复旦张江

FUDAN-ZHANGJIANG

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)

THE THIRD QUARTERLY RESULTS ANNOUNCEMENT

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024

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 nine months ended 30 September 2024, which is prepared in accordance with China Accounting Standards for Business Enterprises. 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 (the "Stock Exchange").

KEY ACCOUNTING DATA

Major accounting data and financial indicators

Unit: RMB

Items	Amount for the reporting period (July - September 2024)	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 2024)	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	140,724,701	-23.99	548,848,564	-22.47
Net profit attributable to shareholders of the listed company	15,995,540	-25.44	86,468,604	-3.81
Net profit deducting non-recurring profit or loss attributable to shareholders of the listed company	10,822,388	-34.74	54,500,468	-23.76
Net cash flows from operating activities	Not applicable	Not applicable	-60,152,607	-3613.16
Basic earnings per share (RMB per share)	0.02	0.00	0.08	-11.11
Diluted earnings per share (RMB per share)	0.02	0.00	0.08	-11.11
Weighted average rate of return on net assets (%)	0.68	Decreased by 0.24 percentage points	3.66	Decreased by 0.25 percentage points
Total R&D investment	79,540,074	56.79	234,870,223	38.71
Proportion of R&D investment in operating revenue (%）	56.52	Increased by 29.12 percentage points	42.79	Increased by 18.87 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	2,627,120,117		2,876,687,507	-8.68
Net assets attributable to shareholders of the listed company	2,351,908,069		2,357,553,851	-0.24

Non-recurring profit or loss items and amounts

Unit: RMB

Items	Amount for the reporting period (July - September 2024)	Amount from the beginning of this year to the end of the reporting period (January - September 2024)	Description
Gains or losses from disposal of non-current assets, including reversal of provision for impairment of assets	12,655	153,776	/
Government grants recognised in profit or loss for the current period, excluding those that are closely related to the normal business operations, and are granted in line with the national policies, regulations and standards, and have an on-going impact on the Company's profit or loss	1,349,310	22,463,203	/
Except for the effective hedging activities related to the normal business operations, profit or loss arising from changes in fair value of financial assets and financial liabilities held, as well as those arising from disposals of financial assets and financial liabilities	4,446,559	14,700,938	It is mainly included the interest or gains from the structured deposits and wealth management of the Group.
Other non-operating income and expenses other than the above items	267,925	231,052	/
Effect on income tax	899,113	5,554,453	/
Effect on minority interests (after tax)	4,184	26,380	/
Total	5,173,152	31,968,136	/

For not listed items in *Notice on Explanation of Information Disclosure of Companies Publicly Issuing Securities No.1 - Extraordinary Gain or Loss* which defined as non-recurring gains and losses and the amount is material and items that define non-recurring gains and losses enumerated in *Notice on Explanation of Information Disclosure of Companies Publicly Issuing Securities No.1 - Extraordinary Gain or Loss* as recurring gains and losses, the reasons should be explained.

Not applicable.

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

Items	Percentage Change (%)	Reason for changes
Net profit deducting non-recurring profit or loss attributable to shareholders of the listed company (for the reporting period from July to September 2024)	-34.74	The Group has consistently adopted a more conservative and prudent capitalization policy for research and development projects, whereby only research and development projects that are technically feasible, have a clear future purpose, are subject to largely controllable risks and are likely to have future economic benefits are capitalized. Therefore, the vast majority of the Group's expenditure on research and development projects in progress is recognized as expenses when incurred. During the reporting period, the Company actively promoted the progress of research and development projects. Among them, Trop2-SN38 ADC has entered into clinical trial phase III and the other projects are also progressing smoothly. The expense for clinical and research materials and outsourcing research and development have been significantly increased during the reporting period compared with the corresponding period of last year.
Total R&D investment (for the reporting period from July to September 2024)	56.79	
Total R&D investment (for the reporting period from January to September 2024)	38.71	
Net cash flows from operating activities (for the reporting period from January to September 2024)	-3613.16	It is mainly due to the decrease in cash received from selling goods and providing services during the reporting period from January to September 2024.

