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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)

THE FIRST QUARTERLY RESULTS ANNOUNCEMENT

FOR THE THREE MONTHS ENDED 31 MARCH 2023

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 2023 (the “**Reporting Period**”), which is prepared in accordance with China Accounting Standards for Business Enterprises (the “**First Quarterly Results**”). 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	189,147,552		34.33
Net profit attributable to shareholders of the listed company	8,787,158		78.39
Net profit deducting non-recurring profit or loss attributable to shareholders of the listed company	2,349,656		252.85
Net cash flows from operating activities	-160,260,214		Not applicable
Basic earnings per share(RMB per share)	0.01		-
Diluted earnings per share (RMB per share)	0.01		-
Weighted average rate of return on net assets (%)	0.39		Increased by 0.17 percentage points
Total R&D investment	54,511,436		9.65
Proportion of R&D investment in operating revenue (%)	28.82		Decreased by 6.49 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	2,850,342,292	2,976,007,272	-4.22
Net assets attributable to shareholders of the listed company	2,266,043,325	2,257,102,217	0.40

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	761,947	/
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)	3,216,857	/
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.	4,902,840	It mainly included the interest income recognised from the structured deposits of the Group.
Non-operating income and expenses other than the above items	-1,308,558	/
Less: Impact on income tax	18,014	/
Impact on minority interests (after tax)	-1,153,598	/
Total	6,437,502	/

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
Revenue	34.33	During the Reporting Period, the external environment gradually stabilized, end-use treatment rebounded so that the sales of the Group's major products gradually recovered.
Net profit attributable to shareholders of the listed company	78.39	It increased in line with the growth in sales which improved during the Reporting Period.
Net profit deducting non-recurring profit or loss attributable to shareholders of the listed company	252.85	
Net cash flows from operating activities	Not applicable	It is mainly due to the payment made during the Reporting Period of the Accounts Payables as at the end of 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	21,986	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	228,826,900	22.24	-	-	Unknown	-
Shanghai Pharmaceuticals Holding Co., Ltd.	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}	Overseas legal person	25,971,000	2.52	-	-	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 Pudong Technology Investment Co., Ltd.	Domestic non-state-owned legal person	6,562,382	0.64	-	-	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}	228,826,900	Overseas listed foreign shares	228,826,900
Shanghai Pharmaceuticals Holding Co., Ltd.	70,564,000	Overseas listed foreign shares	70,564,000
Invesco Hong Kong Limited ^{Note}	25,971,000	Overseas listed foreign shares	25,971,000
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 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
Wu Zhi Ming	1,892,338	RMB ordinary shares	1,892,338
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)	Nil		

As at the end of the Reporting Period, the Company had 21,986 shareholders, including 21,849 A share shareholders and 137 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 25,971,000 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 31 March 2023

(All amounts in RMB Yuan unless otherwise stated)

Items	31 March 2023 Consolidated	31 December 2022 Consolidated
Current assets		
Cash at bank and on hand	888,009,829	1,289,302,664
Financial assets held for trading	190,000,000	-
Notes receivables	130,826,244	172,740,246
Accounts receivables	544,318,024	506,383,690
Advances to suppliers	6,789,218	17,987,140
Other receivables	5,680,035	4,870,442
Inventories	49,821,312	40,526,760
Non-current assets to be recovered within one year	33,630,000	33,320,625
Other current assets	14,796,856	4,057,218
Total current assets	1,863,871,518	2,069,188,785
Non-current assets		
Long-term equity investments	303,147,643	305,767,001
Other equity instruments	305,359	604,241
Fixed assets	201,116,349	206,262,520
Construction in progress	162,236,011	122,371,274
Right-of-use assets	21,142,961	22,876,981
Intangible assets	60,792,608	62,321,642
Development costs	35,214,145	34,825,737
Long-term prepaid expenses	8,255,968	8,261,211
Deferred tax assets	92,524,771	85,903,680
Other non-current assets	101,734,959	57,624,200
Total non-current assets	986,470,774	906,818,487
TOTAL ASSETS	2,850,342,292	2,976,007,272

CONSOLIDATED BALANCE SHEET

As at 31 March 2023

(All amounts in RMB Yuan unless otherwise stated)

Items	31 March 2023 Consolidated	31 December 2022 Consolidated
Current liabilities		
Short-term borrowings	101,000,000	101,000,000
Accounts payables	9,913,417	7,431,420
Contract liabilities	283,573	308,923
Employee benefits payable	2,033,272	27,761,585
Taxes payable	2,141,725	9,611,771
Other payables	419,477,259	518,974,183
Non-current liabilities due within one year	7,786,895	8,216,162
Other current liabilities	36,865	40,160
Total Current liabilities	542,673,006	673,344,204
Non-current liabilities		
Lease liabilities	13,465,667	15,598,764
Deferred income	32,234,191	34,042,949
Total Non-current liabilities	45,699,858	49,641,713
Total liabilities	588,372,864	722,985,917
Owners' equity (or shareholders' equity)		
Paid-in capital (or share capital)	102,900,000	102,900,000
Capital surplus	1,225,507,993	1,225,008,937
Other comprehensive income	-5,546,127	-5,201,021
Surplus reserve	52,150,000	52,150,000
Undistributed profits	891,031,459	882,244,301
Total equity attributable to equity owners of the Company (or shareholders' equity)	2,266,043,325	2,257,102,217
Minority interests	-4,073,897	-4,080,862
Total owners' equity (or shareholders' equity)	2,261,969,428	2,253,021,355
TOTAL LIABILITIES AND OWNERS' EQUITY (OR SHAREHOLDERS' EQUITY)	2,850,342,292	2,976,007,272

