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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 FIRST 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 Company and its subsidiaries for the three months ended 31 March 2022 (the “**Reporting Period**”), which is prepared in accordance with China Accounting Standards for Business Enterprises (the “**First 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		Percentage change in amount for the reporting period compared with the same period last year (%)
Revenue	140,805,956		11.57
Net profit attributable to shareholders of the listed company	4,925,903		-3.74
Net profit deducting non-recurring profit or loss attributable to shareholders of the listed company	665,904		Not applicable
Net cash flows from operating activities	-17,207,380		Not applicable
Basic earnings per share (RMB per share)	0.00		-
Diluted earnings per share (RMB per share)	0.00		-
Weighted average rate of return on net assets (%)	0.22		Decreased by 0.03 percentage points
Total R&D investment	49,712,480		-2.81
Proportion of R&D investment in operating revenue (%)	35.31		Decreased by 5.22 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	2,713,750,038	2,781,172,268	-2.42
Net assets attributable to shareholders of the listed company	2,194,810,732	2,192,945,932	0.09

Non-recurring profit or loss items and amounts

Unit: RMB

Items	Amount for the Reporting Period	Description
Gains or losses from disposal of non-current assets	256,033	/
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)	873,484	/
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.	4,257,457	It mainly includes the interest income recognized from the structured deposits of the Group.
Non-operating income and expenses other than the above items	-553,540	/
Less: Impact on income tax	574,484	/
Impact on minority interests (after tax)	-1,048	/
Total	4,259,998	/

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

Items	Percentage Change (%)	Reason for changes
Net profit deducting non-recurring profit or loss attributable to shareholders of the listed company	Not applicable	This is mainly due to the decrease in non-recurring profit during the Reporting Period, in which the income from structured deposits decreased compared with the same period last year.

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	23,383	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	Number
HKSCC NOMINEES LIMITED ^{Note}	Overseas legal person	238,234,900	22.84	-	-	Unknown	-
Shanghai Pharmaceuticals Holding Co., Ltd. ^{Note}	Domestic non-state-owned legal person	210,142,560	20.15	139,578,560	-	Nil	-
China New Enterprise Investment Fund II	Other	156,892,912	15.04	156,892,912	-	Nil	-
Yang Zong Meng	Domestic natural person	80,000,000	7.67	80,000,000	-	Nil	-
Wang Hai Bo	Domestic natural person	57,886,430	5.55	57,886,430	-	Nil	-
Invesco Hong Kong Limited ^{Note}	Overseas legal person	30,563,000	2.93	-	-	Unknown	-
Su Yong	Domestic natural person	18,317,860	1.76	-	-	Nil	-
Shanghai Fudan Asset Management Co., Ltd.	State-owned legal person	15,449,264	1.48	-	-	Nil	-
Zhao Da Jun	Domestic natural person	15,260,710	1.46	-	-	Nil	-
Li Jun	Domestic natural person	8,688,200	0.83	-	-	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}	238,234,900	Overseas listed foreign shares	238,234,900
Shanghai Pharmaceuticals Holding Co., Ltd. ^{Note}	70,564,000	Overseas listed foreign shares	70,564,000
Invesco Hong Kong Limited ^{Note}	30,563,000	Overseas listed foreign shares	30,563,000
Su Yong	18,317,860	RMB ordinary shares	18,317,860
Shanghai Fudan Asset Management Co., Ltd.	15,449,264	RMB ordinary shares	15,449,264
Zhao Da Jun	15,260,710	RMB ordinary shares	15,260,710
Li Jun	8,688,200	RMB ordinary shares	8,688,200
Shanghai Pudong Technology Investment Co., Ltd.	6,562,382	RMB ordinary shares	6,562,382
Haitong Securities Co., Ltd.	3,910,000	RMB ordinary shares	3,910,000
Yi Jin Hua	2,171,506	RMB ordinary shares	2,171,506
Note on the connected relations or connected actions of the above shareholders	The Company is not aware whether other 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)	The top ten shareholders and top ten shareholders whose shares are not subject to trading moratorium hold 0 share in the credit securities account. The Company is not aware whether the above shareholders participate in the refinancing business.		