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	20,006 [Note 1]	Total number of preferred shareholders with voting rights restored as at the end of the reporting period (if any)	Not applicable

Shareholdings of the top 10 Shareholders (excluding the stock borrowing for financing)

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	238,667,740	23.02	-	-	Unknown	-
Shanghai Pharmaceuticals Holding Co., Ltd. [Note 2]	Domestic non-state-owned legal person	210,142,560	20.27	-	-	Nil	-
China New Enterprise Investment Fund II	Other	156,892,912	15.14	-	-	Nil	-
Yang Zong Meng	Overseas natural person	80,000,000	7.72	-	-	Nil	-
Wang Hai Bo	Domestic natural person	57,886,430	5.58	-	-	Nil	-
Su Yong	Domestic natural person	18,477,860	1.78	-	-	Nil	-
Invesco Hong Kong Limited [Note 2]	Overseas Legal person	16,160,000	1.56	-	-	Unknown	-
Zhao Da Jun	Domestic natural person	15,620,710	1.51	-	-	Nil	-
Li Jun	Domestic natural person	9,018,200	0.87	-	-	Nil	-
Shanghai Pudong Emerging Industry Investment Co., Ltd.	State-owned legal person	6,562,382	0.63	-	-	Nil	-

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

Particulars of shareholding of the top ten shareholders not subject to trading moratorium (excluding the stock borrowing for financing)			
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	238,667,740	Overseas listed foreign shares	238,667,740
Shanghai Pharmaceuticals Holding Co., Ltd. Note 2	210,142,560	Overseas listed foreign shares	70,564,000
		RMB ordinary shares	139,578,560
China New Enterprise Investment Fund II	156,892,912	RMB ordinary shares	156,892,912
Yang Zong Meng	80,000,000	RMB ordinary shares	80,000,000
Wang Hai Bo	57,886,430	RMB ordinary shares	57,886,430
Su Yong	18,477,860	RMB ordinary shares	18,477,860
Invesco Hong Kong Limited Note 2	16,160,000	Overseas listed foreign shares	16,160,000
Zhao Da Jun	15,620,710	RMB ordinary shares	15,620,710
Li Jun	9,018,200	RMB ordinary shares	9,018,200
Shanghai Pudong Emerging Industry Investment Co., Ltd.	6,562,382	RMB ordinary shares	6,562,382
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 20,006 shareholders, including 19,870 A share shareholders and 136 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 16,160,000 H Shares held by Invesco Hong Kong Limited. As the relevant rules of the 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. Shanghai Pharmaceuticals Holding Co., Ltd. is the largest shareholder of the Company, holding a total of 210,142,560 shares of the Company, of which 139,578,560 shares are A shares (RMB ordinary shares) and 70,564,000 shares are H shares (overseas listed foreign shares).

Shareholders holding more than 5% of the shares, the top 10 shareholders and the top 10 shareholders with shares not subject to trading restriction participating in the lending of shares in the refinancing business

Not applicable

Changes in top 10 shareholders and top 10 shareholders with shares not subject to trading restriction as a result of lending/returning of shares through refinancing compared with the previous period

Not applicable

Total number of preferred shareholders of the Company and the shareholdings of top ten preferred shareholders

Not applicable

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 2024

(All amounts in RMB Yuan unless otherwise stated)

Items	30 September 2024 Consolidated (Unaudited)	31 December 2023 Consolidated (Audited)
Current assets		
Cash at bank and on hand	**1,038,543,194**	1,195,895,997
Notes receivables	**125,954,769**	174,262,319
Accounts receivables	**398,925,728**	446,223,107
Advances to suppliers	**34,476,282**	4,330,980
Other receivables	**3,296,981**	3,539,328
Inventories	**47,195,645**	43,651,360
Other current assets	**8,382,107**	1,521,795
Total current assets	**1,656,774,707**	1,869,424,886
Non-current assets		
Long-term receivables	**991,217**	958,502
Long-term equity investments	**280,222,538**	287,518,193
Other equity instruments	**17,206**	15,126
Fixed assets	**487,531,613**	228,496,043
Construction in progress	**1,226,746**	229,962,812
Right-of-use assets	**11,034,015**	16,870,559
Intangible assets	**74,315,061**	86,350,098
Development costs	**921,676**	-
Long-term prepaid expenses	**5,084,944**	11,323,048
Deferred tax assets	**101,541,451**	100,873,445
Other non-current assets	**7,458,942**	44,894,795
Total non-current assets	**970,345,410**	1,007,262,621
TOTAL ASSETS	**2,627,120,117**	2,876,687,507

