact on income tax	-860,782	-2,563,683	/
Impact on minority interests (after tax)	-2,470	-1,422	/
Total	4,891,416	14,535,394	/

Explanation on extraordinary gain or loss items defined as recurring gain or loss items as illustrated in the *Notice on Explanation of Information Disclosure of Companies Publicly Issuing Securities No.1 – Extraordinary Gain or Loss*

Not applicable.

Changes in key accounting data and financial indicators and the reasons thereof

<table>
<tr><th>Items</th><th>Percentage Change (%)</th><th>Reason for changes</th></tr>
<tr><td>Revenue (for the Reporting Period)</td><td>48.79</td><td rowspan="5">It is mainly due to the control of COVID-19 epidemic, the production and distribution of medical products have gradually recovered, the current revenue and other related items have also increased accordingly.</td></tr>
<tr><td>Net profit attributable to shareholders of the listed company (for the Reporting Period)</td><td>37.02</td></tr>
<tr><td>Net profit deducting non-recurring profit or loss attributable to shareholders of the listed company (for the Reporting Period)</td><td>43.50</td></tr>
<tr><td>Basic earnings per share (RMB per share) (for the Reporting Period)</td><td>40.00</td></tr>
<tr><td>Diluted earnings per share (RMB per share) (for the Reporting Period)</td><td>40.00</td></tr>
<tr><td>Net profit attributable to shareholders of the listed company (for the reporting period from January to September 2022)</td><td>-68.95</td><td rowspan="4">It is mainly due to the share-based payments, RMB 68.44 million, recognized during the reporting period from January to September 2022 (it was RMB 23.80 million in the same period of 2021).</td></tr>
<tr><td>Net profit deducting non-recurring profit or loss attributable to shareholders of the listed company (for the reporting period from January to September 2022)</td><td>-78.12</td></tr>
<tr><td>Basic earnings per share (RMB per share) (for the reporting period from January to September 2022)</td><td>-63.64</td></tr>
<tr><td>Diluted earnings per share (RMB per share) (for the reporting period from January to September 2022)</td><td>-63.64</td></tr>
<tr><td>Net cash flows from operating activities (for the reporting period from January to September 2022)</td><td>33.40</td><td>It is mainly due to the extension of payment cycle of accounts payables.</td></tr>
</table>

SHAREHOLDERS' INFORMATION

Total number of ordinary shareholders and the number of preferred shareholders with voting rights restored and the shareholding of top ten shareholders

Unit: Share

Total number of ordinary shareholders as at the end of the Reporting Period	21,351 Note 1	Total number of preferred shareholders with voting rights restored as at the end of the Reporting Period (if any)	Not applicable

Particulars of Shareholdings of the top ten shareholders

Name of shareholder	Nature of shareholder	Number of shares held	Percentage (%)	Number of shares held subject to trading moratorium	Number of restricted shares including shares lent by refinancing	Pledged, marked or frozen Shares	
						Status of shares	Number of shares
HKSCC NOMINEES LIMITED Note 2	Overseas legal person	224,234,900	21.79	-	-	Unknown	-
Shanghai Pharmaceuticals Holding Co., Ltd. Note 2	Domestic non-state-owned legal person	210,142,560	20.42	139,578,560	-	Nil	-
China New Enterprise Investment Fund II	Other	156,892,912	15.25	156,892,912	-	Nil	-
Yang Zong Meng	Domestic natural person	80,000,000	7.77	80,000,000	-	Nil	-
Wang Hai Bo	Domestic natural person	57,886,430	5.63	57,886,430	-	Nil	-
Invesco Hong Kong Limited Note 2	Overseas legal person	30,563,000	2.97	-	-	Unknown	-
Su Yong	Domestic natural person	18,317,860	1.78	-	-	Nil	-
Zhao Da Jun	Domestic natural person	15,260,710	1.48	-	-	Nil	-
Li Jun	Domestic natural person	8,688,200	0.84	-	-	Nil	-
Shanghai Fudan Asset Management Co., Ltd.	State-owned legal person	6,808,512	0.66	-	-	Nil	-