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 2023

(All amounts in RMB Yuan unless otherwise stated)

Items	For the three months ended 31 March 2023	For the three months ended 31 March 2022
Revenue	189,147,552	140,805,956
Total Cost	166,153,944	148,308,492
Cost of sales	17,345,982	10,640,459
Taxes and surcharges	1,234,703	1,779,814
Selling expenses	83,441,297	80,925,943
General and administrative expenses	10,061,354	7,619,332
Research and development expenses	54,123,028	48,439,435
Financial income/(expenses)	-52,420	-1,096,491
Including: Interest expenses	924,663	347,686
Interest income	-1,048,325	-1,621,330
Add: Other income	3,216,857	873,484
Investment income	1,784,427	1,511,996
Including: Share of loss of associates and joint ventures	-3,118,413	-2,745,462
Credit impairment losses	-24,228,694	3,302,767
Assets impairment losses	-1,046,555	65,923
Gains on disposals of assets	761,947	256,033
Operating profit	3,481,590	-1,492,333
Add: Non-operating income	205,737	217,933
Less: Non-operating expenses	1,514,296	771,473
Total profit	2,173,031	-2,045,873
Less: Income tax expenses	-6,621,092	-6,855,893
Net profit	8,794,123	4,810,020
Net profit from continuing operations	8,794,123	4,810,020
Net profit from discontinued operations	-	-
Attributable to equity owners of the Company	8,787,158	4,925,903
Minority interests	6,965	-115,883

CONSOLIDATED INCOME STATEMENTS

For the three months ended 31 March 2023

(All amounts in RMB Yuan unless otherwise stated)

Items	For the three months ended 31 March 2023	For the three months ended 31 March 2022
Other comprehensive income, net of tax	-345,106	-462,153
Other comprehensive income that will not be reclassified to profit or loss Changes in the fair value of other equity investments	-298,882	-448,481
Other comprehensive income that will be reclassified to profit or loss Translation differences on translation of foreign currency financial statements	-46,224	-13,672
Total comprehensive income	8,449,017	4,347,867
Attributable to equity owners of the Company	8,442,052	4,463,750
Attributable to minority interests	6,965	-115,883
Earnings per share		
Basic and diluted earnings per share (RMB per share)	0.01	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 2023

(All amounts in RMB Yuan unless otherwise stated)

Items	For the three months ended 31 March 2023	For the three months ended 31 March 2022
Cash flows from operating activities		
Cash received from sales of goods or rendering of services	159,320,010	189,937,704
Cash received relating to other operating activities	3,581,231	10,966,677
Sub-total of cash inflows	162,901,241	200,904,381
Cash paid for goods and services	228,636,546	112,337,883
Cash paid to and on behalf of employees	76,980,417	80,355,067
Payments of taxes and surcharges	7,029,540	13,036,771
Cash paid relating to other operating activities	10,514,952	12,382,040
Sub-total of cash outflows	323,161,455	218,111,761
Net cash flows from operating activities	-160,260,214	-17,207,380
Cash flows from investing activities		
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	607,819	308,598
Cash received relating to other investing activities	1,054,902,840	1,054,257,458
Sub-total of cash inflows	1,055,510,659	1,054,566,056
Cash paid to acquire fixed assets, intangible assets and other long-term assets	51,246,012	44,314,314
Cash paid relating to other investing activities	1,240,000,000	1,050,000,000
Sub-total of cash outflows	1,291,246,012	1,094,314,314
Net cash flows from investing activities	-235,735,353	-39,748,258
Cash flows from financing activities		
Cash payments for distribution of dividends, profits or interest expenses	2,015,717	-
Cash payments relating to other financing activities	3,235,327	2,161,665
Sub-total of cash outflows	5,251,044	2,161,665
Net cash flows from financing activities	-5,251,044	-2,161,665
Effect of foreign exchange rate changes on cash and cash equivalents	-46,224	-13,672
Net increase in cash and cash equivalents	-401,292,835	-59,130,975
Add: Cash and cash equivalents at beginning of the reporting period	1,289,302,664	1,208,880,911
Cash and cash equivalents at end of the reporting period	888,009,829	1,149,749,936

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 2023

Not applicable.

The financial information of the Company and its subsidiaries for the three months ended 31 March 2023 is unaudited

The financial information is authorised for issue by the Board on 25 April 2023

The First Quarterly Results 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
25 April 2023

** For identification purpose only*