CONSOLIDATED BALANCE SHEET

As at 30 September 2024

(All amounts in RMB Yuan unless otherwise stated)

Items	30 September 2024 Consolidated (Unaudited)	31 December 2023 Consolidated (Audited)
Current liabilities		
Accounts payables	**12,868,891**	8,054,847
Contract liabilities	**366,313**	260,736
Employee benefits payable	**1,647,017**	25,084,497
Taxes payable	**1,369,187**	12,200,227
Other payables	**246,491,686**	453,055,613
Including: Dividend payable	**2,163,802**	-
Non-current liabilities due within one year	**3,008,466**	6,329,026
Other current liabilities	**47,621**	33,896
Total Current liabilities	**265,799,181**	505,018,842
Non-current liabilities		
Lease liabilities	**8,285,567**	10,952,722
Deferred income	**414,825**	2,152,575
Total Non-current liabilities	**8,700,392**	13,105,297
Total liabilities	**274,499,573**	518,124,139
Owners' equity (or shareholders' equity)		
Paid-in capital (or share capital)	**103,657,210**	103,657,210
Capital surplus	**1,290,693,163**	1,289,293,388
Other comprehensive income	**-6,081,041**	-5,858,369
Surplus reserve	**52,150,000**	52,150,000
Undistributed profits	**911,488,737**	918,311,622
Total equity attributable to equity owners of the Company (or shareholders' equity)	**2,351,908,069**	2,357,553,851
Minority interests	**712,475**	1,009,517
Total owners' equity (or shareholders' equity)	**2,352,620,544**	2,358,563,368
TOTAL LIABILITIES AND OWNERS' EQUITY (OR SHAREHOLDERS' EQUITY)	**2,627,120,117**	2,876,687,507

CONSOLIDATED INCOME STATEMENTS

For the nine months ended 30 September 2024

(All amounts in RMB Yuan unless otherwise stated)

Items	For the nine months ended 30 September 2024 (Unaudited)	For the nine months ended 30 September 2023 (Unaudited)
Revenue	**548,848,564**	707,960,683
Total Cost	**490,043,765**	600,143,402
Cost of sales	**45,054,663**	54,968,433
Taxes and surcharges	**5,299,582**	3,893,911
Selling expenses	**173,777,581**	333,644,772
General and administrative expenses	**32,373,985**	39,075,379
Research and development expenses	**235,745,108**	168,541,486
Financial income/(expenses)	**-2,207,154**	19,421
Including: Interest expenses	**426,216**	2,684,421
Interest income	**-2,539,278**	-3,847,847
Add: Other income	**22,463,203**	5,547,249
Investment income	**7,747,734**	2,635,497
Including: Share of profit or loss of associates and joint ventures	**-6,953,204**	-12,382,799
Credit impairment losses	**-4,587,651**	-30,928,727
Assets impairment losses	**-875,951**	-2,249,524
Gains on disposals of assets	**153,776**	1,293,835
Operating profit	**83,705,910**	84,115,611
Add: Non-operating income	**605,073**	626,502
Less: Non-operating expenses	**374,021**	833,693
Total profit	**83,936,962**	83,908,420
Less: Income tax expenses	**-2,234,606**	-5,902,870
Net profit	**86,171,568**	89,811,290
Net profit from continuing operations	**86,171,568**	89,811,290
Attributable to equity owners of the Company	**86,468,604**	89,891,634
Minority interests	**-297,036**	-80,344

