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Genscript Biotech Corporation

金斯瑞生物科技股份有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1548)

**INSIDE INFORMATION:
LICENSE AND DEVELOPMENT AGREEMENT WITH
BLISS BIOPHARMACEUTICAL (HANGZHOU) CO. LTD.***

This announcement is made by the board (the “**Board**”) of directors (the “**Directors**”) of Genscript Biotech Corporation (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

THE LICENSE AND DEVELOPMENT AGREEMENT

The Board is pleased to announce that on 17 September 2018 (after trading hours), its indirect wholly-owned subsidiary, Nanjing Jinsirui Biotechnology Co., Ltd.* 南京金斯瑞生物科技股份有限公司 (“**Genscript Nanjing**”) and Bliss Biopharmaceutical (Hangzhou) Co. Ltd.* 百力司康生物醫藥(杭州)有限公司 (“**Bliss Biopharmaceutical**”) entered into a license and development agreement relating to a bispecific antibody product for cancer immunotherapy, pursuant to which Genscript Nanjing agreed to grant the patent rights of the Product (as defined below) to Bliss Biopharmaceutical for exclusive use in the product development, registration and commercialization of Bliss Biopharmaceutical’s products in the PRC (the “**Permitted Patent Rights**”) (the “**Agreement**”), and in return Bliss Biopharmaceutical shall pay Genscript Nanjing certain fees in accordance with the terms and conditions of the Agreement.

The key terms of the Agreement are set out below:

The Product and Permitted Patent Rights

Genscript Nanjing shall grant Bliss Biopharmaceutical the Permitted Patent Rights in relation to the bispecific antibody product (the “**Product**”). The Product is developed based on the Group’s patented innovative SMAB (single-domain antibody fused to monoclonal antibody) bispecific antibody platform.

The Product shows synergistic anti-tumor effect by blocking two immune checkpoint pathways simultaneously. The Product combines the advantages of monoclonal antibody and single domain antibody and shows good developability as monoclonal antibody. Based on the results of the in vitro and in vivo experiments conducted by the Group, the Product shows better efficacy compared to the monotherapy.

Commercialization of Products and Fees

Bliss Biopharmaceutical shall have the exclusive right to register, manufacture, sell and receive sales income from the licensed Product in the PRC, for the purpose of the Agreement only, including the Hong Kong Special Administrative Region and the Macau Special Administrative Region but excluding Taiwan; and whenever Genscript Nanjing plans to transfer or grant the Permitted Patent Rights to any third party for the purpose of registering, manufacturing, selling and receiving sales income from the products in the areas outside China, Bliss Biopharmaceutical shall have the preemptive right or the right to be granted under the same conditions.

According to the Agreement, Genscript Nanjing shall be entitled to an aggregate amount of up to RMB104,400,000, comprising of upfront payments in consideration of, among other matters, the Permitted Patent Rights, and milestone payments (subject to achievement of relevant milestone events) upon the occurrence of various milestone events based on the terms and conditions of the Agreement. In addition, upon the commercialization of the Product by Bliss Biopharmaceutical, Genscript Nanjing shall be entitled to a certain percentage of the net sales income generated from the sale of the Products, subject to the terms and conditions of the Agreement.

REASONS FOR ENTERING INTO THE TRANSACTION

Bliss Biopharmaceutical was jointly founded by a number of biopharmaceutical experts with rich industrial experience, and has considerable knowledge and experience in discovery, development and commercialization of biopharmaceutical products to launch and advance its product pipeline. It is expected that, based on such strategic cooperation pursuant to the Agreement, the Group will enhance its experience and infrastructure in connection with the development and commercialization of the Product. Accordingly, the Board believes that the Agreement and the transactions contemplated thereunder are in the best interests of the Company and its shareholders as a whole.

INFORMATION ON BLISS BIOPHARMACEUTICAL

Bliss Biopharmaceutical is incorporated in the PRC. It is located in the Hangzhou Economic and Technological Development Park in Hangzhou, Zhejiang province, China. Bliss Biopharmaceutical is principally engaged in the research, development and commercialization of tumor targeted therapy and immunotherapy products.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, Bliss Biopharmaceutical and its ultimate beneficial owners are third parties independent of the Company and its connected persons as at the date of this announcement. The transactions contemplated under the Agreement do not constitute any notifiable transactions or connected transactions of the Company under the Listing Rules.

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

By order of the Board
Genscript Biotech Corporation
Zhang Fangliang
Chairman and Chief Executive Officer

Hong Kong, 18 September 2018

As at the date of this announcement, the executive Directors are Dr. Zhang Fangliang, Ms. Wang Ye and Mr. Meng Jiange; the non-executive Directors are Dr. Wang Luquan and Mr. Pan Yuexin; and the independent non-executive Directors are Mr. Guo Hongxin, Mr. Dai Zumian and Ms. Zhang Min.

* *For identification purposes only*