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 of shares	Number
HKSCC NOMINEES LIMITED Note 2	224,234,900	Overseas listed foreign shares	224,234,900
Shanghai Pharmaceuticals Holding Co., Ltd. Note 2	70,564,000	Overseas listed foreign shares	70,564,000
Invesco Hong Kong Limited Note 2	30,563,000	Overseas listed foreign shares	30,563,000
Su Yong	18,317,860	RMB ordinary shares	18,317,860
Zhao Da Jun	15,260,710	RMB ordinary shares	15,260,710
Li Jun	8,688,200	RMB ordinary shares	8,688,200
Shanghai Fudan Asset Management Co., Ltd.	6,808,512	RMB ordinary shares	6,808,512
Shanghai Pudong Technology Investment Co., Ltd.	6,562,382	RMB ordinary shares	6,562,382
Yi Jin Hua	2,171,506	RMB ordinary shares	2,171,506
Fang Jing	1,932,575	RMB ordinary shares	1,932,575
Note on the connected relations or connected actions of the above shareholders	The Company is not aware whether the above shareholders have related party relationship or acting-in-concert arrangements.		
Description of participation in securities margin trading and refinancing business of top ten shareholders and top ten shareholders whose shares are not subject to trading moratorium (if any)	Not applicable		

Notes:

1.As at the end of the Reporting Period, the Company had 21,351 shareholders, including 21,211 A share shareholders and 140 H share shareholders;

2.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 Shanghai Pharmaceuticals and 30,563,000 H Shares held by Invesco 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.

OTHER REMINDERS

Other important information about the Company's operating conditions during the Reporting Period that investors need to be reminded of and pay attention to.

Not applicable

CONSOLIDATED BALANCE SHEET

As at 30 September 2022

(All amounts in RMB Yuan unless otherwise stated)

Items	30 September 2022 Consolidated	31 December 2021 Consolidated
Current assets		
Cash at bank and on hand	**1,237,143,906**	1,208,880,911
Notes receivables	**118,115,745**	118,128,532
Accounts receivables	**586,320,373**	554,358,745
Advances to suppliers	**13,453,572**	5,946,869
Other receivables	**4,766,655**	3,959,958
Inventories	**34,894,852**	35,625,222
Other current assets	**326,917**	1,045,541
Total current assets	**1,995,022,020**	1,927,945,778
Non-current assets		
Long-term equity investments	**317,149,442**	325,816,669
Other equity instruments	**482,764**	2,047,212
Fixed assets	**209,067,495**	222,888,650
Construction in progress	**112,124,690**	48,899,044
Right-of-use assets	**24,919,074**	30,135,883
Intangible assets	**82,775,116**	88,455,575
Development costs	**33,998,236**	28,017,508
Long-term prepaid expenses	**8,094,935**	8,098,158
Deferred tax assets	**86,064,634**	79,224,372
Other non-current assets	**38,775,090**	19,643,419
Total non-current assets	**913,451,476**	853,226,490
TOTAL ASSETS	**2,908,473,496**	2,781,172,268

CONSOLIDATED BALANCE SHEET

As at 30 September 2022

(All amounts in RMB Yuan unless otherwise stated)

Items	30 September 2022 Consolidated	31 December 2021 Consolidated
Current liabilities		
Accounts payables	**8,633,041**	8,166,235
Contract liabilities	**232,504**	1,116,833
Employee benefits payable	**23,649,538**	36,493,188
Taxes payable	**24,215,905**	29,719,335
Other payables	**577,314,935**	443,978,184
Non-current liabilities due within one year	**8,444,536**	8,675,506
Other current liabilities	**30,225**	46,568
Total Current liabilities	**642,520,684**	528,195,849
Non-current liabilities		
Lease liabilities	**17,263,483**	22,588,468
Deferred income	**35,851,707**	40,797,981
Total Non-current liabilities	**53,115,190**	63,386,449
Total liabilities	**695,635,874**	591,582,298
Owners' equity (or shareholders' equity)		
Paid-in capital (or share capital)	**102,900,000**	104,300,000
Capital surplus	**1,285,411,710**	1,265,093,686
Less: Treasury stock	**-**	40,824,137
Other comprehensive income	**-5,255,280**	-4,050,820
Surplus reserve	**52,150,000**	52,150,000
Undistributed profits	**781,071,048**	816,277,203
Total equity attributable to equity owners of the Company (or shareholders' equity)	**2,216,277,478**	2,192,945,932
Minority interests	**-3,439,856**	-3,355,962
Total owners' equity (or shareholders' equity)	**2,212,837,622**	2,189,589,970
TOTAL LIABILITIES AND OWNERS' EQUITY (OR SHAREHOLDERS' EQUITY)	**2,908,473,496**	2,781,172,268

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

CONSOLIDATED INCOME STATEMENTS

For the nine months ended 30 September 2022

(All amounts in RMB Yuan unless otherwise stated)