CONSOLIDATED INCOME STATEMENTS

For the nine months ended 30 September 2024

(All amounts in RMB Yuan unless otherwise stated)

Items	For the nine months ended 30 September 2024 (Unaudited)	For the nine months ended 30 September 2023 (Unaudited)
Other comprehensive income, net of tax	**-222,673**	-164,801
Other comprehensive income that will not be reclassified to profit or loss Changes in the fair value of other equity investments	**2,080**	-238,993
Other comprehensive income that will be reclassified to profit or loss Translation differences on translation of foreign currency financial statements	**-224,753**	74,192
Total comprehensive income	**85,948,895**	89,646,489
Attributable to equity owners of the Company	**86,245,931**	89,726,833
Attributable to minority interests	**-297,036**	-80,344
Earnings per share		
Basic and diluted earnings per share (RMB per share)	**0.08**	0.09

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)

CONSOLIDATED CASH FLOW STATEMENTS

For the nine months ended 30 September 2024

(All amounts in RMB Yuan unless otherwise stated)

Items	For the nine months ended 30 September 2024 (Unaudited)	For the nine months ended 30 September 2023 (Unaudited)
Cash flows from operating activities		
Cash received from sales of goods or rendering of services	**665,316,215**	716,124,186
Refund of taxes	**4,421,486**	-
Cash received relating to other operating activities	**25,450,264**	11,765,504
Sub-total of cash inflows	**695,187,965**	727,889,690
Cash paid for goods and services	**470,804,569**	460,756,702
Cash paid to and on behalf of employees	**175,455,774**	186,112,117
Payments of taxes and surcharges	**48,106,602**	13,817,559
Cash paid relating to other operating activities	**60,973,627**	65,491,104
Sub-total of cash outflows	**755,340,572**	726,177,482
Net cash flows from operating activities	**-60,152,607**	1,712,208
Cash flows from investing activities		
Cash received from returns on investments	**1,742,224**	-
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	**722,023**	1,410,325
Cash received relating to other investing activities	**3,066,700,938**	3,054,737,584
Sub-total of cash inflows	**3,069,165,185**	3,056,147,909
Cash paid to acquire fixed assets, intangible assets and other long-term assets	**16,186,518**	85,638,335
Cash paid relating to other investing activities	**3,052,000,000**	3,006,000,000
Sub-total of cash outflows	**3,068,186,518**	3,091,638,335
Net cash flows from investing activities	**978,667**	-35,490,426
Cash flows from financing activities		
Cash received from capital contributions	**-**	66,861,642
Sub-total of cash inflows	**-**	66,861,642
Cash payments for distribution of dividends, profits or interest expenses	**91,127,687**	74,615,047
Cash payments relating to other financing activities	**6,826,424**	5,415,831
Sub-total of cash outflows	**97,954,111**	80,030,878
Net cash flows from financing activities	**-97,954,111**	-13,169,236
Effect of foreign exchange rate changes on cash and cash equivalents	**-224,752**	107,087
Net increase in cash and cash equivalents	**-157,352,803**	-46,840,367
Add: Cash and cash equivalents at beginning of the reporting period	**1,195,895,997**	1,289,302,664
Cash and cash equivalents at end of the reporting period	**1,038,543,194**	1,242,462,297

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 2024

Not applicable.

The financial information of the Company and its subsidiaries for the nine months ended 30 September 2024 stated in this announcement is unaudited

The financial information of the Company and its subsidiaries for the nine months ended 30 September 2024 stated in this announcement is authorised for issue by the Board on 25 October 2024

This announcement 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
Zhao Da Jun
Chairman

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

Mr. Zhao Da Jun (Executive Director)
Ms. Xue Yan (Executive Director)
Mr. Shen Bo (Non-executive Director)
Ms. Yu Xiao Yang (Non-executive Director)
Mr. Wang Hong Guang (Independent Non-executive Director)
Mr. Lam Siu Wing (Independent Non-executive Director)
Mr. Xu Pei Long (Independent Non-executive Director)

Shanghai, the PRC
25 October 2024

** For identification purpose only*