As at the end of the Reporting Period, the Company had 23,383 shareholders, including 23,237 A share shareholders and 146 H share shareholders.;

Note: 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

Since mid March 2022, due to the continuous impact of the control and protecting policies of COVID-19 epidemic (the “**Epidemic**”) in Shanghai, all offices of the Company in Shanghai have been temporarily closed, all employees work from home, and the production lines in Shanghai have also been temporarily shut down. As at the publication date of this Announcement, the Company has been included in the "white list" of enterprises returning to work and production in Pudong New Area issued by Shanghai Economic and Information Technology Commission, and is actively preparing to arrange Shanghai employees to resume work as soon as possible to try our best to reduce the impact of the Epidemic on the production and operation of the Company.

CONSOLIDATED BALANCE SHEET

As at 31 March 2022

(All amounts in RMB Yuan unless otherwise stated)

Items	31 March 2022 Consolidated	31 December 2021 Consolidated
Current assets		
Cash at bank and on hand	1,149,749,936	1,208,880,911
Notes receivables	102,461,848	118,128,532
Accounts receivables	519,797,116	554,358,745
Advances to suppliers	9,248,567	5,946,869
Other receivables	4,555,075	3,959,958
Inventories	42,941,853	35,625,222
Other current assets	1,940,550	1,045,541
Total current assets	1,830,694,945	1,927,945,778
Non-current assets		
Long-term equity investments	323,071,207	325,816,669
Other equity instruments	1,598,731	2,047,212
Fixed assets	216,247,563	222,888,650
Construction in progress	75,278,107	48,899,044
Right-of-use assets	28,190,017	30,135,883
Intangible assets	86,360,605	88,455,575
Development costs	29,290,553	28,017,508
Long-term prepaid expenses	8,390,954	8,098,158
Deferred tax assets	86,080,265	79,224,372
Other non-current assets	28,547,091	19,643,419
Total non-current assets	883,055,093	853,226,490
TOTAL ASSETS	2,713,750,038	2,781,172,268

CONSOLIDATED BALANCE SHEET

As at 31 March 2022

(All amounts in RMB Yuan unless otherwise stated)

Items	31 March 2022 Consolidated	31 December 2021 Consolidated
Current liabilities		
Accounts payables	14,053,119	8,166,235
Contract liabilities	936,119	1,116,833
Employee benefits payable	5,247,081	36,493,188
Taxes payable	14,157,522	29,719,335
Other payables	419,555,016	443,978,184
Non-current liabilities due within one year	8,589,734	8,675,506
Other current liabilities	23,076	46,568
Total Current liabilities	462,561,667	528,195,849
Non-current liabilities		
Lease liabilities	20,860,261	22,588,468
Deferred income	38,989,223	40,797,981
Total Non-current liabilities	59,849,484	63,386,449
Total liabilities	522,411,151	591,582,298
Owners' equity (or shareholders' equity)		
Paid-in capital (or share capital)	104,300,000	104,300,000
Capital surplus	1,262,494,737	1,265,093,686
Less: Treasury stock	40,824,137	40,824,137
Other comprehensive income	-4,512,973	-4,050,820
Surplus reserve	52,150,000	52,150,000
Undistributed profits	821,203,105	816,277,203
Total equity attributable to equity owners of the Company (or shareholders' equity)	2,194,810,732	2,192,945,932
Minority interests	-3,471,845	-3,355,962
Total owners' equity (or shareholders' equity)	2,191,338,887	2,189,589,970
TOTAL LIABILITIES AND OWNERS' EQUITY (OR SHAREHOLDERS' EQUITY)	2,713,750,038	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 three months ended 31 March 2022

(All amounts in RMB Yuan unless otherwise stated)