Items	For the nine months ended 30 September 2022	For the nine months ended 30 September 2021
Revenue	**716,265,980**	698,113,963
Total Cost	**667,789,596**	592,930,829
Cost of sales	**55,072,149**	49,044,582
Taxes and surcharges	**3,930,490**	3,874,737
Selling expenses	**383,823,070**	346,570,728
General and administrative expenses	**55,061,168**	38,043,903
Research and development expenses	**171,893,365**	159,207,486
Financial income/(expenses)	**-1,990,646**	-3,810,607
Including: Interest expenses	**1,030,278**	384,798
Interest income	**-3,969,774**	-386,593
Add: Other income	**2,481,052**	3,922,985
Investment income	**5,358,807**	10,144,720
Including: Share of loss of associates and joint ventures	**-8,667,227**	-5,499,917
Credit impairment losses	**-22,666,224**	-4,431,214
Assets impairment losses	**-4,274,357**	-
Gains on disposals of assets	**1,381,059**	1,079,026
Operating profit	**30,756,721**	115,898,651
Add: Non-operating income	**604,251**	636,125
Less: Non-operating expenses	**1,391,897**	2,168,307
Total profit	**29,969,075**	114,366,469
Less: Income tax expenses	**-6,770,876**	-3,560,423
Net profit	**36,739,951**	117,926,892
Net profit from continuing operations	**36,739,951**	117,926,892
Attributable to equity owners of the Company	**36,823,845**	118,614,270
Minority interests	**-83,894**	-687,378

CONSOLIDATED INCOME STATEMENTS

For the nine months ended 30 September 2022

(All amounts in RMB Yuan unless otherwise stated)

Items	For the nine months ended 30 September 2022	For the nine months ended 30 September 2021
Other comprehensive income, net of tax	**-1,204,460**	-1,761,207
Other comprehensive income that will not be reclassified to profit or loss Changes in the fair value of other equity investments	**-1,564,448**	-1,741,568
Other comprehensive income that will be reclassified to profit or loss Translation differences on translation of foreign currency financial statements	**359,988**	-19,639
Total comprehensive income	**35,535,491**	116,165,685
Attributable to equity owners of the Company	**35,619,385**	116,853,063
Attributable to minority interests	**-83,894**	-687,378
Earnings per share		
Basic and diluted earnings per share (RMB per share)	**0.04**	0.11

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

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

CONSOLIDATED CASH FLOW STATEMENTS

For the nine months ended 30 September 2022

(All amounts in RMB Yuan unless otherwise stated)

Items	For the nine months ended 30 September 2022	For the nine months ended 30 September 2021
Cash flows from operating activities		
Cash received from sales of goods or rendering of services	**688,710,016**	762,540,450
Refunds of taxes	**-**	7,933,500
Cash received relating to other operating activities	**14,043,725**	5,066,722
Sub-total of cash inflows	**702,753,741**	775,540,672
Cash paid for goods and services	**251,361,327**	414,285,123
Cash paid to and on behalf of employees	**177,486,918**	112,130,627
Payments of taxes and surcharges	**37,392,182**	56,619,649
Cash paid relating to other operating activities	**40,330,519**	45,446,395
Sub-total of cash outflows	**506,570,946**	628,481,794
Net cash flows from operating activities	**196,182,795**	147,058,878
Cash flows from investing activities		
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	**1,244,273**	897,283
Net cash received from disposal of subsidiaries	**-**	6,339,800
Cash received relating to other investing activities	**2,859,026,034**	2,455,444,638
Sub-total of cash inflows	**2,860,270,307**	2,462,681,721
Cash paid to acquire fixed assets, intangible assets and other long-term assets	**95,247,379**	82,465,101
Cash paid to acquire associates and joint ventures	**-**	265,959,483
Cash paid relating to other investing activities	**2,845,000,000**	2,649,800,000
Sub-total of cash outflows	**2,940,247,379**	2,998,224,584
Net cash flows from investing activities	**-79,977,072**	-535,542,863
Cash flows from financing activities		
Cash payments for distribution of dividends, profits or interest expenses	**72,030,000**	52,150,000
Cash payments relating to other financing activities	**16,272,716**	36,739,372
Sub-total of cash outflows	**88,302,716**	88,889,372
Net cash flows from financing activities	**-88,302,716**	-88,889,372
Effect of foreign exchange rate changes on cash and cash equivalents	**359,988**	-19,639
Net increase in cash and cash equivalents	**28,262,995**	-477,392,996
Add: Cash and cash equivalents at beginning of the reporting period	**1,208,880,911**	1,396,890,192
Cash and cash equivalents at end of the Reporting Period	**1,237,143,906**	919,497,196

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

Adjustments to the financial statements as at the beginning of the year due to the application of new accounting standards or interpretations of accounting standards for the first time since 2022

Not applicable.

The financial information of the Company and its subsidiaries for the nine months ended 30 September 2022 is unaudited

The financial information is authorised for issue by the Board on 27 October 2022

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
27 October 2022

** For identification purpose only*