Items	For the three months ended 31 March 2022	For the three months ended 31 March 2021
Revenue	140,805,956	126,203,456
Total Cost	148,308,492	125,917,866
Cost of sales	10,640,459	7,649,814
Taxes and surcharges	1,779,814	1,275,320
Selling expenses	80,925,943	64,862,655
General and administrative expenses	7,619,332	7,107,853
Research and development expenses	48,439,435	45,724,591
Financial income/(expenses)	-1,096,491	-702,367
Including: Interest expenses	-	183,383
Interest income	-1,621,330	-924,185
Add: Other income	873,484	985,271
Investment income	1,511,996	5,596,877
Including: Share of loss of associates and joint ventures	-2,745,462	-853,415
Credit impairment losses	3,302,767	-3,935,858
Assets impairment losses	65,923	-
Gains on disposals of assets	256,033	169,823
Operating profit	-1,492,333	3,101,703
Add: Non-operating income	217,933	199,292
Less: Non-operating expenses	771,473	1,243,911
Total profit	-2,045,873	2,057,084
Less: Income tax expenses	-6,855,893	-2,908,409
Net profit	4,810,020	4,965,493
Net profit from continuing operations	4,810,020	4,965,493
Net profit from discontinued operations	-	-
Attributable to equity owners of the Company	4,925,903	5,117,336
Minority interests	-115,883	-151,843

CONSOLIDATED INCOME STATEMENTS

For the three months ended 31 March 2022

(All amounts in RMB Yuan unless otherwise stated)

Items	For the three months ended 31 March 2022	For the three months ended 31 March 2021
Other comprehensive income, net of tax	-462,153	1,968,828
Other comprehensive income that will not be reclassified to profit or loss Changes in the fair value of other equity investments	-448,481	1,945,758
Other comprehensive income that will be reclassified to profit or loss Translation differences on translation of foreign currency financial statements	-13,672	23,070
Total comprehensive income	4,347,867	6,934,321
Attributable to equity owners of the Company	4,463,750	7,086,164
Attributable to minority interests	-115,883	-151,843
Earnings per share		
Basic and diluted earnings per share (RMB per share)	0.00	0.00

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 three months ended 31 March 2022

(All amounts in RMB Yuan unless otherwise stated)

Items	For the three months ended 31 March 2022	For the three months ended 31 March 2021
Cash flows from operating activities		
Cash received from sales of goods or rendering of services	189,937,704	210,980,416
Cash received relating to other operating activities	10,966,677	1,259,618
Sub-total of cash inflows	200,904,381	212,240,034
Cash paid for goods and services	112,337,883	139,065,965
Cash paid to and on behalf of employees	80,355,067	54,859,376
Payments of taxes and surcharges	13,036,771	25,072,283
Cash paid relating to other operating activities	12,382,040	17,696,645
Sub-total of cash outflows	218,111,761	236,694,269
Net cash flows from operating activities	-17,207,380	-24,454,235
Cash flows from investing activities		
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	308,598	229,823
Cash received relating to other investing activities	1,054,257,458	1,077,350,292
Sub-total of cash inflows	1,054,566,056	1,077,580,115
Cash paid to acquire fixed assets, intangible assets and other long-term assets	44,314,314	16,324,417
Cash paid relating to other investing activities	1,050,000,000	1,070,900,000
Sub-total of cash outflows	1,094,314,314	1,087,224,417
Net cash flows from investing activities	-39,748,258	-9,644,302
Cash flows from financing activities		
Cash payments relating to other financing activities	2,161,665	1,631,796
Sub-total of cash outflows	2,161,665	1,631,796
Net cash flows from financing activities	-2,161,665	-1,631,796
Effect of foreign exchange rate changes on cash and cash equivalents	-13,672	23,070
Net increase in cash and cash equivalents	-59,130,975	-35,707,263
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	1,149,749,936	1,361,182,929

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

Particulars in relation to adjustments made to the financial statements as at the beginning of the year of the initial adoption new accounting standards since 2022

Not applicable.

The financial information of the Company and its subsidiaries for the three months ended 31 March 2022 is unaudited

The financial information is authorised for issue by the Board on 29 April 2022

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

By order of the Board
Wang Hai Bo
Chairman

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

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

Shanghai, the PRC
29 April 2022

** For identification purpose only*